Veeva

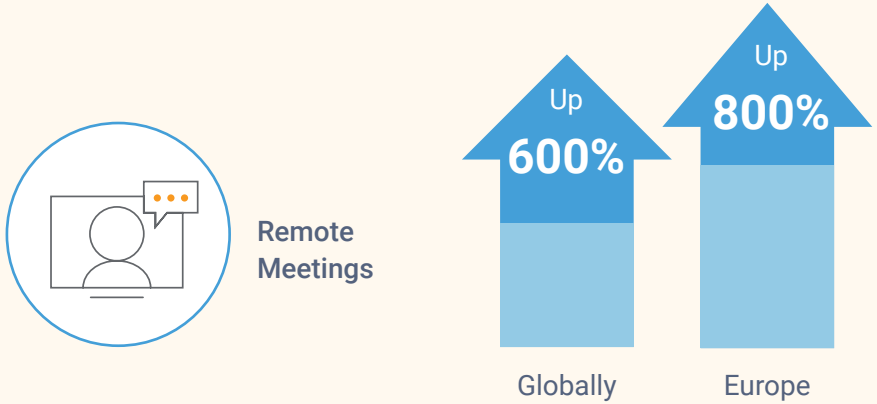
Four Foundations of a Data-driven Company

INTRODUCTION:

Digital Transformation is Underway

During 2020, virtual communications between sales reps and HCPs jumped significantly. Globally, the number of Veeva CRM Engage Meetings increased sixfold from January to December, while Europe saw an 8x increase.[1] Approximately 115,000 remote meetings were conducted in the month of November in Europe.

Accelerated Shift to Digital



January-December 2020

This trend shows that despite the COVID-19 pandemic, life sciences companies have technology solutions available to execute their mission-critical work of enabling HCPs with the equipment and medications they need. Digital transformation is accelerating as a result of the restrictions put in to combat the pandemic.

To support this digital transformation and the changing method of engagement with HCPs, having up-to-date customer data is more important than ever, especially as virtual engagement becomes the norm.

1. Source: 2021 Veeva Pulse Report

The Cost of Bad Data

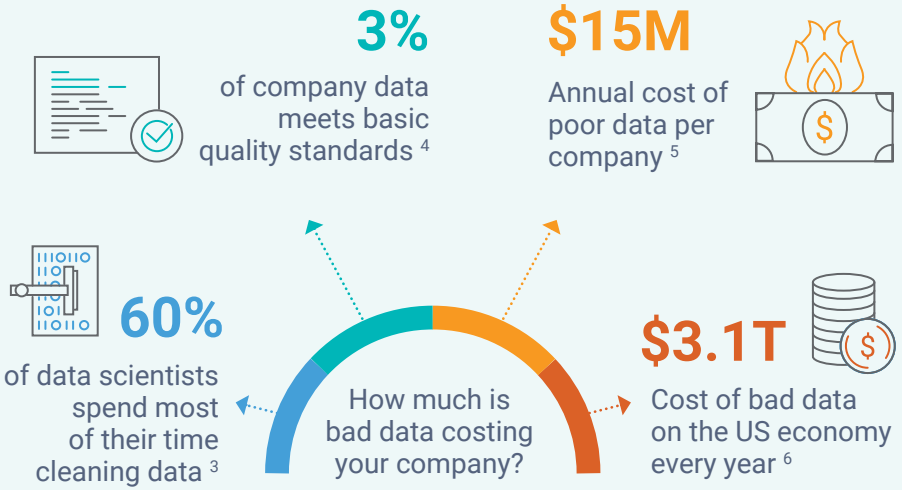
Reps must be equipped with accurate data in real-time to get a comprehensive view of an HCP and the engagement overall. The catch to data is that, unfortunately, HCP data is always changing. It is extremely difficult to keep track of HCPs associations and locations, especially with the chaos surrounding the current crisis. If this data isn't maintained accurately and in a timely fashion, it can significantly impact the costs of business and show up in the bottom line.

Unfortunately, an average of 20% of a company's self-maintained data is often found to be inaccurate. Currently, only a tiny minority (7%) of respondents are extremely satisfied with their organization's customer reference data's ability to develop accurate analytics reports, showing that there is much room for improvement in this area[2]. Companies that can't rely on the accuracy of their data could be losing significant amounts that could otherwise be avoided. On average, the annual cost of having poor data is $15M, and cumulatively up to $3.1T on the US economy annually.

A data-driven culture is essential to innovate, but the industry still faces challenges in achieving it. Rather than simply surviving, the life sciences industry needs to respond proactively. Companies that don't currently have a data-driven culture should invest in building one. And to do that, they need to have the right foundations.

> "Data is at the heart of what digital transformation is all about. The industry needs reliable, high-quality data that's accessible quickly"
>
> Eric Newmark, Program Vice President of SaaS, Enterprise, Applications, Industry Cloud, and Digital Business Models at IDC.

Poor Data Quality is Pervasive and Costly



2. Source: Veeva 2020 European Customer Reference Data Survey
3. Source: CrowdFlower
4. Source: Harvard Business Review
5. Source: Gartner
6. Source: IBM

FOUNDATION 1:

Data Needs to Be Owned by Data Experts

To have a successful digital transformation, life sciences companies must have leaders who understand the value and urgency of moving to a data-driven business model. They also need to empower data owners and experts who understand how to generate actionable insights from data and focus on building data-driven cultures.

Expertise is a key component to staffing a data team. The ability to simply input data and output reports is not sufficient to gain value. People who understand the data can validate it and utilize it to drive strategic decisions for the business. A good example is deciding if new markets should be pursued or if there are other trends that need to be addressed.

In addition to data scientists who can crunch and interpret numbers, other types of expertise should also be included. Compliance experts, ethics experts, and IT systems experts have important roles to play on a data committee.

Finally, it is crucial to give ownership of the data to the committee and appoint a leader. Along with ownership comes accountability for the data's quality, accuracy, and value. The committee leader should be empowered to request and allocate resources to manage the team's vision and execution. With all of these components in place, the data committee will be more likely to achieve a data foundation and create a data-driven culture.

Business Users Should Own Business Data

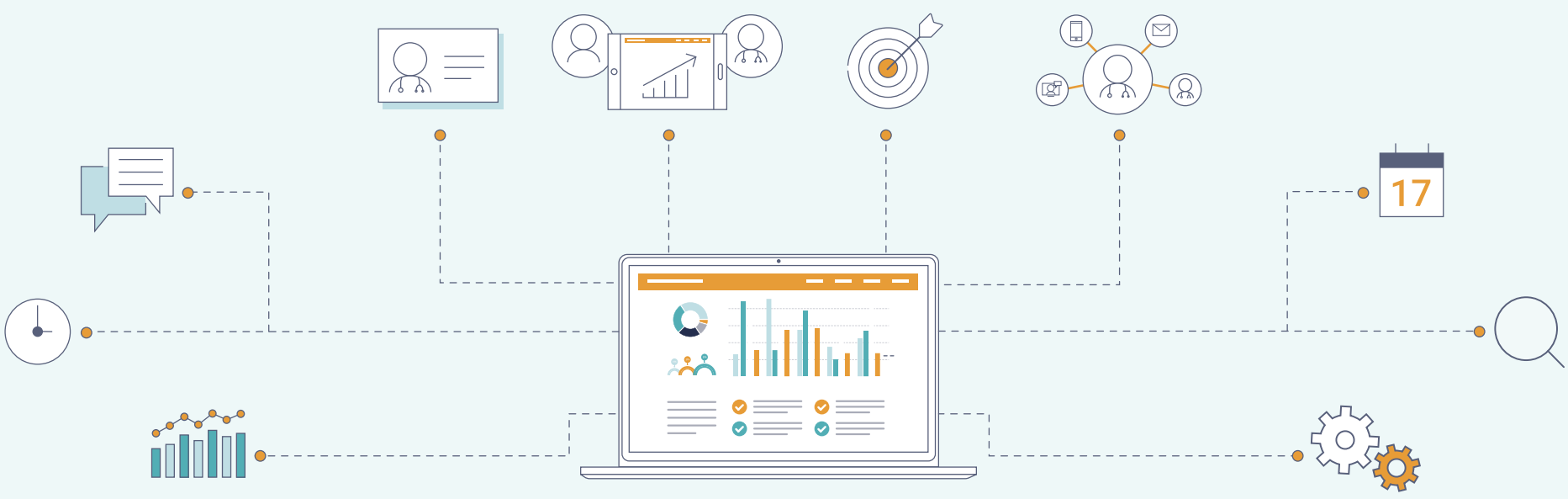
Businesses need to work with IT to establish a data culture. One of the top 20 pharma companies recognized that business was more equipped to understand the data and the impact of decisions made from that data. IT's historical approach was to put the pipes in place; they were not trained to consider the impact of that data on the organization. Because of this, business leaders were able to justify moving data management ownership out of IT into a separate business team that was less concerned about the pipes and more concerned about the business impact.

FOUNDATION 2:

Require Data-driven Decision Making

For companies that haven't had a data-driven culture in the past, it may be challenging to propose that existing staff experience is no longer sufficient for strategic decision-making. This may require executive support and buy-in from the leadership throughout the organization. Some training may also be required to help leadership and staff understand how to prepare for meetings and what will be needed to sway decisions.

Keep the message simple: "gut feel" is no longer enough to make a case without relevant data to back up that feeling. Put a process in place that reinforces the use of data for decision-making. And keep track of how data that led to a decision turned out - because sometimes even data can be misleading. It's important to learn how to recognize blind spots and request supporting information.



FOUNDATION 3:

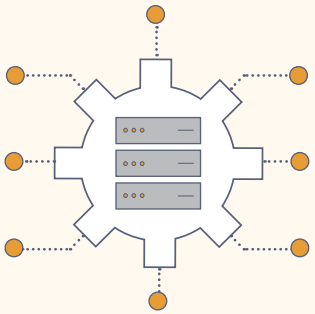
Build a Data Infrastructure

Whether a company plans to build its own data infrastructure or outsource it to a strategic partner, it must be built properly to handle current needs and flexible enough to adjust to changing needs in the future.

Another aspect to consider is data aggregation. There are many channels and types of data, and some take more time to be updated than others. The vast majority of survey respondents (76%)[7] indicate their organizations have difficulty aggregating their data effectively. Some lab results, electronic medical records, or geo-localization can lag up to 3 months before they are fully available and uploaded. To get value from the data, companies should do their best to speed up the aggregation and delivery of data into relevant systems.

Of course, data is not useful if those who need it can't access it. Integrating customer data with all solutions will empower your reps to use them effectively. You should also be able to use the data from any vendor, with any system, and any use case.

Finally, consider a data partner if building this infrastructure does not feel worth the effort. The advantage of a partnership is that benefits can be achieved quickly and possibly at a lower cost than building it from scratch. When working with a partner, look for a universal third-party agreement (TPA) that puts no restrictions on how you should and can use the data. Combined with an effective integration strategy, it allows you to access everything whenever and wherever it's needed.



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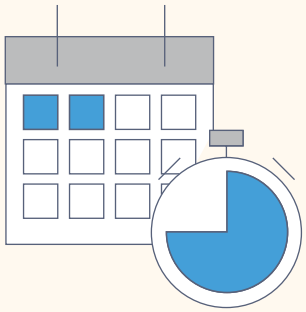

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Veeva 2020 European Customer Reference Data Survey

7. Source: Veeva 2020 European Customer Reference Data Survey

FOUNDATION 4:

Make it Easy For the Sales Team

Sales teams get frustrated by wasted calls to incorrectly classified or non-existent HCPs, and slow data change requests. An efficient data governance strategy that quickly addresses change requests and verifies data updates enhances sales productivity and satisfaction. Ensuring high-quality data will increase the percentage of same-day closed calls and improve insights from the field.

Integrations are a critical aspect of getting the data in front of the sales team. Other subsequent configurations may also impact the ability to get access to actionable data. For instance, restricting some data to territories or the speed of DCR responses can significantly impact efficiency. If your solutions are not integrated and updated at different times, it leads to confusion and wasted effort because of the discrepancy. Beyond the ability to provide solutions at a high level, the company needs to consider their specific configuration requirements to empower, not restrict, their sales teams' efforts.

USE CASE

Alexion

"We had a lot of challenges to overcome. The first was a lack of quality HCP and HCO data. It made our field force less efficient and generated a lot of frustration that had a significant impact.

Second, verification was taking forever, sometimes more than one week, to process a data change request from our sales reps. Of course, this didn't help generate confidence in the data and didn't show our field force that we had good quality data and good governance.

Third, lack of global search. The way our systems were designed and configured didn't allow our field force to search physicians outside of their country. At Alexion, we organized many cross-border meetings, so our sales reps could find the right HCPs in the database, even if they were not in their territory.

Finally, all the systems consuming HCP and HCO data were not in sync, so we had to deal with inconsistent data across systems, resulting in an increased risk of a compliance issue."

Luigi Fassari, Associate Director of IT, International Sales Operations at Alexion Pharmaceuticals

A Data Management Partner You Can Trust

Customer reference data is not a commodity; it is a global strategic asset and the foundation for an innovative digital transformation and adoption of artificial intelligence (AI) technologies. Putting in technology systems to build or maintain that data is no trivial task.

Rather than build expertise and a database for themselves, many companies turn to third-party vendors who provide such solutions. They provide guarantees for quality and timely responses to DCRs and even support technologies around integrations and TPAs that give free access to data for whatever uses their clients need. They build expertise on behalf of life sciences companies, so life sciences companies don't have to.

Think about the capabilities the company wants to have, such as the ability to innovate quickly or adopt AI solutions in the future. Then, work backward to determine what technologies are out there to help achieve that.

> "By switching to Veeva OpenData and Veeva Network, we've seen a big improvement in the quality of the HCP and HCO data. Our reps and field users' satisfaction has improved. We have reduced the DCR turnaround time by 52%. We used to wait one week to get the DCR approved, and now with Veeva, most of them are processed within one day, so it was pretty impressive. There is much more trust, transparency, and less manual effort."
>
> Luigi Fassari, Alexion

CASE STUDY

Veeva OpenData Business Value Summary

Global Pharma	**Top 20**
# Reps Globally	**8K**
# Calls per month/rep	**100**

		Annual Savings EU	Annual Savings Global
Fewer Bad calls	10% improvement in data quality	**$3M**	**$8M**
Reduction in DCRs	75% reduction in FTE time to manage DCRs	**$1M**	**$1.5M**
Incremental calls	1% increase in productivity on search & download	**$12M**	**$17M**
		$16M	**$26.5M**

To find out more about Veeva OpenData and how it can empower your sales team to be more effective, please visit **www.veeva.com/eu/opendata**