CASE: LUNDBECK

LUNDBECK IMPROVES ITS COMPETITIVE POWER

Lundbeck improves its competitive power with up-to-date market analyses. Lundbeck has its own market intelligence system which will provide exactly the analyses needed by the management. Lundbeck saves both time and money.

- I do not want to disclose any figures, but we save a lot of money after getting our own market intelligence system. We have become much more efficient and can provide our management with much more accurate data than before, says Claus Lestrup, Functional Manager of Market Research & Competitive Intelligence at Lundbeck.

Lundbeck has implemented a market intelligence system enabling the huge group to analyse the enormous amounts of international and local market data bought from external suppliers. The system has been developed in cooperation with Platon and has been operational since 2004. Since then, Lundbeck has been reaping cash benefits from its investment on a daily basis.

IMPROVED BASIS FOR DECISION-MAKING

The implementation of the market intelligence system has strengthened the level of information in the business considerably and led to a better basis for decision-making, says Claus Lestrup:

- Today, we are able to prepare volume reports in less than one day. The translation of market data into volume data used to be a slow process in the hands of our external suppliers of market data. The reports could be on their way for up to a month. We had to accept their times of delivery. Now we can extract exactly the reports we want when we need them. It provides us with great flexibility and dynamics.

- The pharmaceutical business is the world's best mapped industry, and it is decisive for a business like ours that we are continuously able to observe our own development and that of our competitors on the market. Therefore, we spend a lot of money on the purchase of market data. Unfortunately we have experienced errors and large delays in the supplies from the external suppliers, so that the data was of no interest when the managers finally received it, says Claus Lestrup.

- We save a considerable amount of money with the system from Platon. And – even more importantly – we save time. Lundbeck has considerably quicker access to data about our competitors, and it is very easy for us to track the development of our market share and that of our competitors.

Claus Lestrup, Functional Manager of Market Research & Competitive Intelligence, Lundbeck

KEY FIGURES ON TIME

Particularly the translation of sales figures into treatment days or 24-hour doses caused problems for the external suppliers. Because of the complexity of the pharmaceutical products, it is necessary to include information about the strength and recommended dose of the individual product in order to get a realistic picture of the market share of the product.

PLATON

Claus Lestrup says,
- It is normal practice within our industry that this calculation is made by the firms specialised in collecting market data. However, it may easily take a week from the publication of the market figures until the delivery of calculations by treatment days. This type of important key figures must not be delayed or flawed, so it was an absolute requirement that our own system was to make the calculation into treatment days automatically. That is possible today, and it saves a lot of time and at the same time, the data quality has been improved considerably.

TRANSPARENT CALCULATION

Lundbeck still buys large amounts of market data, but the business now orders raw data. Any calculation and analysis will be made in-house in the market intelligence system. The system automatically standardises all data, regardless of format. The same product may have different names depending on the country in which it is sold, prices may be in different currencies, and there may be large variations in the information about molecules, packing and dose. Lundbeck can now standardise all this information according to the company's own business rules.

- All purchased market data is transferred automatically to a data mart from which we can look at it according to numerous dimensions and extract exactly the analyses we need. From the external suppliers we could only order analyses on a given number of dimensions, and this did not meet our requirements. We have obtained a very flexible system which delivers more at a lower cost, says Claus Lestrup.

The system also enables us to work with different types of market data. Lundbeck buys market data from more than 20 countries each month, covering both the sale to pharmacies and hospitals. The chance to analyse data across geography and segments offers a large number of advantages, according to Claus Lestrup.

NO LIMITATIONS

The IT department involved Platon in the project. Claus Lestrup is highly satisfied with that today.

- In fact, there was already a system in another department, and we had actually decided to develop this system further. If the IT department had not involved Platon, we would have had a smaller and more locally orientated system. Now we have a future-orientated, flexible solution with many possibilities and we are very happy with that, says Claus Lestrup.

From the start, it was emphasised that the company wanted a user-friendly solution which the ten employees in the department would quickly embrace as their primary tool. Data is extracted in Excel, a format all employees in the department are familiar with.

- If you have some flair for Excel, you will have no problems using the system. Of course, Excel has its limitations, so in the long term we will have to add a data processing system. But Excel has got us going, and that is important for the popularity of the system.

- We have had only favourable reactions from all users of market data at Lundbeck. They commend us for delivering more precise data quicker than before. So I definitely consider the market information system a success, says Claus Lestrup.

FACTS

Lundbeck is an international pharmaceutical company conducting research into, developing, manufacturing, marketing, selling and distributing pharmaceuticals for the treatment of neurological disorders, including depression, schizophrenia, Alzheimer's disease, Parkinson's disease and insomnia. Lundbeck employs 5,500 people in 55 countries, and generated revenue of approximately EURO 1,5 billion in 2008.

Lundbeck's market intelligence system is based on a system developed specifically by Platon for the pharmaceutical industry. The system integrates data from all international suppliers of market data regardless of format, and it enables multi-dimensional analysis of industry-specific key figures.