



IDC MarketScape

IDC MarketScape: Worldwide Life Science CRM Software 2015 Vendor Assessment

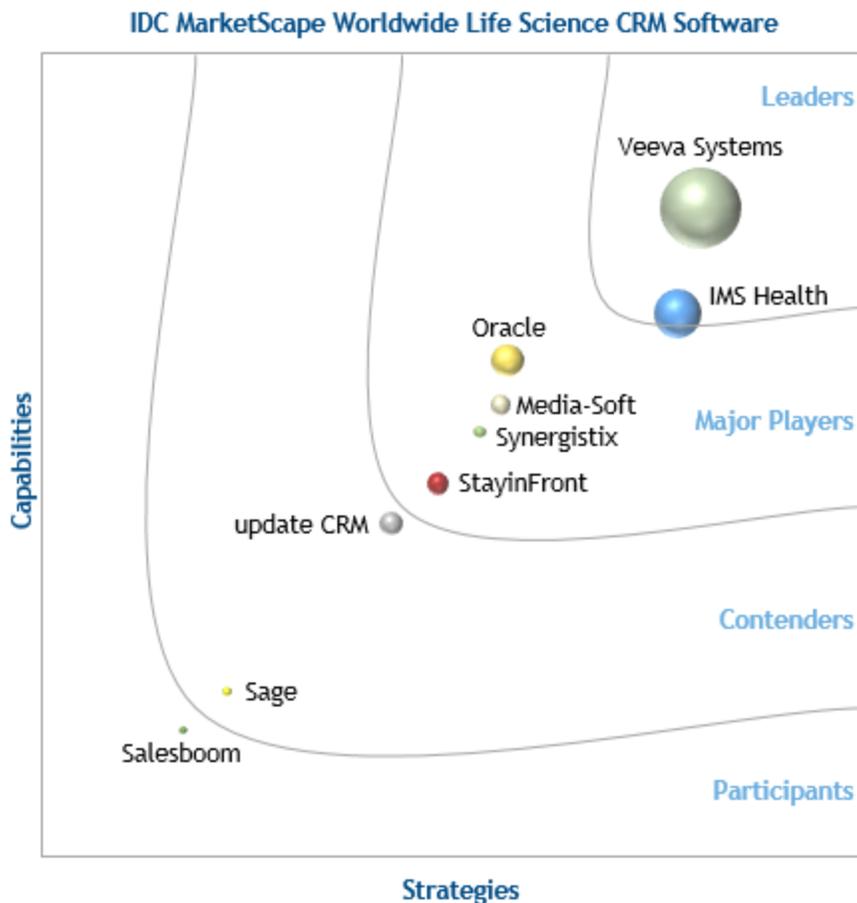
Eric Newmark

THIS IDC MARKETSCAPE EXCERPT FEATURES: VEEVA SYSTEMS

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Life Science CRM Software Vendor Assessment



Source: IDC Health Insights, 2015

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

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Life Science CRM Software 2015 Vendor Assessment (Doc #HI255821). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

The life science customer relationship management (CRM) software market has experienced continued growth over the past few years due to both the emergence and maturation of cloud technology and the broad development of new regulations affecting traditional go-to-market sales and marketing operations. Cloud-based software is now preferred by most sales and marketing organizations, which led to wide-scale upgrading and replacement of older CRM implementations over the past few years. Most CRM systems today are designed specifically to help better automate, simplify, and advance sales rep capabilities, possess greatly enhanced mobile features, and are designed to work on a variety of tablet PCs. However, among the many vendor solutions available today, there can be a significant difference in ease of use, user interface design, and system flexibility. Likewise, the ability to appropriately service customers and support their business needs through technical support and diligent account management can also vary significantly between CRM vendors. With these points in mind, it is not surprising that the qualities defining market share winners of the next few years are not necessarily the ones that brought success to today's leaders. This study is designed to provide life science companies with guidance on which CRM vendors serving the industry are best suited for consideration when evaluating a CRM upgrade or replacement. This IDC MarketScape, in addition to diligently vetting customer references to verify vendor claims, considered other key criteria:

- Vertically oriented product design, level of life science-specific market knowledge, number of customers, and total base of active CRM users
- Deployment compatibility with PDAs/smartphones and various types of tablet PCs (iPads, Windows tablets, etc.)
- Breadth of functionality and functional flexibility (modularity)

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This IDC MarketScape provides a comprehensive evaluation of the leading CRM applications for the life science industry.

IDC MarketScape reports are designed to identify factors conducive to success in a particular market, both long term and short term, and then assess vendors participating in the market against those factors. The evaluation is based on a comprehensive framework that includes both qualitative and quantitative metrics, as well as end-user feedback, and then provides vendors with market positioning relative to or compared with other market participants. This particular study provides a comprehensive vendor assessment of the life science CRM software market.

IDC frequently has unique visibility into vendor selection processes within life science companies through clients and contacts in the industry. To be considered for inclusion in this study, CRM software vendors must have been significantly evaluated for purchase within a recent deal with which IDC is familiar. Further research and due diligence were then conducted to narrow the list of vendors to only those that had won deals and that IDC viewed as legitimate contenders for future deals within the life science industry. Ultimately, nine vendors were selected for evaluation in this study:

- IMS Health (acquired Cegedim Relationship Management in April 2015)
- Media-Soft
- Oracle
- Sage
- Salesboom
- StayinFront
- Synergistix
- update CRM
- Veeva Systems

ESSENTIAL BUYER GUIDANCE

Platform Consideration

Though we live in an iPad-dominated market today, a growing number of life science companies are interested in exploring the potential adoption of Windows-based tablets.

Few would disagree that laptops are not the best device for sharing information. Tablets do a much better job at displaying data and making interactions more intuitive and intelligent. But many companies also feel that most tablets today still function as companion devices rather than replacements for the traditional laptop (with the one exception to this being teams in the field that may not require much back-office work). For the non-field worker who still needs to spend extensive time typing and working with documents, spreadsheets, and other digital assets, laptops are still very much needed.

Supporting two devices for employees' long term is viewed as unsustainable by most IT organizations. For this reason, some believe Windows-based tablets may be an appropriate long-term solution to this problem since it would allow companies to converge all non-field employees onto a single-tablet PC. In addition, Windows-based tablets seamlessly integrate with the Microsoft Office suite – a somewhat obvious yet extremely important fact since the majority of applications owned by life science companies today are largely Windows based. Hence running Windows-based tablets would simplify the integration and significantly reduce the development time and effort involved in porting enterprise applications over to be used on employee mobile devices.

The vast majority of life science companies today are still running their field sales applications on iPads, but because of this early-stage emerging line of thinking, companies should spend some time considering the potential of this longer-term trend within their own organization. If it seems like a potential direction of movement for your organization in the future, you may want to consider using CRM software from a vendor that has already committed to supporting Windows so you're not stuck

waiting for your CRM vendor to catch up, if and when your organization decides to roll out support for Windows devices.

The good news, however, is that several key vendors in this space, such as Veeva, IMS Health, Media-Soft, and Synergistix, have already recognized this trend. Each of these vendors supports Windows devices and has already broadened its horizons to become more platform independent and provide its customers more freedom to choose their own platform.

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.

Veeva Systems

Veeva Systems, which became a publicly traded company in October 2013, has served the life science industry for the past eight years, with its global headquarters in Pleasanton, California. Veeva's CRM software remains the fastest-growing offering in this space and currently has approximately 191 customers, with more than 225,000 users live on its platform.

Strengths

Veeva is the official partner solution of salesforce.com for life science CRM, and as such, Veeva exclusively provides its solution through a multitenant SaaS delivery model built on the salesforce.com platform. Veeva's CRM software is deployable on a PC, PDA/smartphone, and tablet PC, including all major platforms including both iPad and Windows devices.

Challenges

Veeva's CRM software was rated extremely well in this IDC MarketScape, with Veeva positioned in the Leaders category. Veeva's CRM ease of use, user interface, and breadth of functionality are among the best in the industry, and the company's sole focus on the life science industry boosts its unique understanding of market wants and needs. This was echoed by the firm's customers, which gave Veeva's life science market expertise extremely high marks. One area for improvement mentioned by customer references is Veeva's ability to scale customer support capabilities to appropriately support global accounts. Veeva is working to meet this call with an expanded geographical footprint and broader use of partners around the globe. Overall, Veeva continues to grow its customer base at an accelerated pace and has a strong base of customer references.

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 a review board 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

CRM enterprise applications automate the customer-facing business processes within an organization, specifically within the processes of sales, marketing, customer service, and contact center. Collectively, these applications serve to manage the entire life cycle of a customer, including the conversion of a prospect to a customer, and help an organization build and maintain successful relationships. In the life sciences, major functionalities typically further include account/contact management, lead tracking, list management, mobile sales, opportunity management, sales analysis and planning tools, sales configuration tools, sales history, team selling, marketing and sales scripting, and territory management. Additional common functionalities also include sample management, affiliations management, edetailing, and electronic signature capture.

LEARN MORE

Related Research

- *Vendor Assessment: 2014 Top 10 Life Science Software Vendors* (IDC Health Insights #HI254753, March 2015)
- *IDC MarketScape: Worldwide Life Science CRM Software 2013 Vendor Assessment* (IDC Health Insights #HI242172, July 2013)

Synopsis

This IDC Health Insights report provides an assessment of the life science CRM software market, identifies how the major vendors in this space compare with each other, and discusses which criteria are most important for life science companies to consider when making a buying decision.

The life science customer relationship management (CRM) software market has experienced continued growth over the past few years due to both the emergence and maturation of cloud technology and the broad development of new regulations affecting traditional go-to-market sales and marketing operations. Cloud-based software is now the preferred software deployment platform for most sales and marketing organizations. This has led to wide-scale upgrading and replacement of older CRM implementations. This study is designed to provide life science companies with guidance on which CRM vendors serving the industry are best suited for consideration when evaluating a CRM upgrade or replacement.

Eric Newmark, program director, IDC Health Insights' Life Science Business Systems, noted, "Most CRM systems today are designed specifically to help better automate, simplify, and advance sales rep capabilities, possess greatly enhanced mobile features, and are designed to work on a variety of tablet PCs. However, among the many vendor solutions available today, there can be a significant difference in ease of use, user interface design, and system flexibility. Likewise, the ability to appropriately service customers and support their business needs through technical support and diligent account management can also vary significantly between vendors. The qualities defining market share winners of yesterday were significantly different than those that will define today and tomorrow's leading vendors."

About IDC

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