

IDC MarketScape: Worldwide Life Science Sales and Marketing BPO 2021 Vendor Assessment

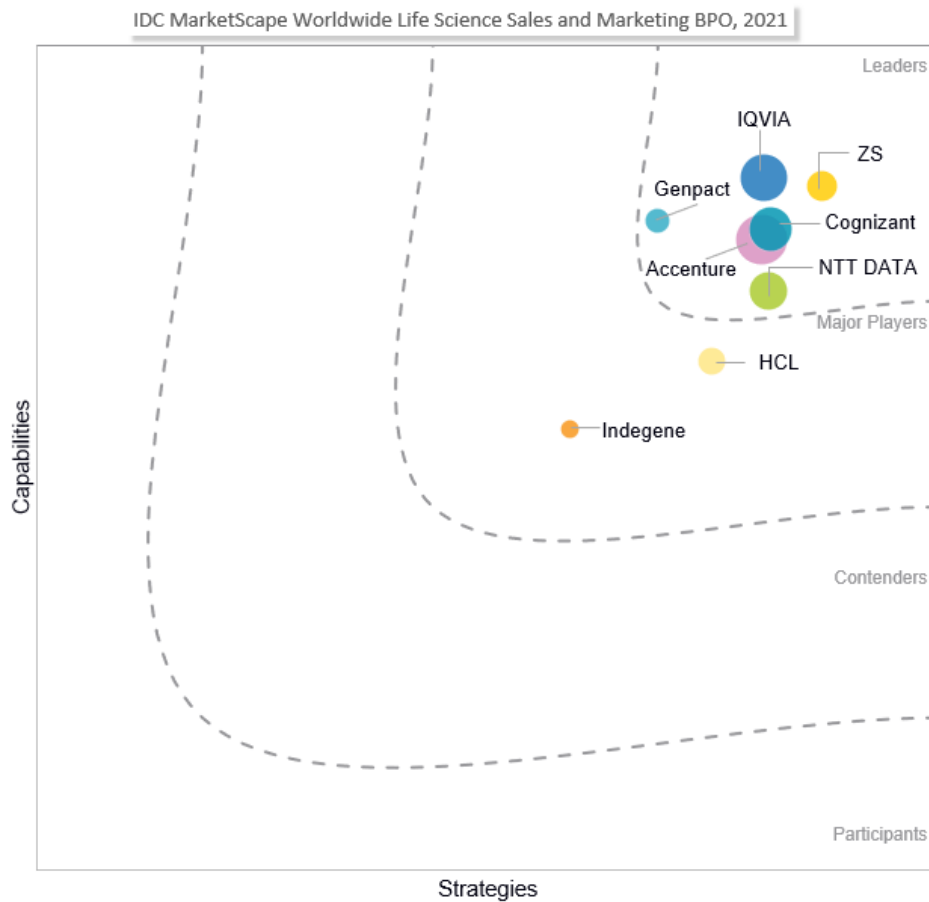
Michael Townsend

THIS IDC MARKETSCAPE EXCERPT FEATURES IQVIA

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Life Science Sales and Marketing BPO Vendor Assessment



Source: IDC, 2021

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IDC OPINION

Digital transformation is occurring at a rapid pace in life science companies, including in the sales and marketing space. Internal and external sources of data are being collected in the cloud, and this information is being leveraged by sales and marketing groups to improve speed, efficiency, and effectiveness in reaching customers, including both healthcare providers (HCPs) and patients. As an industry, life science lags behind its counterparts in other industries such as retail and financial services in digital transformation of business processes. But great strides are being made, especially with the help of technology vendors that have expertise in transforming business processes at life science companies, leveraging digital competencies in areas such as cloud computing, mobility, IoT, advanced analytics, and artificial intelligence (AI).

In 2020 and 2021, the life science industry and the vendors that serve it have had to accelerate the pace of digital transformation to contend with the COVID-19 pandemic and associated changes in work. Healthcare providers have moved even faster toward digital channels to receive critical information on diseases and therapies to address the need for physical distancing and limits on personal calls by field sales professionals. Patients have increasingly engaged in telehealth visits, and many life science company employees have had to adopt to a work-from-home scenario. The life science industry has responded with enthusiasm to these new modes of work while accelerating efforts to develop therapies and vaccines in record time.

Although the industry has already been steadily moving toward outsourcing of business processes for several years, the pandemic and resulting changes in work appear to have accelerated business process outsourcing (BPO), especially on digital platforms. The vendors selected to participate in this study have demonstrated state-of-the-art solutions, which can be implemented and maintained by skilled workers virtually anywhere in the world, augmented by technologies such as cloud computing, AI, analytics, and mobile devices.

To help life science companies better evaluate the vendors in this space, in this IDC MarketScape, we evaluate the capabilities of several prominent providers of BPO services in life science sales and marketing, including those that transform sales and marketing operating models by providing and operating state-of-the-art outsourcing processes. When evaluating these vendors, the key criteria companies should consider (all of which are discussed in this study) include:

- Breadth of experience and offerings in life science sales and marketing BPO efforts and the number of customers the vendor has served
- Geographic footprint and global delivery capabilities, level of priority, and focus by the vendor on the life science sales and marketing sector, including the pace of sector investment by the vendor
- Life science industry expertise, corporate financial stability, and the size and experience of global life science delivery teams
- Thorough vetting of customer references to evaluate vendor capabilities in project management, IT technical skills, account management, and overall value delivery to clients

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

IDC frequently has unique visibility into vendor selection processes within life science companies through clients and contacts in the industry. For a vendor to be considered for inclusion in this study, the vendor's BPO services must have been significantly evaluated for purchase within recent contracts with which IDC is familiar. Further research and due diligence were then conducted to narrow the list of vendors to only those that fulfilled the following qualifying criteria:

- Significant marketplace presence in life science sales and marketing BPO services, including such work at large (>\$1 billion annual revenue) biopharmaceutical firms for at least the past five years
- Delivery of technology solutions to the life science industry, including cloud strategy, mobile solutions, social data, and analytics/AI
- Global life science customer base and delivery network
- A documented vertical life science industry practice
- Demonstrated success in one or more BPO categories in life science sales and marketing, including but not limited to:
 - Sales force automation (SFA)
 - Customer relationship management (CRM)
 - Analytics
 - Business intelligence
 - eDetailing
 - Predictive modeling
 - eLearning and training
 - Customer (HCP/HCO) master data management (MDM)
 - Incentive and compensation management
 - Social media analytics
 - Call center operations/staffing
 - Aggregate spend compliance
 - Closed-loop marketing (CLM)
 - Multichannel marketing optimization
 - Regulatory compliance
 - Forecasting
 - Customer segmentation and targeting

ADVICE FOR TECHNOLOGY BUYERS

Outsourcing of business processes, particularly repetitive processes that are not considered core to the mission of delivering value to patients and other stakeholders, makes sense for life science companies with limited IT and development capabilities. These limited internal resources can be deployed strategically to areas requiring scientific or commercial innovation, which may add more value. Multiple outsourcing vendors with substantial IT and life science expertise have developed business models that can reduce costs for pharmaceutical, biotech, and medical device manufacturers by hosting these processes while delivering superior service compared with internal models.

Life science companies are increasingly looking for vendors that can combine deep industry expertise with global delivery capabilities. Successful vendors in this space must demonstrate:

- Deep, proven industry-specific expertise, with a strong book of references
- Proven understanding of industry regulations and compliance standards
- Willingness to provide dedicated resources onsite on an ongoing basis across sequential digital projects to maintain acquired best practices

Buyers should:

- Determine whether vendor teams are organized vertically (life science). This will ensure that vendor leadership is aligned with industry-specific needs and that future development will be aligned with life science industry needs.
- Consider each vendor's breadth of service offerings, especially in the sales and marketing space; pricing flexibility; and willingness to share risk for project outcomes.
- Be sure that functional and technical requirements are signed off by all stakeholders within your organization by involving them early in the specification process.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

IQVIA

IQVIA is positioned in the Leaders category in this IDC MarketScape for worldwide life science sales and marketing business process outsourcing in 2021.

For the life science industry, IQVIA offers BPO solutions and hosted services for sales force automation, CRM, data management, marketing analytics, business intelligence, MDM, predictive modeling, incentive compensation management, social media analytics, key opinion leaders (KOLs), call center, contract sales services, patient journey, patient engagement and support, territory alignment, drug sample management, tender management, and others.

IQVIA was established in 2016 with the merger of IMS Health (founded in 1954) and Quintiles, a contract research and services organization founded in 1982. IDC estimates that IQVIA derives about 70% of its revenue from the life science industry, with about 30% of this revenue coming from the sales and marketing areas. In 2017, IQVIA acquired HighPoint Solutions, a service provider and systems integrator specializing in life science sales and marketing engagements. Further:

- **Life science employees:** Approximately 25,000 IQVIA employees, including 1,100+ at HighPoint
- **Total life science customers (current, 2021):** 275+
- **Life science sales and marketing BPO demonstrated categories:** >50
- **Global support:** 125 offices, all major regions
- **Industry focus:** Highly concentrated in life science sales and marketing

Strengths

IQVIA has broad offerings in life science business process outsourcing and has a major presence in life science sales and marketing through OneKey provider reference solutions, prescription data solutions, Orchestrated Customer Engagement (OCE), a CRM and multichannel engagement platform for the life science industry, and several other life science data and consulting practices, in addition to HighPoint. IQVIA recently introduced its Human Data Science Cloud, which offers cloud-based harmonization and globalization of internal and external life science sales and marketing data. IQVIA is well positioned to leverage its data and analytics capabilities with a growing suite of software platforms and services.

Challenges

Although IQVIA has a major presence in data and software for the industry, it should consider growing its consulting and service provider/integrator workforce. IQVIA may leverage its data and software platform strength into higher growth in life science integration project business.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

For the purposes of this study, BPO in life science sales and marketing includes all staffed or hosted services including but not limited to:

- Sales force automation (SFA)
- Customer relationship management (CRM)
- Analytics
- Business intelligence
- eDetailing
- Predictive modeling
- eLearning and training
- Customer (HCP/HCO) master data management (MDM)
- Incentive and compensation management
- Social media analytics
- Call center operations/staffing
- Aggregate spend compliance
- Closed-loop marketing (CLM)
- Multichannel marketing optimization
- Regulatory compliance
- Forecasting
- Customer segmentation and targeting

Strategies and Capabilities Criteria

Tables 1 and 2 provide key strategy and capability measures for the success of life science sales and marketing BPO vendors.

TABLE 1

Key Strategy Measures for Success: Worldwide Life Science Sales and Marketing BPO

Strategies Criteria	Definition	Weight (%)
Delivery	<ul style="list-style-type: none"> ▪ Plans are in place for offering delivery models that will match customers' shifting preferences for adoption/consumption in the next five years while appropriately supporting customers and their changing needs. ▪ The sales/distribution strategy is aligned with the way customers want to buy the offering over the next several years. 	15.0
Financial/funding	<ul style="list-style-type: none"> ▪ The vendor will be willing to demonstrate value through flexible pricing arrangements including profit sharing with customers. The vendor will have mechanisms in place to ensure on-budget project performance. ▪ The strategy of the company for generating, attracting, and managing capital maximizes its potential for creating market value. 	10.0

TABLE 1**Key Strategy Measures for Success: Worldwide Life Science Sales and Marketing BPO**

Strategies Criteria	Definition	Weight (%)
Functionality or offering strategy	<ul style="list-style-type: none"> ▪ Future plans for offering functionality are well aligned with future customer needs and with priority customer segments. ▪ The vendor is expected to attribute a significant priority level to its focus on the life science sales and marketing segment over the next three to five years. 	24.0
Growth	<ul style="list-style-type: none"> ▪ The company is expected to have a well-established base of customers over the next three to five years. ▪ There is a robust game plan/strategy for all relevant facets of marketing (e.g., brand development, promotion, and demand generation) that matches industry-specific needs in terms of where revenue is predicted to flow over the next five years. ▪ The vendor's management has a strong formula for growth of the company and has proven this aligns well with the market trends anticipated over the next five years through historical value creation for clients. 	22.0
R&D pace/ productivity	<ul style="list-style-type: none"> ▪ The company's innovation model maximizes the potential for future growth. ▪ The company's innovation model maximizes the potential of the company to generate market value. 	14.0
Customer satisfaction	<ul style="list-style-type: none"> ▪ The vendor has implemented customer processes that provide a path for continuous improvement in satisfaction over the next three to five years. 	8.0
Innovation	<ul style="list-style-type: none"> ▪ The vendor is knowledgeable about innovative offerings and suggests systems/features that the customer is unfamiliar or inexperienced using. 	7.0
Total		100.0

Source: IDC, 2021

TABLE 2**Key Capability Measures for Success: Worldwide Life Science Sales and Marketing BPO**

Capabilities Criteria	Definition	Weight (%)
Customer satisfaction	The vendor's marketing message reflects the company's product offerings, and excellent account management has been demonstrated.	11.0
Customer service delivery	The company is able to retain customers through its technical expertise and project management capabilities.	12.0

TABLE 2**Key Capability Measures for Success: Worldwide Life Science Sales and Marketing BPO**

Capabilities Criteria	Definition	Weight (%)
Functionality or offering	The vendor has experience in a broad range of BPO projects.	12.0
Portfolio benefits	The company offers delivery models that match customers' shifting requirements within digital transformation while demonstrating a strong portfolio of finished projects.	10.0
Pricing model	The vendor has demonstrated superior value through flexible pricing arrangements, including profit sharing with customers, and by meeting on-budget performance.	5.0
Range of services	The vendor has a global presence, including regional delivery centers, and has demonstrated the ability to serve even the largest customers.	10.0
Employee model	The strategy of the company for attracting, motivating, and retaining talent maximizes its opportunity for creating market value.	15.0
Industry focus	The company has a strong focus on life science and has completed BPO projects in several functional areas within life science companies.	10.0
Customer base	The company has a strong base of life science customers, including pharmaceutical, biotech, and medical devices.	15.0
Total		100.0

Source: IDC, 2021

LEARN MORE**Related Research**

- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2021: Life Sciences* (IDC #US47235121, August 2021)
- *The Future of Intelligence for Life Sciences: Transcending Boundaries* (IDC #US47730821, June 2021)
- *U.S. Life Science Top 10 Market Trends for 2021* (IDC #US46583321, February 2021)
- *IDC MarketScape: Worldwide Life Science Sales and Marketing Digital Transformation Services 2020 Vendor Assessment* (IDC #US42724918, December 2020)
- *IDC FutureScape: Worldwide Health Industry 2021 Predictions* (IDC #US45834920, October 2020)

Synopsis

This IDC study provides an assessment of eight vendors offering business process outsourcing solutions for sales and marketing processes in the life science industry. Digital transformation is occurring at a rapid pace in life science companies, including in the sales and marketing space.

Internal and external sources of data are being collected in the cloud, and this information is being leveraged by sales and marketing groups to improve speed, efficiency, and effectiveness in reaching customers, including both healthcare providers and patients. Tools such as AI, advanced analytics, and orchestration of multiple tasks and roles utilizing data from multiple sources are accelerating change in 2021 and beyond and helping expand the scope of business processes suitable for outsourcing to qualified vendors.

Mike Townsend, research director for Life Science Commercial Strategies at IDC Health Insights, says, "Life science companies are embracing digital transformation efforts within sales and marketing, which can connect stakeholders such as sales representatives, marketing and medical affairs executives, doctors, patients, and payers using a wide variety of digital technologies, including AI, cloud computing, mobile technology, and social media and analytics, and leveraging a host of internal and external data sources. Highly experienced vendors are offering increasingly sophisticated BPO models for processes leveraging these technologies. Life science companies will continue to see improved outcomes, growth, and productivity as they free their organizations to focus on core innovation and business cases, using these offerings to improve outcomes for doctors and patients alike."

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com

Copyright and Trademark Notice

This IDC research document was published as part of an IDC continuous intelligence service, providing written research, analyst interactions, telebriefings, and conferences. Visit www.idc.com to learn more about IDC subscription and consulting services. To view a list of IDC offices worldwide, visit www.idc.com/offices. Please contact the IDC Hotline at 800.343.4952, ext. 7988 (or +1.508.988.7988) or sales@idc.com for information on applying the price of this document toward the purchase of an IDC service or for information on additional copies or web rights. IDC and IDC MarketScape are trademarks of International Data Group, Inc.

Copyright 2021 IDC. Reproduction is forbidden unless authorized. All rights reserved.

