PREDICTIONS AND AREAS TO WATCH

in the global pharma market ahead, 2019-2023

GLOBAL PREDICTIONS

Slower global market growth versus the recent five-year average

Spending on medicines is expected to decline in Japan

AREAS TO WATCH, 2019-2023

Prescription digital therapeutics bring new players and new investments

Growth from new products and pricing shifts will be moderated by loss of exclusivity in the U.S. and by cost-containment measures worldwide.

Success rates will reach a historic high, yielding an average of 54 new launches per year over the next five years.

Research continues to skew towards specialty, or orphan and oncology products, with nearly two thirds of launches being specialty drugs.

The expected impact of losses of exclusivity will peak in 2019

Spending is expected to decline by -3 to 0% through 2023 largely due to exchange rate effects and an uptake in the use of generics.

China market growth is expected to level off

Slower growth is forecast in Europe

Cost-containment measures and less growth from new products in Europe contribute to slower growth of 1-4%, compared to the 4.7% compound annual growth seen over the past five years that was significantly lifted by spending from new products.

Mobile apps are increasingly submitted to the FDA for clearance or approval. These prescription digital therapeutics (DTx) are an emerging treatment modality with indications and disease-specific treatment effectiveness claims in their prescribing labels.

The ongoing uptake of these tools will carry important implications in terms of recruiting data scientists, optimizing decision-making, ethical handling of patient privacy, and the proper use and management of ever more extensive and complex data sets.

The expansion of Next-Generation Biotherapeutics

An acceleration in the use of artificial intelligence and machine learning

Factors driving the shift to biologics and other therapies

Factors driving the shift to biologics and other therapies

Standards and processes will continue to evolve for the use of RWE in clinical trials, post-approval marketing and supportive studies to characterize and understand diseases.

Continued expansion of real-world evidence (RWE) in clinical trials

Focusing on cost-containment (C) will remain critical in the U.S. and globally, as medical innovation continues to augment costs while reimbursement policies struggle to keep pace.

Growing emphasis of emerging biopharma companies

More than one-third of drugs launched in the next five years will be brought to market by emerging biopharma companies.

Expanding use of real-world evidence (RWE) in clinical trials

Growing numbers of cell-based therapies, gene therapies and regenerative medicines (also called Next-Generation Biotherapeutics) are in active clinical research. About 5-8 approvals per year are expected through 2023.

Global spending on medicines reached $1.2 trillion in 2018 and is set to exceed $1.5 trillion by 2023.