

# Competitive Pricing Simulation

Pricing and contracting strategy development in preparation for a biosimilar launch

## Situation

A large manufacturer client was preparing to launch a biosimilar into a highly competitive and complex market. The brand team sought to learn how payers would view the product in relation to key competitors, understand decision drivers and thresholds, and identify potential competitive reactions resulting from any actions taken. Precision for Value's Global Product and Pricing Strategy (GPS) team was engaged to help the client gain the necessary insights into customer and competitive decision-making in support of its biosimilar pricing strategy.

## Challenges

- A direct competitor would also be launching a biosimilar with the same indications
- The manufacturer of the originator product was expected to engage in defensive strategies in anticipation of biosimilar competition
- With biosimilars relatively new to the US market, there were uncertainties regarding access, coverage policy, and reimbursement

## Solution

To gain insight into customer and competitive decision-making in support of the sponsor's biosimilar pricing and contracting strategy, Precision recommended and designed a live Competitive Simulation Workshop (CSW), leveraging real-time insights from our in-house experts and pricing models.

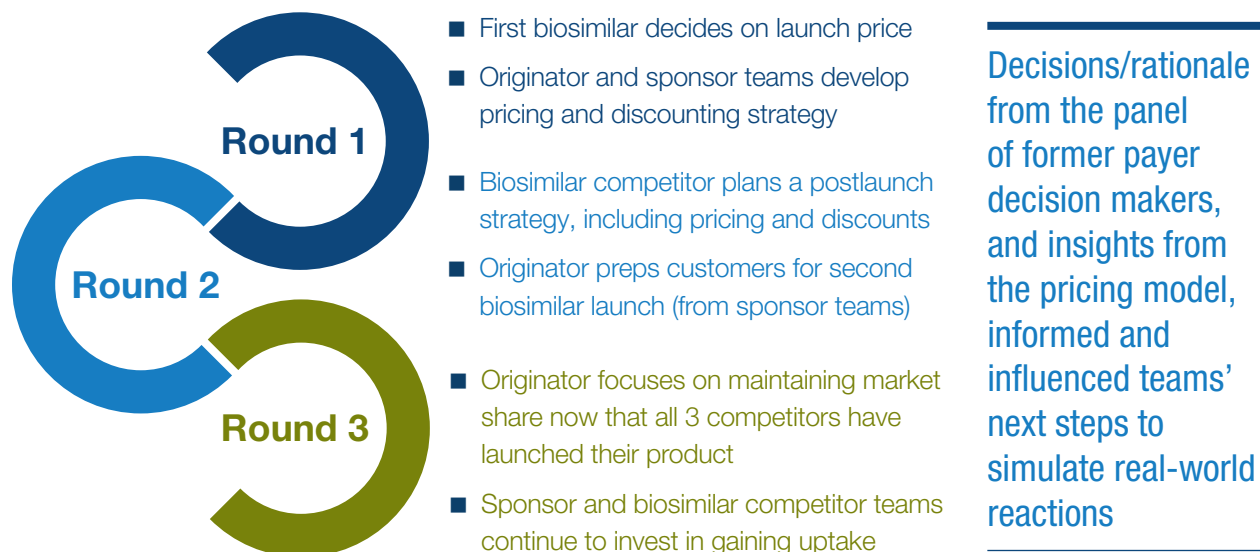
Workshop participants were split into groups representative of our client, the biosimilar and originator competitors, and payers/customers (in the form of a panel). Teams had to balance share and profitability goals, and weigh their decisions against potential competitor responses.

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During competitive “rounds,” workshop teams deliberated on strategy, from pricing decisions to discounting offers for specific customer types, such as physician groups and PBMs. To assess how strategies might play out over time and across different scenarios, each round simulated a different time period, customer focus, and competitive situation.



## Results

In partnership with the client, Precision successfully created an immersion workshop grounded in a competitive environment, leveraging credible customer perspectives and real-time analytics. These CSW elements generated:

- Insights on customer and competitor reimbursement economics and other decision drivers
- Potential competitor responses and subsequent customer reactions
- Key risks and opportunities for access strategy
- Potential competitive and market blind spots
- Specific implications for access and reimbursement strategy

Client feedback and subsequent discussions revealed that these insights changed how competitor actions and incentives were perceived—and were critical to the client’s development of a biosimilar pricing strategy for its product.

For more information about our GPS team, please contact us at [info@precisionforvalue.com](mailto:info@precisionforvalue.com), or visit [precisionforvalue.com](http://precisionforvalue.com).



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