

# Life Sciences Operations: Changing Market Dynamics Ushering In a New Wave of Digitalization

September 2021: Complimentary abstract / Table of Contents



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## Everest Group’s view of the life sciences operations value chain



Drug discovery, research, and pre-clinical trials	Clinical trials	Manufacturing, supply chain, and distribution	Marketing and sales	Pharmacovigilance / complaints management	Regulatory and medical affairs
Lead optimization	Patient recruitment and scheduling	Resource, demand, and supply planning	Market analysis and competitive intelligence	ADR intake/complaint capture	Labeling, artwork, and CMC
Safety assessment	Clinical data management	Quality testing, analysis, and documentation	Patient access and support programs	Case/complaint processing	Product registration and clinical trial applications
Data management	Protocol development & design	Procurement and vendor management	Product support	Reporting	Regulatory writing, review, and submission
	Biostatistics & statistical programming	Distribution and logistics support	Contract management	Signal and risk management / trend analysis	Regulatory information management
	Site management and trial monitoring		Market access and HEOR		Medical affairs
			Sales support and salesforce effectiveness		
			Marketing support and effectiveness		

### Analytics/RWE

Note: This report covers vertical-specific BPOs within the life sciences space. It does not include coverage of horizontal business processes such as F&A, HR, procurement, and contact center.

## Background of the research

The life sciences industry is facing a plethora of challenges, forcing firms to rethink and improve their strategy and operations. Key market trends such as rising adoption of decentralized trials, focus on R&D efficiency, rise in the use of specialty medication, and increasing importance of real-world evidence is forcing enterprises out of their comfort zone and necessitating the development of next-generation technological capabilities, resulting in increased adoption of outsourcing in the life sciences space.

These factors have also affected the outsourcing characteristics, with the life science industry gravitating towards the incorporation of analytics and Robotic Process Automation (RPA) technologies, particularly in sales, marketing, and pharmacovigilance functions. Furthermore, sourcing decisions are no longer driven by just cost reduction factors, with outsourcing levers such as process improvement and improving flexibility/agility garnering greater importance in recent times.

### The scope and methodology of this report includes:

- State of the market
- Impact of technology in the life science industry
- Life sciences operations outsourcing market
- Deal trends in the life sciences operations market
- Service provider landscape

### Scope of this report:



**Geography**  
Global



**Industry**  
Life sciences



**Services**  
Life sciences operations

## Key takeaways



### State of the market

- The life sciences industry is experiencing several changes in its market dynamics, most of which have been accelerated by the onset of COVID-19. For instance, the COVID-19-induced lockdowns hindered ongoing clinical trials, forcing firms to adopt a decentralized clinical trial approach
- Moreover, the pandemic-induced focus on developing vaccines/therapies has resulted in record-breaking venture funding in the life sciences space, particularly in biopharmaceuticals, health tech, and AI-/ML-based R&D tools
- Rising adoption of specialty medicine – such as gene therapy and precision medication – and increasing enterprise focus on provision of beyond the pill services are two key trends that are expected to alter the life sciences market dynamics, leading to greater outsourcing activities



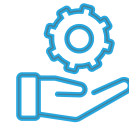
### The impact of technology in the life sciences industry

- Traditionally, the life sciences industry has been a laggard in the adoption of technology; however, that is gradually changing with firms keen on employing analytics, RPA, and cognitive automation across the value chain
- Intelligent automation has high potential impact in the field of drug discovery, market intelligence, and regulatory review, whereas RPA has high value use cases in transactional workflows, which are abundant in pharmacovigilance and regulatory affair functions
- Analytics, on the other hand, is primarily leveraged in the marketing and sales function, wherein predictive/prescriptive models are used to derive hyper-personalized insights into sales force performance, medical practitioner preference, and marketing campaign effectiveness



### Key outsourcing/deal trends in the life sciences operations market

- The life sciences operations outsourcing market is expected to grow at a CAGR of 9-11% between 2020 and 2022. In terms of outsourcing levers, process improvement, improving flexibility/agility, and cost reduction are the top three influential factors
- The life sciences operations market is experiencing a rapid growth in outsourcing activity (in terms of volume) from small and mid-sized enterprises, as they look to develop expertise in certain functions lacking in-house
- Within the third-party spend, there are multiple pricing models, of which, input-based models are the most widely used, followed by output-based models that are leveraged primarily in transactional activities such as pharmacovigilance processes

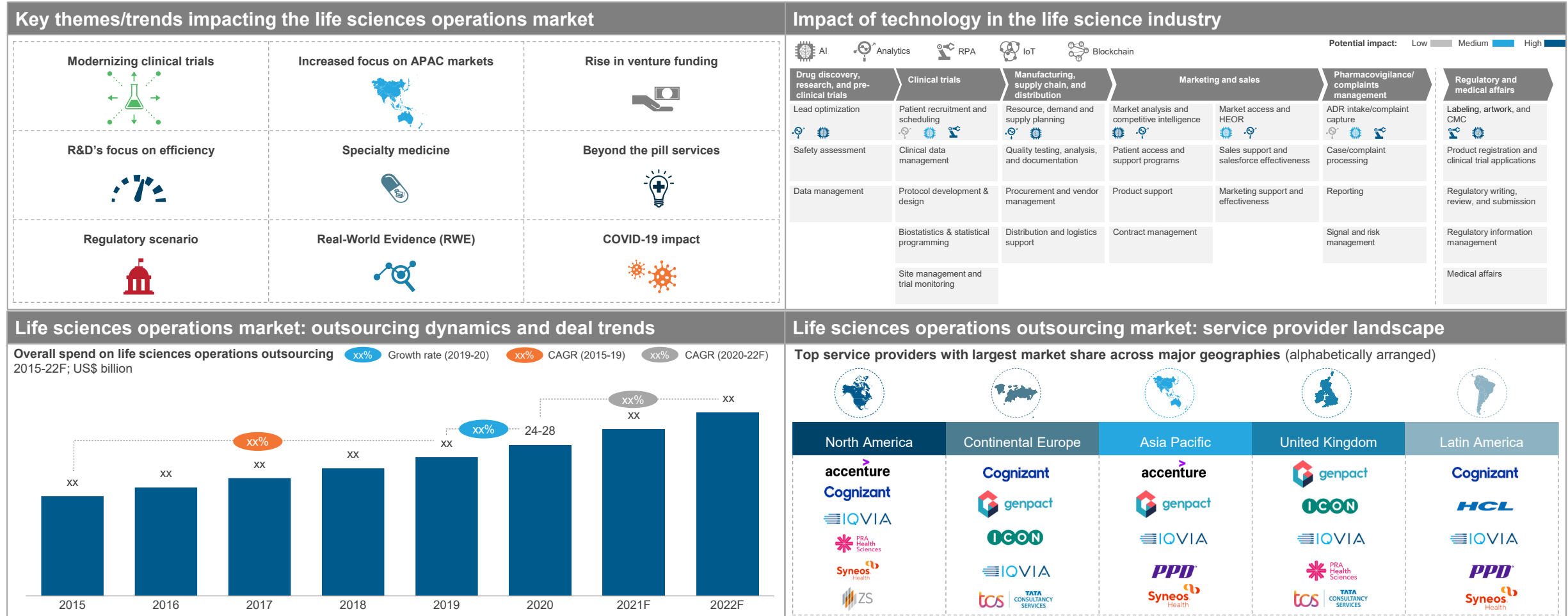


### The life sciences service provider / vendor landscape

- Service providers are assisting enterprises in augmenting their operations by delivering services and solutions across the life sciences operations value chain; from offering cost-effective pharmacovigilance services and technology-driven commercial operations, to supporting enterprises on domain-intensive clinical trial operations
- Within the life sciences operations outsourcing market, top CROs (such as Covance, ICON plc, IQVIA, PRA Health Sciences, and Syneos Health) and large IT/BPOs (such as Accenture, Cognizant, and TCS) account for more than 45% of the overall market share



# This study offers four distinct chapters providing a deep dive into key aspects of the life sciences operations market; below are four charts to illustrate the depth of the report





# Research calendar

## Life Sciences BPS

■ Published
 ■ Planned
 ■ Current release

### Flagship Life Sciences BPS reports

	Release date
Life Sciences Report Card – Outlook for 2019 and Enterprise Initiatives and Service Provider Performance in 2018	April 2019
Life Sciences (LS) Operations – Services PEAK Matrix® Assessment 2020	December 2019
Life Sciences (LS) Operations – Service Provider Compendium 2020	March 2020
Pharmacovigilance and Complaint Management Operations – Services PEAK Matrix® Assessment 2021	March 2021
Pharmacovigilance and Complaint Management Operations Service Provider Profile Compendium 2021	April 2021
Life Sciences Operations – Services PEAK Matrix® Assessment 2021	June 2021
Life Sciences Operations – Service Provider Compendium 2021	September 2021
<b>Life Sciences Operations – State of the Market Report 2021</b>	<b>September 2021</b>

### Thematic Life Sciences BPS reports

	Release date
Innovation in Pharmacovigilance (PV): How to Spend Smarter Not Higher?	June 2017
Pharma Sales & Marketing: Old Strategies Into New Methods   Focus on Transmutation Rather Than Transformation	June 2018
Clinical Trials of the Future	Q4 2021
The Phoenix of Genomics	Q4 2021
Real-world Evidence – 3D (Pharma, Payer, and Provider)	Q4 2021
Pharmacovigilance	Q1 2022

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