

Veeva 2018 Customer Reference Data Survey

The *Veeva 2018 Customer Reference Data Survey* explores the current state of customer reference data utilized by the life sciences industry. It represents the experiences and opinions of 125 operations, sales, marketing, regulatory, and IT professionals in North America. The goal of the research is to understand the priorities, drivers, barriers, and progress towards accurate quality customer data and its role in advancing the business.

Executive Summary

The life sciences industry faces many challenges, particularly when it comes to understanding customers and gaining greater insight into their behavior. Even defining the customer can be difficult as the “customer” has evolved from individual prescribers to a broad set of stakeholders and decision makers in a healthcare system or an integrated delivery network (IDN). The need for accurate, quality data is critical to support business goals and sales initiatives.

The survey uncovers a shift in how life sciences organizations value customer reference data – moving from a commodity-based view to recognizing it as an asset to help drive business objectives.

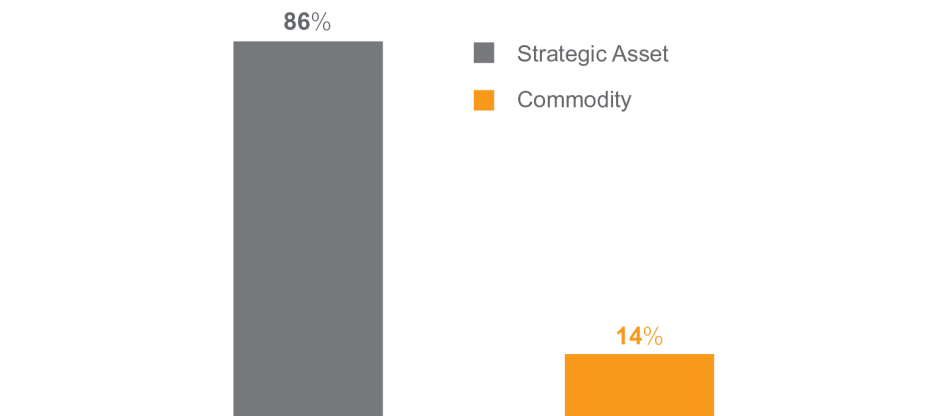
- Most respondents (86%) see customer reference data as a strategic asset
- Two-thirds of respondents (66%) say a complete and real-time view of the customer is a top priority for their customer reference data
- They also say customer reference data is a key priority for managing sales execution (55%). In addition, a majority also see affiliations and hierarchy data as a way to:
 - Support managed markets activities (94%)
 - Implement key account selling models (64%)
 - Implement specialty sales models (64%)
 - Calculate incentive compensation (54%)
- Few (15%) are satisfied with their affiliations and hierarchy data
- A majority (71%) have a customer reference data initiative underway or will implement one within the next six months

Customer Reference Data as a Strategic Asset

Most respondents (86%) identify customer reference data as integral to their sales operations. However, only 22% are satisfied with the quality of their customer reference data and 87% have improvement initiatives underway.

Customer Reference Data as a Strategic Business Enabler

Base: Total Respondents, N=125



In your opinion how does your commercial organization view its customer reference data? Select one response. (Q.6)

Activities related to sales execution are the highest motivators for quality improvement among respondents. Seventy nine percent (79%) of respondents identify at least three priorities for using their customer reference data while 97% have at least one. Complete and real-time views of the customer (66%) and (55%) managing sales execution are the top areas for focus. Other areas of importance include enabling multichannel engagement (51%) and maintaining compliance (50%).

Customer Reference Data Priorities

Base: Total Respondents, N=125



What are your organization's customer reference data priorities? Select all that apply. (Q.5)

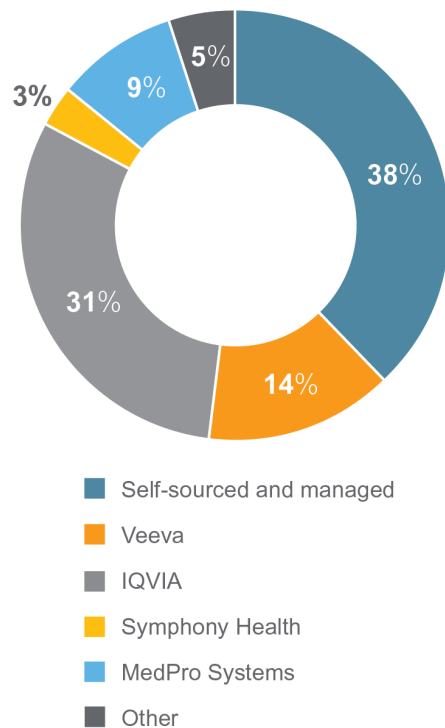
Opportunity for Better Data Management

As the volume and complexity of data continues to increase, companies must evaluate current data solutions and identify better methods for managing their data. Organizations recognize customer reference data as a strategic business asset, but industry satisfaction is still low.

A majority of respondents (66%) report some level of dissatisfaction with the quality of the data from their primary customer reference data provider.

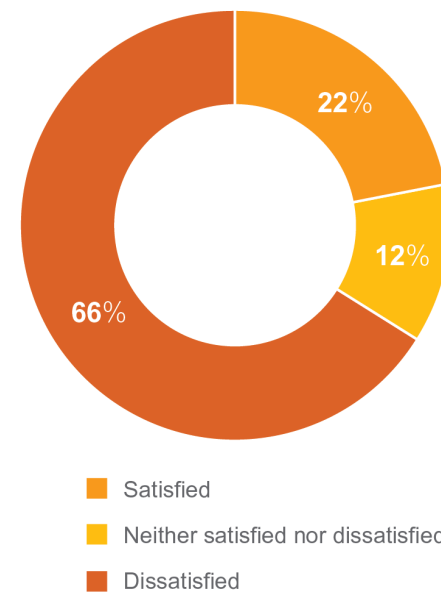
Primary Provider of US Customer Reference Data

Base: Total Respondents, N=125



Satisfaction with Data Quality from Primary Customer Reference Data Provider

Base: Total Respondents, N=125



Who is your organization's primary provider of customer reference data in the United States? Select one response. (Q.4)

How satisfied are you with the quality of data from your organization's primary customer reference data provider (cited in question 4)? Select one response. (Q.7)

Respondents were asked to rate their satisfaction with customer reference data in helping areas of focus for the business. The average satisfaction level is 59%, indicating the need to improve the role of customer data in supporting the organization's goals.

Satisfaction with Customer Reference Data to Support Organizational Goals

Base: Total Respondents, N=125

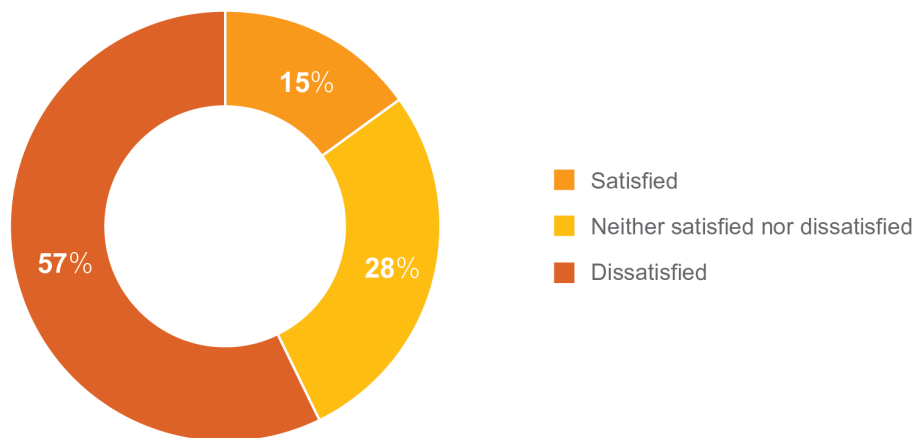


How satisfied are you with your customer reference data in supporting your organization's ability to do the following?
Select one response for each area. (Q.8)

Lack of satisfaction with affiliations and hierarchy data is high; just over half of all respondents (57%) report dissatisfaction with the ability of their affiliations and hierarchy data (e.g., HCP-to-HCO and HCO-to-HCO relationships) to support daily sales operations. Poor data hinders sales representatives from calling on group practices as well as securing contracts with large healthcare systems. Key account management with good affiliations and hierarchy data is now crucial to access.

Satisfaction with Affiliations and Hierarchy Data

Base: Total Respondents, N=125

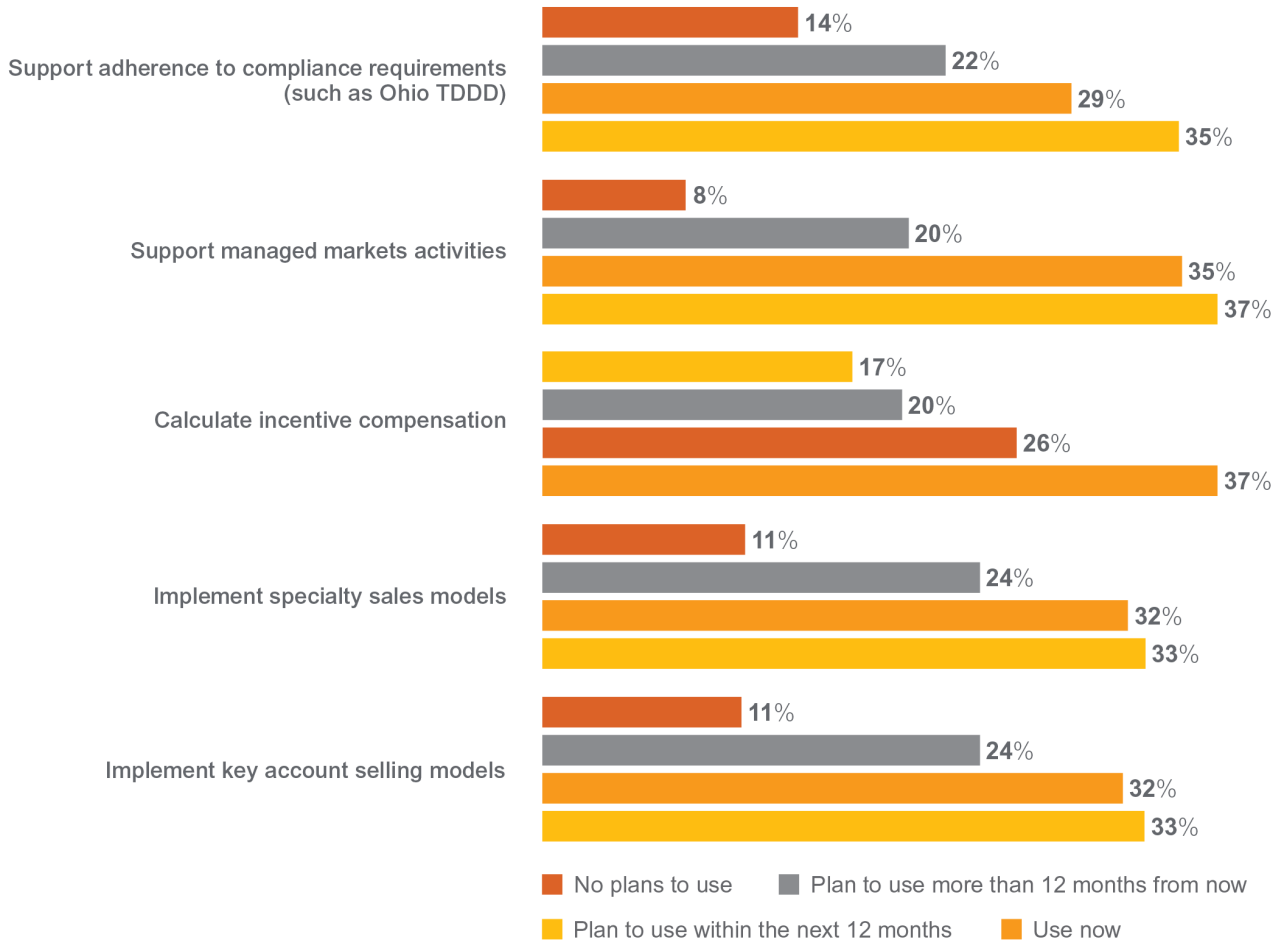


How satisfied are you with the quality of your affiliations and hierarchy data (e.g., HCP-to-HCO and HCO-to-HCO relationships)?
Select one response. (Q.9)

Many respondents say they rely on affiliations and hierarchy data to achieve sales. This data gives sales reps a full view of a healthcare delivery network, so they can map out a holistic engagement strategy, or focus on a particular hospital for a more granular view. The vast majority (89%) use or plan to use affiliations and hierarchy data to implement key account selling and specialty sales models.

Use of Affiliations & Hierarchy Data

Base: Total Respondents, N=125

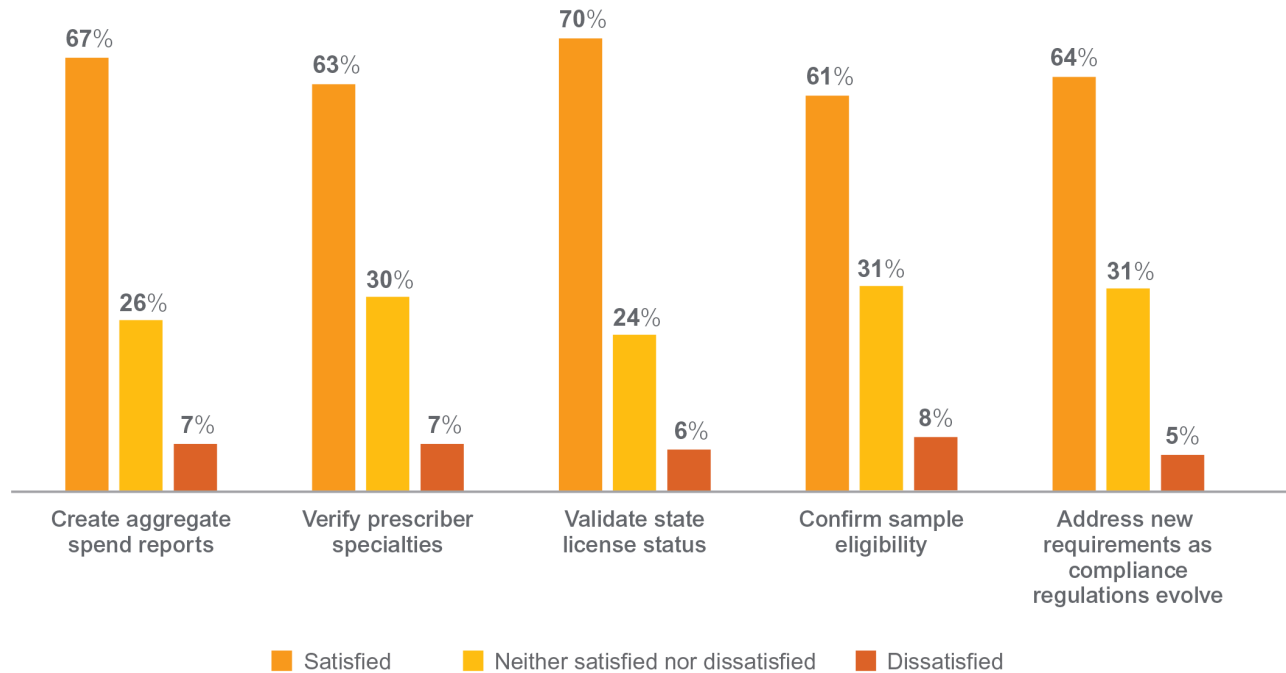


Does your organization use or plan to use affiliations and hierarchy data for any of the following purposes? Select one response for each area. (Q.10)

Organizations rely heavily on compliance data verified through their customer reference data provider. Incorrect customer data leads to compliance risks. Respondents express varying levels of satisfaction with their compliance data.

Satisfaction with Compliance Data to Support Organizations

Base: Total Respondents, N=125



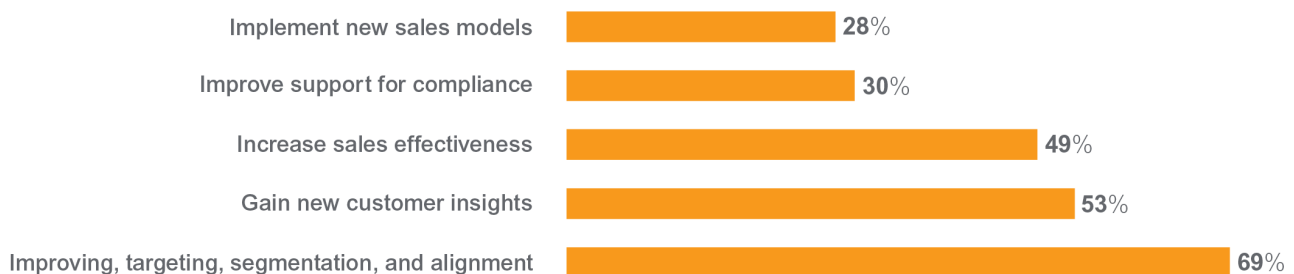
How satisfied are you with your compliance data in supporting your organization's ability to do the following? Select one response for each area. (Q.16)

Major Drivers for Data Quality Improvement

Data quality goes beyond correct addresses and customer information to include more complex networks of data sources. While the industry faces a number of issues with the quality of its current customer reference data, the primary drivers for quality improvement are limitations of the primary data provider and challenges with referencing multiple data sources.

Customer Reference Data Improvement Initiatives: Major Drivers

Base: Total Respondents, N= 125

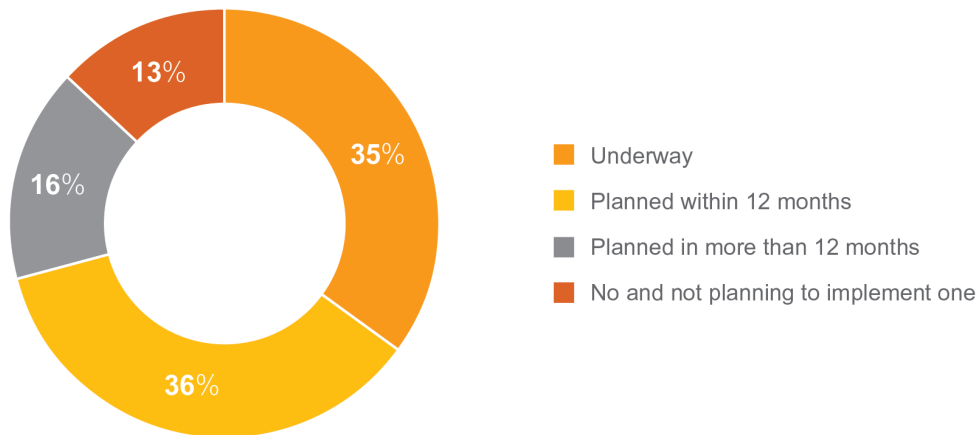


What are the major drivers for your organization's quality improvement initiative? Select all that apply. (Q.13)

More than a third of those surveyed have planned or launched initiatives to improve customer reference data quality, reach new markets, and make better business decisions. Key drivers for change include the need to improve targeting, segmentation and alignment (69%), as well as customer insight (53%). They also cite reasons such as increased sales effectiveness (49%), new sales models (28%) and better compliance support (30%).

Initiatives Underway to Improve Quality of Customer Reference Data

Base: Total Respondents, N=125

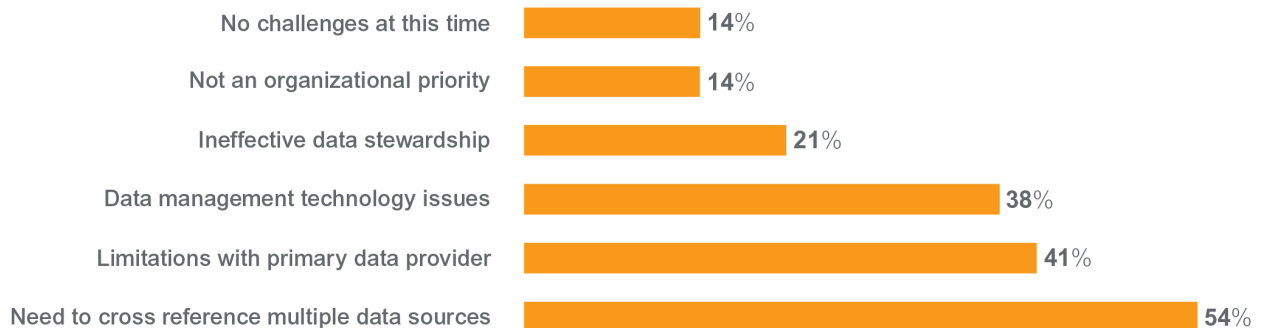


Does your organization have an initiative underway to improve the quality of its customer reference data? Select one response(Q.12)

Although 71% of respondents have planned or launched a quality initiative, more than half (56%) note two or more barriers to improvement. The two biggest roadblocks for improving customer reference data are the need to cross-reference multiple sources of data (54%), followed by limitations of their primary data provider (41%). Technology issues (38%), ineffective data stewardship (21%), and a lack of prioritization (14%) are also mentioned.

Customer Reference Data Quality: Barriers to Improvement

Base: Total Respondents, N= 125



What challenges does your organization face in improving its customer reference data quality? Select all that apply. (Q.11)

Conclusion

The *Veeva 2018 Customer Reference Data Survey* confirms that the industry sees tremendous opportunity to leverage their customer information as a strategic asset to drive organizational objectives. As the industry moves towards using data to inform the business, this research underscores the importance of:

- **A Complete View of the Customer:** Survey respondents demonstrate the need for accurate data that provides a complete and real-time view of the customer. Delivery of correct and complete customer data to a CRM system enables sales teams to drive meaningful interactions with healthcare professionals and improve the effectiveness and efficiency of pharmaceutical sales teams.
- **Customer Reference Data Quality:** Most companies are now working towards customer reference data quality improvement goals, and most of them see this as essential to future business performance. Sales reps often have incorrect addresses and affiliation data, and outdated data about a physician's specialty and license status. Sourcing reliable customer data across geographies allows life sciences organizations to maximize coverage. With accurate data, customer-facing groups across the organization can align on customer targets and track interactions.
- **Improving Sales Force Effectiveness:** Organizations are particularly focused on the quality of their affiliations and hierarchy data (e.g., HCP-to-HCO and HCO-to-HCO) to deploy key account management and specialty sales models. A rep's ability to understand the customer's locations is critical to improving engagement and ongoing business success.

Survey Methods

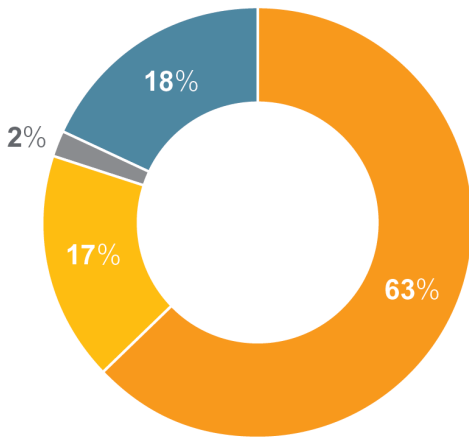
This survey consisted of 16 questions, many of which consisted of sub-questions with response matrices. Survey questions were designed for individuals with knowledge of customer reference data and with partial or full responsibility for data within their organization. This survey was commissioned by Veeva Systems and conducted by Fierce Markets. Completion of the survey was voluntary, and the first 20 respondents received a \$5 Starbucks gift card. All respondents were offered a summary of the survey results. No other compensation was offered or provided.

Survey Respondents

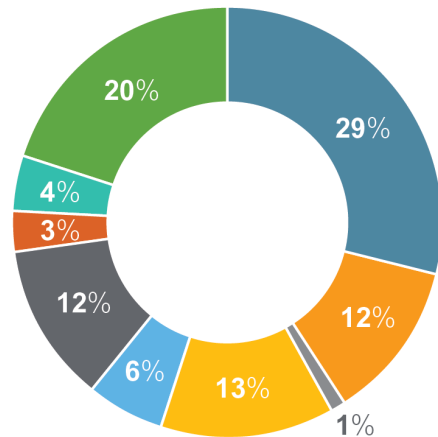
Of the approximately 252,000 individuals invited to take the survey, a total of 1,876 surveys were initiated, some of which were terminated based on a qualification question gauging the level of responsibility for data within in their organization. 1,751 unverified responses were eliminated, yielding 125 qualified responses.

Survey Respondent Demographics

Base: Respondents, N=125



- Pharmaceutical
- Biotech
- Animal health
- Medical device



- Commercial operations
- Sales operations
- Marketing
- Data management
- BI / analytics / data warehousing
- Compliance
- IT
- Other

Contact

For more information about this study, please contact us at CustomerReferenceDataSurvey@veeva.com.