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The Growing GLP-1 Market Landscape

Key Insights for Pharma Marketers

From skyrocketing prescriptions to unprecedented ad spending, this report explores the GLP-1 landscape for pharma marketers planning for the next big wave in obesity and metabolic disorder treatments.

With celebrities like Oprah and Elon Musk, TikTok influencers, and an influx of ads on social media, glucagon-like peptide-1 (GLP-1) agonists have garnered a wealth of attention over the past few years, and their popularity isn't going away anytime soon.

Prescription drugs used for weight loss, to treat diabetes, or to reduce the risk of heart attack and stroke in adults with cardiovascular disease, however, aren't all that new. The GLP-1 market has been around for nearly 20 years, starting with drugs like Byetta and later, Saxenda.

The launch of drugs like Mounjaro and Ozempic ushered in a new generation of GLP-1s that are revolutionizing how obesity and metabolic disorders are treated, and may eventually offer hope to more than 1 billion people, have a global economic impact, and even change the world. In this report, we explore the key insights and trends you need to know, plus, how to plan for this year and beyond.

*The prevalence of obesity in U.S. adults was **40.3% during August 2021–August 2023,** with no significant differences between men and women.*[1]

Key Findings

01

GLP-1s have transformed the pharmaceutical industry and have experienced exponential growth that continues on an upward trend.
The number of people prescribed the drugs for weight loss are up 700%.[2]

02

Brands are making significant investments in advertising.
In 2023, ad spending for GLP-1s reached $1 billion.[3]

03

HCP prescribing habits are complex and changing.
Prescriptions for those with diabetes are down while those for people with overweight or obesity are up 40%.[4]

04

On the heels of rapid growth, more brands and products are slated to enter the market. Over the next 5 years, 13 new drugs could be brought to market.[5] **New indications will also be approved** as researchers are currently looking at GLP-1s for chronic kidney disease (CKD), cancer, and Alzheimer's disease.

05

HCP searches for GLP-1s on medical reference apps at the point of care have surged, with more than 200,000 queries every month.[6]

Rapid Market Growth of GLP-1s

GLP-1s are reshaping the pharmaceutical industry and driving massive market expansion that shows no signs of slowing down. With more public awareness, the rise of chronic disease, and patients initiating conversations with their providers, it's no surprise that GLP-1 prescriptions continue to increase.

- In 2023, overall pharmaceutical expenditures in the **U.S. reached $722.5 billion, up 13.6% from 2022**, and were primarily driven by weight loss drugs.[7]
- In February 2024, new GLP-1 prescriptions in the **U.S. were up 133% for diabetes and 584% for obesity** compared to two years prior.[8]
- Between 2019-23, the number of people in the U.S. without diabetes but with overweight or obesity who started taking **GLP-1s has increased by 700%.**[9]

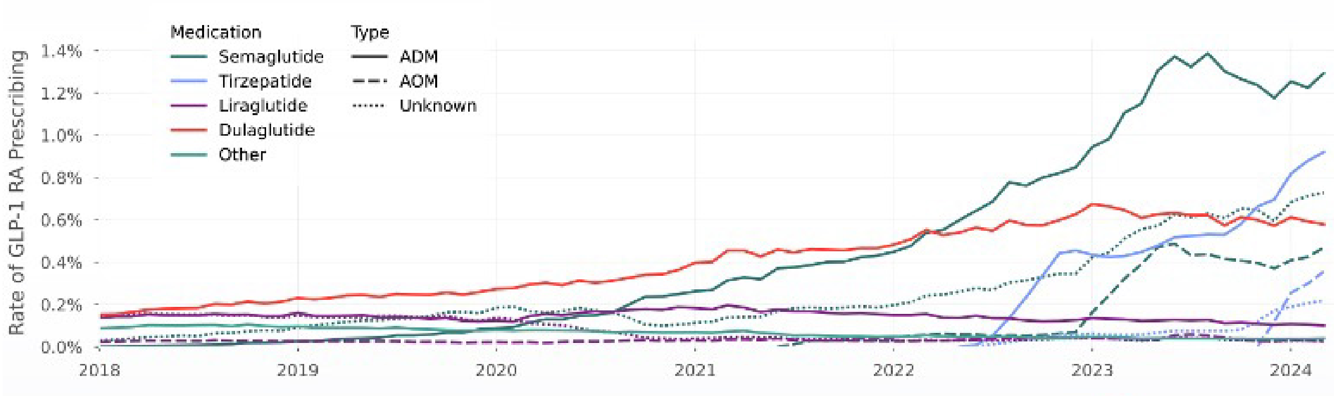
Unlike other therapeutic areas, the demand isn't driven entirely by HCPs, but by patients who are asking for prescriptions.

- One in eight adults in the **U.S. (12%) has used GLP-1s.**[10]
- **62% of adults in the U.S. who take GLP-1s** use them to treat chronic conditions such as diabetes or heart disease, while about 4 in 10 take them primarily for weight loss.[11]
- Younger adults in the U.S., ages 18-29, are more likely than those **65+ to take GLP-1s** for weight loss alone.[12]

Despite the demand for these drugs, one of the most significant challenges for pharmaceutical brands is encouraging prescribers to recognize that obesity is a disease that may, in some cases, benefit from pharmacological treatments, in addition to diet and lifestyle changes.

*By 2029, the GLP-1 market size is forecasted to **exceed $100B.**[13]*

The Rate of GLP-1 RA prescribing over time, by medication and labeled use



Source: Truveta

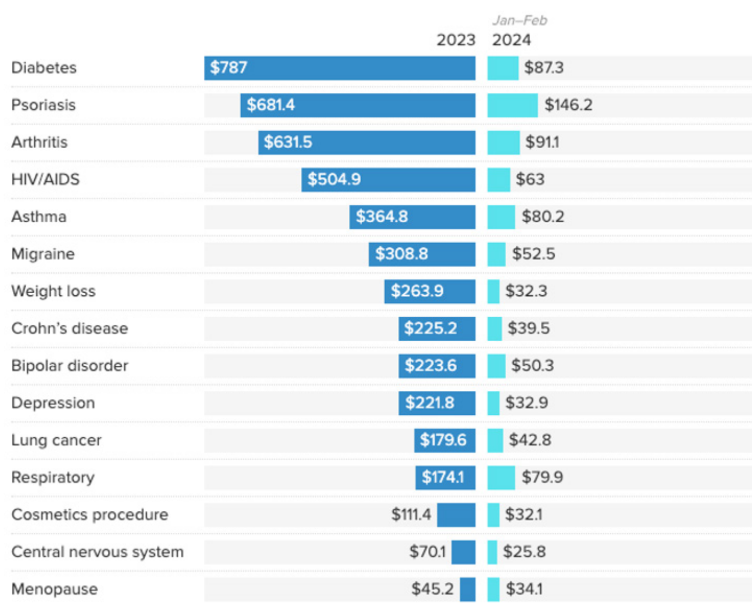
Higher GLP-1 Ad Spending

The increased demand for GLP-1s is, in large part, due to pharmaceutical ad spend. Thirty-two percent of people say they have heard "a lot" about GLP-1s, up from 19% the year before.[14] Ad spending for diabetes and weight loss drugs, including GLP-1s, in 2023 reached $1 billion—up 51% YoY.[15]

In 2024, pharmaceutical companies were expected to spend $19.45 billion on online marketing[16]—representing 88% of the industry's total digital ad spending.

TV and video online advertising were the top two leading channels. Plus, six of the leading brands—ardiance, Wegovy, Mounjaro, Ozempic, Farxiga, and Rybelsus—increased ad spending on TV by 46% over the first two months of 2024.[17]

Spending on prescription drug ads in the U.S., Jan. 1, 2023 to Feb. 29, 2024.



Source: MediaRadar, CNBC

Shifts Seen in Prescribing Habits

Originally indicated for diabetes, the FDA has approved GLP-1s for weight loss, starting with Saxenda (liraglutide) in 2014. GLP-1s are also prescribed for additional indications such as reducing the risk of heart attack and stroke. Although they are not approved for metabolic dysfunction-associated steatotic liver disease (MASLD), they are being prescribed off-label.

Recent research also shows that HCPs are prescribing GLP-1s more often for obesity than for type 2 diabetes.

- Between 2015-18, 70% of new users had type-2 diabetes, yet between 2019-23, **that number dropped to 57%.**[18]
- Between 2011-14, **47% of new users had obesity, which jumped to 66%** between 2019-23. All in all, new prescriptions doubled for those with obesity without type-2 diabetes.[19]

The high demand for GLP-1s has also led to unprecedented shortages, particularly for Ozempic and Mounjaro (GIP/GLP-1 agonist), leading many HCPs to make tough prescribing decisions.

For example, based on availability and the patient's insurance coverage, some prescribe Wegovy (FDA approved only for weight management) for type 2 diabetes, or Ozempic (FDA approved for type 2 diabetes) for weight management.

Over 90% of payers cover GLP-1 drugs for type 2 diabetes, while only 33% cover them for obesity, one survey found.[20] Some payers are also disgruntled about off-label use. For example, Elevance Health has requested $1M in repayments for HCPs who have inappropriately prescribed Ozempic.[21]

75% of HCPs believe GLP-1s are used more than they should be for obesity.[22]

Some pharmacy benefit managers (PBMs) are rejecting prior authorization requests for patients who were prescribed GLP-1s for weight loss but don't have diabetes—making coverage and out-of-pocket costs barriers.

New Entrants and Expanded Uses for GLP-1s

With so much growth and potential opportunities and pharmaceutical companies vying for market share, more brands and products are expected to enter the market and additional indications are on the horizon.

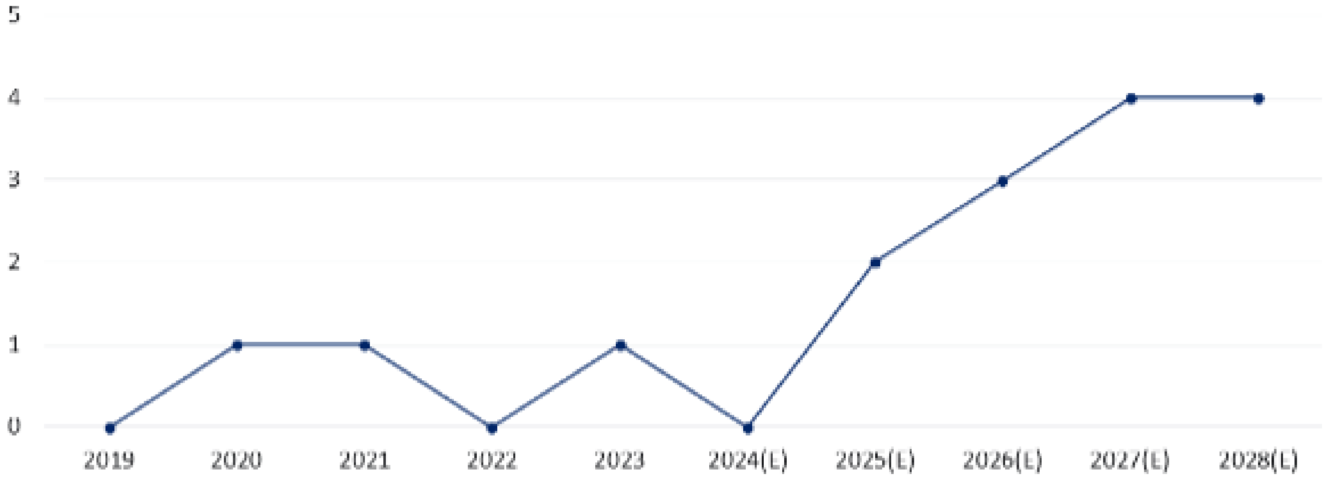
For example, GLP-1s are currently being studied as a treatment for metabolic dysfunction-associated steatohepatitis (MASH), an advanced form of metabolic dysfunction-associated steatotic liver disease (MASLD), chronic kidney disease (CKD), heart failure, Alzheimer's disease, obstructive sleep apnea (OSA), obesity-related cancers, and substance use disorder.

Many pharmaceutical companies are also making significant investments in next-generation GLP-1 agents including mono, dual, and triple agonists. Some companies are focusing their efforts on medications that help preserve lean muscle mass for those taking GLP-1s for weight loss.

As the obesity market continues to grow, it's no surprise that pharma companies are expected to add new treatments, including new combination injectable therapies and oral, small-molecule drugs. Over the next 5 years, 13 new drugs could enter the market.

*By 2031, 41% of people with type-2 diabetes and nearly 25% of people with obesity will be **taking GLP-1s.**[23]*

Historical (2019-23) versus expected (2024-28) US commercial drug launches for obesity



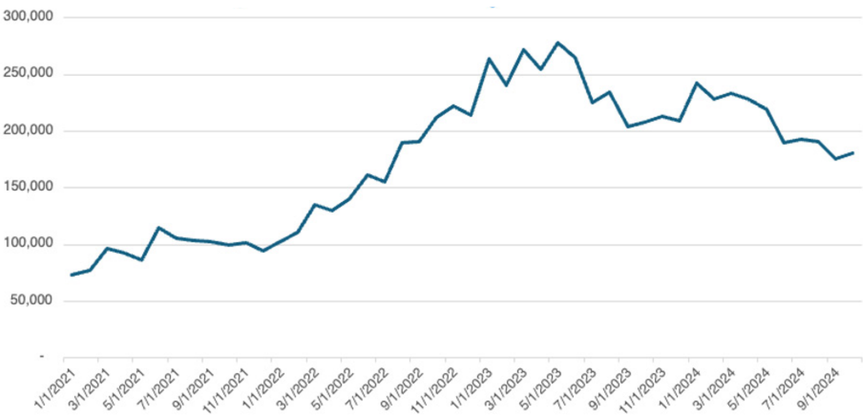
Source: GlobalData

Lagging Indicator: HCP Searches for GLP-1 Prescribing Information

HCPs rely on epocrates, a medical reference platform with more than 1 million users[24], to navigate the ever-expanding landscape of GLP-1s, get the latest prescribing information, and educate their patients. Searches for drugs in the GLP-1 class are a great indicator of intent. Over time, search volume offers insight into HCP behavioral trends.

In 2022, searches on epocrates for all GLP-1 drugs increased steadily and spiked the following year. The sharp increase was likely due to a host of factors, some of which include more awareness, and new guidelines and indications. In 2024, searches somewhat tapered off potentially influenced by factors such as increasing physician knowledge of the drug class and drug shortages that plagued GLP-1s at the time.

Searches for GLP-1s in epocrates, 2021-2024



Source: epocrates analytics

Still, searches remained mostly steady at approximately 200,000 a month. Ozempic was the most searched prescription drug in 2023, and the second in 2024.[24]

The GLP-1 Landscape Will Continue to Evolve

Over the past few years alone, celebrity endorsements, influencers, and investments in ad spend have given rise to increased public awareness and interest and fueled exponential growth of GLP-1s. With more products and indications on the way, brands will increase market share. Yet the landscape will continue to evolve as access, insurance coverage, and healthcare policy can change over time. Proposed Medicare and Medicaid coverage for GLP-1s could have a significant impact on revenue.[25] As pharma marketers look to the year ahead and beyond, there's no doubt they will have to prepare with well-thought-out strategies that will set them apart from the competition and allow them to come out ahead.

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