

How to: Create a Value Proposition

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In the second of our new how-to series Lumanity's Catherine Rycroft explores the importance of developing a value proposition, and how it can be used to align stakeholders.

What is a value proposition?

- Although there appears to be no single accepted definition of value proposition in the healthcare context, we consider a value proposition to be a summary of the value aspects of your product, which differentiates the product from competitors, and most commonly encompasses (among others) product characteristics, convenience, clinical efficacy and safety data, impact on patient quality of life and economic value
- A value proposition may also include aspects of the unmet need (e.g. relating to burden of the disease and limitations of current treatments) that the product is anticipated to address
- An aspirational value proposition is a value proposition that is developed early without all data available (e.g. before pivotal trial data) but shows the direction of the product value messaging based on what is known so far

Why do you need a value proposition?

- **To communicate** the value of the product, highlighting what the product brings to the market (i.e. differentiation from competitors) and ultimately underpinning why the product should be reimbursed
- **To ensure** that the strategy of the product is clear across the whole company – i.e. between global teams and across affiliates to ensure that a coherent message is being communicated across markets

When would we recommend starting development of a value proposition?

Start early! Thinking about your aspirational value proposition is one of the first things you can do, even without much data. Even before pivotal data are available, you can create aspirational messages to communicate the anticipated benefits of the product based on product characteristics and pre-clinical and early clinical data, and communicate what is expected from the pivotal trial based on the key endpoints used. As data become available, the value proposition can be further refined.



How is the value proposition used?



To align stakeholders, particularly across different markets, to the value of the product to enable coherent messaging across markets



To form the backbone of internal value communication materials (e.g. global value dossiers) and external materials (e.g. health technology assessment [HTA] dossiers such as for the National Institute for Health and Care Excellence [NICE], Academy of Managed Care Pharmacy [AMCP] dossiers and US payer-facing decks)



To help identify where there are gaps in the evidence to support the value proposition, and what evidence generation activities might be required



Can be tested with payers/clinicians to understand resonance of messaging at an early stage



Can be used within publications and even to underpin marketing materials (e.g. websites) to communicate value of the product



The value proposition will likely form part of a wider value communications strategy. For more information on which value communications tools may be most suited to your needs, please see our infographic '[Choosing the Best Value Communication Strategy for Your Current Challenges](#)'.

How do we develop a value proposition?

- Review all existing materials relevant to the product:
 - Client's target product profile or any early thoughts on the direction of value messaging
 - Outputs of an internal stakeholder value proposition workshop
 - Insights obtained from payer research
 - Clinical trial protocols, clinical study reports and draft publications
 - Pre-clinical data
 - Draft Summary of Product Characteristics (SmPC)/label, investigator brochure and other regulatory information
 - Systematic literature review of clinical efficacy and safety evidence
 - Systematic literature review of economic models, cost and resource use, and utilities
 - Indirect treatment comparison
 - Outputs of interviews/engagement with patients and carers
 - Early cost-effectiveness model
- [Conduct targeted desktop searches or more in-depth targeted literature reviews to understand burden of illness, treatment landscape and current unmet needs](#)
- Brainstorm messaging for unmet needs and product value according to the following categories:
 - Burden of the disease
 - Limitations of current products and therefore current unmet needs in the disease area
 - Product characteristics (e.g. mode of action, administration and dosing methods, drug-drug interactions, contraindications and regulatory label/restrictions)
 - Pre-clinical data
 - Trial design (e.g. size of trial[s], robustness of the design and generalizability of patient population to real-life clinical practice)
 - Clinical efficacy from trial(s) – may be aspirational initially
 - Clinical safety from trial(s) – may be aspirational initially
 - Humanistic value from trial(s) – may be aspirational initially
 - Real-world evidence (RWE) of product
 - Comparative value (e.g. from an indirect treatment comparison, RWE or naïve side-by-side comparisons)
 - Economic value – may be aspirational initially
- Capture messages within these topic areas and provide top-line supporting data with references (even if they are internal references only at this stage)

- [Conduct workshop with internal stakeholders \(e.g. Medical, Market Access, Commercial and multiple local/regional affiliates\) to internally 'test' and sense-check messaging, and gather further feedback and ideas](#)
- Refine messaging to create an aspirational value proposition
- Continue to update the messaging and refine as new data become available
- [Engage with payer/HTA experts when messaging is close to finalization, to 'test' messages to validate the messaging and understand resonance with the end-payer audience](#)

Key considerations for an impactful value proposition:

Aspirational messages may be based on anticipated evidence, but any confirmed value messages must be evidence-based and fully referenced

Evidence may be published information, client data on file, or expert opinion of clinicians, patients and/or carers

Support with robust evidence, but not necessarily all evidence

Consider inputs from internal company stakeholders to internally 'test' messages

When close to finalization (usually once pivotal trial data are available), **test messages** with external payer/HTA experts who can advise on validity and resonance of messaging

Refine and update messages as further data become available (e.g. Phase III trial data, RWE and additional competitor data)

Consider country-specific input to allow tailoring of messages to local requirements

About the author

Have a question for our author? Use the links below to contact them directly on LinkedIn or by email.



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