

WHITE PAPER



Your life sciences organization needs a dose of healthy data

This is an era of unprecedented opportunity for pharmaceutical and medical device manufacturers. It's also an era of unprecedented challenges. How can life sciences organizations take advantage of the remarkable possibilities?

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It's pretty simple: Base business decisions on the most complete, current and comprehensive provider data available. That information—details on provider affiliations and practice patterns, plus non-clinical information that tells you more about the people and places that influence your product sales—can inform multiple critical work streams, including sales, marketing and compliance. But you have to be able to access the information to identify and reach the right providers, at the right time, with the right message to maintain a competitive edge. Managing information as an asset can propel monetization of corporate and market intelligence for more efficient business operations and effective revenue enhancement. It's more difficult than ever, with an overwhelming volume of data available from an overwhelming variety of sources, but it can be done.

So much data, so little information

Because information governance is a strategy and a discipline, the policies, processes and procedures that dictate how companies acquire, maintain and enhance information assets are as important as the information assets themselves. Simply possessing compelling market data will not generate the superior insights you need without diligent and concerted efforts throughout the enterprise to maintain and cultivate it.

Once life sciences organizations (LSOs) identify their customers, many struggle to link together all the different components of information about them. Gartner analysts have stated¹ that “over three-quarters of individual information management initiatives are isolated from each other within the same organization,” which translates to many such initiatives failing to reach their objectives, preventing companies from effectively engaging with their customers. An agile information management platform—configured by analysts and data scientists with life sciences expertise and understanding of your particular markets—can link external health care provider and medical claims data with internal proprietary data to:

- Better align sales operations and marketing strategies to target the right doctors and practices at the right locations
- Drive sales through customer acquisition, expansion and retention

The same platform and experts can use these aligned data assets to gain meaningful insights into customer value and even assign a dollar value to customer targets based on a practitioner's relationship with a facility—and thus determine how the provider, network and other partners influence individual practitioner behavior, such as prescribing drugs or devices or implementing courses of therapy. In other words, the proper use of information assets translates to optimized commercial

alignment, direction, prediction and influence. When marketing and sales teams are better aligned, they save financial and human resources that would be wasted:



Drug and device markets are more challenging than ever

Reaching providers isn't what it used to be. Separate studies by ZS Associates² and the combined forces of Quantia Inc. and Capgemini Consulting³ found recently that more and more doctors are refusing to see pharmaceutical company reps in person, but will respond to email communication, and that more doctors working for health systems means more and more barriers to accessing them with sales and marketing messages.

The ZS Associates study, reported on the fiercepharmamarketing.com website, found that almost 15% of all physicians fall into that category: They want your message, they just don't want your messenger. The trick for sales and marketing forces is figuring out who's who. For example, 64% of dermatologists told researchers they prefer face-to-face interaction, while just 16% of cardiologists agreed. The data exists to tell them apart, to know who wants to see you versus who wants to be reached by you, but it takes a data specialist to figure out how.

The other research found increasing difficulty for pharmaceutical companies engaging with physicians using traditional methods because of health system affiliation barricades—and because of their growing preference for digital interaction with pharma companies. Indeed, as many as 85% of newer physicians prefer non-human contact. Another factor affecting how pharma reaches out to physicians is the prescribing restrictions many health systems impose on participating providers. That makes knowing what doctors prescribe and exactly where they work more important to successful sales than ever.

The path medical device marketers must forge is just as tough. Recent McKinsey & Company research⁴, referring to the “challenging headwinds” medical device makers face, notes that those companies' customers are tightening their belts—or having their belts tightened for them. The upshot is the creation of a whole new class of device buyers, called “value customers,” who are more concerned about price than whether the modality or technology is as aligned or as optimized as it could be for best patient outcomes. Few device makers are equipped to tell potential customers who want “good” from those who want “good enough.” The research also points out

that providers aren't the only ones who determine which medical devices will be used; often, regulators, administrators and other non-clinicians have equal say.

The needle is starting to move

To make the most of the opportunities and maintain and expand market share, LSOs must understand their markets better than ever. Already, some smart LSOs are harnessing the power of high-quality information to pierce the veil that keeps them from direct access to potential customers.

Research from Cutting Edge Information⁵ shows that almost 70% of LSOs are using Big Data in some way in marketing and marketing intelligence efforts; one of the main ways is targeting products and services, another is profiling physician prescribing practices. The question is whether those leading-edge LSOs are getting high-quality information and business intelligence—or just a lot of disparate and unmanaged customer and market data.

And Reltio recently reported research findings⁶ indicating that, while 55% of LSOs describe themselves as “very data-driven,” only 70% of biotech and pharma companies say they use data effectively and only 30% of medical device companies agree. Part of the problem is almost three-quarters worry that their data is incomplete or missing, and 50% say insights are not actionable. Information that's not actionable is just data, not information, and few LSOs are equipped on their own to turn raw materials into refined market intelligence.

Better data management is the key to success

Of course, every LSO in the world gathers and analyzes data. But that doesn't mean they're using data effectively. Very few come close to leveraging the full potential of data and extracting the insights and intelligence contained within. Rather, they tend to use traditional market and sales numbers such as factory sales, reach, frequency, promotional response and syndicated market data. Recently, savvy LSOs have also added these important data sources:



Payers, including information on capitation rates and bundled payments



Member data on patient provider teams, conditions and outcomes



Provider data, including details on readmissions, hospital-acquired conditions and provider/practitioner reviews and ratings

YOUR LIFE SCIENCES ORGANIZATION NEEDS A DOSE OF HEALTHY DATA



Claims data on doctor visits, surgeries, procedures, diagnoses and longitudinal studies



Other market data, such as promotional spend, sales, prescriptions, inventories and details on the structure of health care networks

The problem is most of that data is internal—and it really only scratches the surface in terms of the vast storehouse of information that’s available from external sources. Now, LSOs are starting to realize the value of these non-traditional external sources of data:



Public records of residential, education and employment information on patients and providers



Criminal, disciplinary and spend transparency data on provider activity



Social media data—from familiar sources such as LinkedIn, Facebook and Google+—that helps paint an even more detailed picture of who uses a device or drug, what users think of it and what kinds of results they’re achieving



Journal articles and other content, plus information from forums, associations and other online assemblages that also contributes to a keener understanding of what the people who use medical devices and pharmaceutical products are up to

There’s more data than ever before and, it seems, more new data every day than there was in all of recorded history up to that point. But finding and massaging that data is far outside the expertise of most LSOs. That has exposed the critical need for a third-party information management company to do the gathering, stewarding and conditioning for them to make the potential information insights contained more easily accessible. LSOs need a partner with advanced technological and data science capabilities to collect, manage and analyze data from disparate sources, one equipped with sophisticated analytics to manipulate, overlay and compare different types of data from different resources in many different ways—and then present the insights and intelligence in easy-to-interpret visualizations to allow decision makers and visionaries to see things most of us can’t.

LSOs NEED A PARTNER THAT CAN HELP THEM FIND ANSWERS TO THESE QUESTIONS IN THEIR DATA:

- How are health care networks of interest structured and how do they make decisions?
- Which parts of the network most significantly impact my business?
- What level of network and system granularity should I zoom into to best design team selling?
- How can we analyze our market share versus competitors' to develop marketing and selling strategies?
- What is the optimal use of our information and human resources?

Technology and services are already available

The few early adopter LSOs that have already begun to recognize the extraordinary value of third-party data have gained an advantage over the rest of the market. They've learned that having access to a lot of data offers little value without the ability to properly manage and manipulate it for specific purposes. But it won't be long before full adoption of solutions leveraging Big Data becomes inevitable for the entire life sciences industry. Once LSOs catch a glimpse of the true power and value of high-definition market intelligence and extreme commercial agility, they'll understand that anything less is a route to failure in the market.

Commercial agility is one way early adopter LSOs are making a difference against their competitors. They are advancing beyond, or more quickly and effectively adapting to, changes in marketplace dynamics—and they're doing so by developing marketing and sales strategies that emerge from solutions leveraging Big Data content and capabilities. That includes information on providers and their relationships among each other, plus patients and provider networks. The commercially agile LSO can generate valuable insights and formulate innovative strategies that emerge from business intelligence powered by trusted information assets both internal and external. That means accessing a variety of information assets through a partner platform capable of combining enterprise-generated information assets with third-party market intelligence available through familiar and visually intuitive tools.

But you can't just decide one day to be commercially agile. You must first design centralized access to all kinds of dynamic data and then establish democratized access by business users, data analysts and data scientists. That means unfettered access to data by the people most likely to generate enterprise benefit from it—be that business efficiency, revenue growth or risk mitigation.

Look to LexisNexis® for extreme commercial agility

The LexisNexis Provider Data Intelligence Suite features provider data assets and best-in-breed data management, compliance and market intelligence solutions and services for the life sciences market. Its visualization, analytics and services allow customers to optimize data insights to drive better business decisions and uncover opportunities for improving efficiencies and cost savings. In other words, it provides exactly the assistance LSOs are crying out for. It consists of:

- LexisNexis Provider Data MasterFile™, the industry's most comprehensive and accurate source of provider information
- LexisNexis Provider Data Enhancements, a combination of a comprehensive referential provider database and specific cleansing and data enhancing services
- LexisNexis Provider Data Validation, which offers real-time processing of internally specific and industry-driven business rules in line with high-volume business processes
- LexisNexis Agile Data Management, the industry's premier hosted real-time data management and analytics solution

Using LexisNexis Agile Data Management allows LSO customers to engage with their internal data combined with the Provider Data MasterFile to answer critical business questions and uncover opportunities to increase revenue, reduce costs and improve compliance. LSOs using it can:

- Realize revenue growth
- Reduce compliance risk and associated penalties by simplifying the management and monitoring of dynamic customer information
- Improve time-to-value and decrease cost of ownership and predictable ongoing costs by leveraging data as a service
- Grow the ability to aggregate, combine and analyze data from multiple sources to create records across providers and members
- Positively impact regulatory reporting efforts

Meet the mandate to know your market

In a business environment for drug and device manufacturers where more people are using sophisticated medical technology devices and highly targeted pharmaceuticals than ever, but where the risks and challenges to designing, manufacturing, marketing and selling them are also much, much greater than ever, it's reassuring to know that the key to success is as simple as ever: Know your market.

Just because the market has changed doesn't mean that mandate has changed. How you meet it has, and you can do it with the right company at your side gathering data for you and turning it into market intelligence. You can count on LexisNexis to be your partner.

Sources:

- ¹ <http://www.gartner.com/newsroom/id/2672515>
- ² <http://www.fiercepharmamarketing.com/story/how-can-reps-reach-docs-trying-thinking-netflix-or-amazon/2014-10-01>
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Our health care solutions combine proprietary analytics, science and technology with the industry's leading sources of provider, member, claims and public records information to improve cost savings, health outcomes, data quality, compliance and exposure to fraud, waste and abuse.

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