

AI and Commercial Pharma: A State of the Industry Report 2024

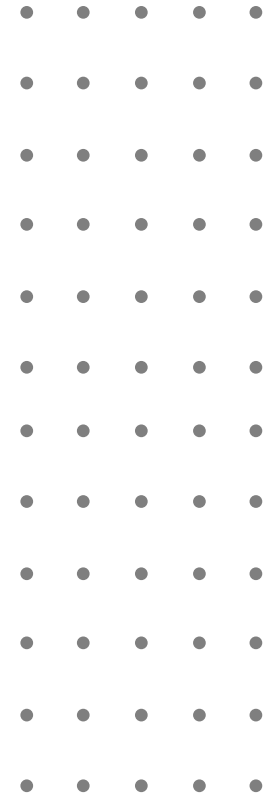
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Introduction and Key Findings



Introduction & Methodology

[According to Deloitte](#), the new currency for Pharma and Life Sciences is Big Data. *“When used by the pharmaceutical industry, artificial intelligence can draw insights from massive data sets faster, process data and automate workflows more efficiently, and convert insights into actions to improve business performance.”* While there are many use cases for AI on the medical side, our report zooms in and looks at AI’s evolving impact on commercial operations, sales and marketing in the pharma industry.

Over the past few years, the conversation around Artificial Intelligence has grown to a roar. Every day, commercial teams are making strategic decisions around how to use AI to target the right accounts, commercialize their products, and beat key obstacles around manual methodologies and fractured data use.

This report shines a light on these decision-making processes and uncovers a traditional industry on the brink of great change. Executives recognize the challenges with legacy solutions for gathering business insights, know exactly what considerations are on their wish lists for new technology, and have increased budgets to make that leap.

Methodology

We commissioned a survey of 100 full-time employees working in U.S. pharmaceutical companies, equally split between Sales, Marketing and Brand. All respondents hold senior positions, Director level or above, in companies with more than 100 employees and who have an annual revenue of at least \$100M. The survey was completed by Global Surveyz, an independent survey company.

The respondents were recruited through a global B2B research panel, invited via email to complete the survey, with all responses collected during Q4 2023. The average amount of time spent on the survey was 5 minutes and 11 seconds. The answers to the majority of the non-numerical questions were randomized, in order to prevent order bias in the answers.

Key Findings

1 **74% of commercial pharma teams want automated data analytics and business insights**

74% of commercial pharma executives cite a lack of automation and ability to extract timely insights as their top pain point. Currently, 76% of commercial teams in pharmaceutical companies resort to consulting agencies for their business insights. These agencies often rely on manual data analysis techniques that are time-consuming and costly.

2 **Breaking down silos and onboarding a holistic platform would be impactful for 81% of teams**

Commercial teams in life sciences work with fragmented and disparate technologies and tools. Growing volumes of data makes it hard to see the “big picture” and leverage information intelligently across different functions. 81% of commercial teams agree that a single, holistic, centralized platform that automates and optimizes their processes cross-functionally would streamline their ability to meet their goals, from breaking silos to improving customer interactions.

3 **82% of executives are looking for a scalable way to re-use AI models**

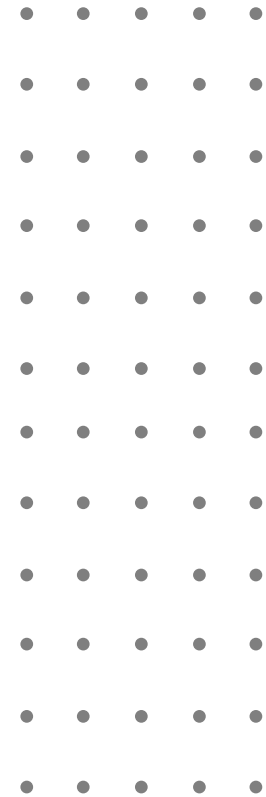
Despite its cataclysmic growth, AI is still in its infancy. While many pharmaceutical companies want to take advantage of its benefits, it can be time consuming and cumbersome to repeatedly create very specific models for individual products and treatments. As a result, 82% of commercial teams feel that they could reduce time to insights and increase efficiency if they had the technology to re-use AI models in a more seamless way.

4 Budgets for AI data analytics are increasing for 2024

69% of companies are increasing their budgets for AI-driven data analytics solutions this year, underscoring a commitment to AI technology. While AI is still maturing, and companies are exploring and refining their strategies – hardly anyone is pulling back. AI is set to revolutionize the pharmaceutical industry, and data analytics and business insights are a key contributor.

5 77% of pharma executives are looking for solutions that integrate with existing environments

When choosing a new data analytics solution, 77% of pharma executives prioritize a solution that plays nicely in their existing environment. For Sales, this percentage jumps to 88%. Flexibility and agility in the way pharma teams work is more critical than ever, and a tech stack that is siloed can't help but slow things down. Instead, companies are increasingly looking for platforms that come with rich API integrations and allow for streamlined data integration across technologies.



Survey Report Findings

Solutions Used for Business Insights and Data Analytics

Commercial teams in pharmaceutical companies are largely reliant on consulting agencies to obtain business insights. 76% of commercial teams currently use this approach.

Most consulting agencies tend to rely on manual and costly methods for extracting insights, delivering reports only several times a year. This leaves pharmaceutical companies looking at the “rear view mirror” instead of dynamically capturing opportunities and risks in their market to make true data-driven decisions.

With the limitations of consulting agencies, it's no surprise that **58% of commercial teams are onboarding a technology platform that provides a more modern solution for their business.** Just 21% are working on building bespoke in-house solutions, pointing to the difficulties of build vs buy when it comes to deploying AI in pharma.

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

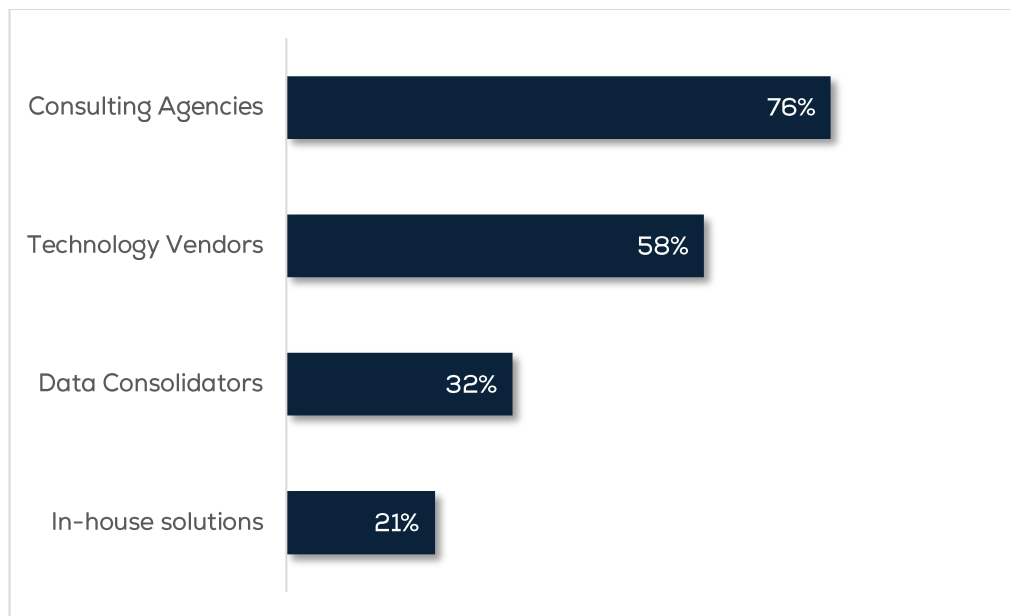


Figure 1: What Solutions are Pharma Companies Using for Business Insights and Data Analytics

The Top Challenges of Current Business Insights and Data Analytics Methods

99% of companies reported having challenges with their current methods of gathering business insights and data analytics.

Almost three-quarters of respondents (74%) cite a lack of automation, as a major challenge for extracting timely insights.

It's also clear that commercial teams are experiencing a data problem. 38% say they are challenged without a centralized source of information, and 36% call out the growing volume and complexity of the data they manage. With reams of data coming from so many sources, and thousands of data attributes to be analyzed across many formats – commercial teams are struggling to obtain a full picture. **A single source of truth would allow teams to use their data more effectively and efficiently to achieve commercial growth.**

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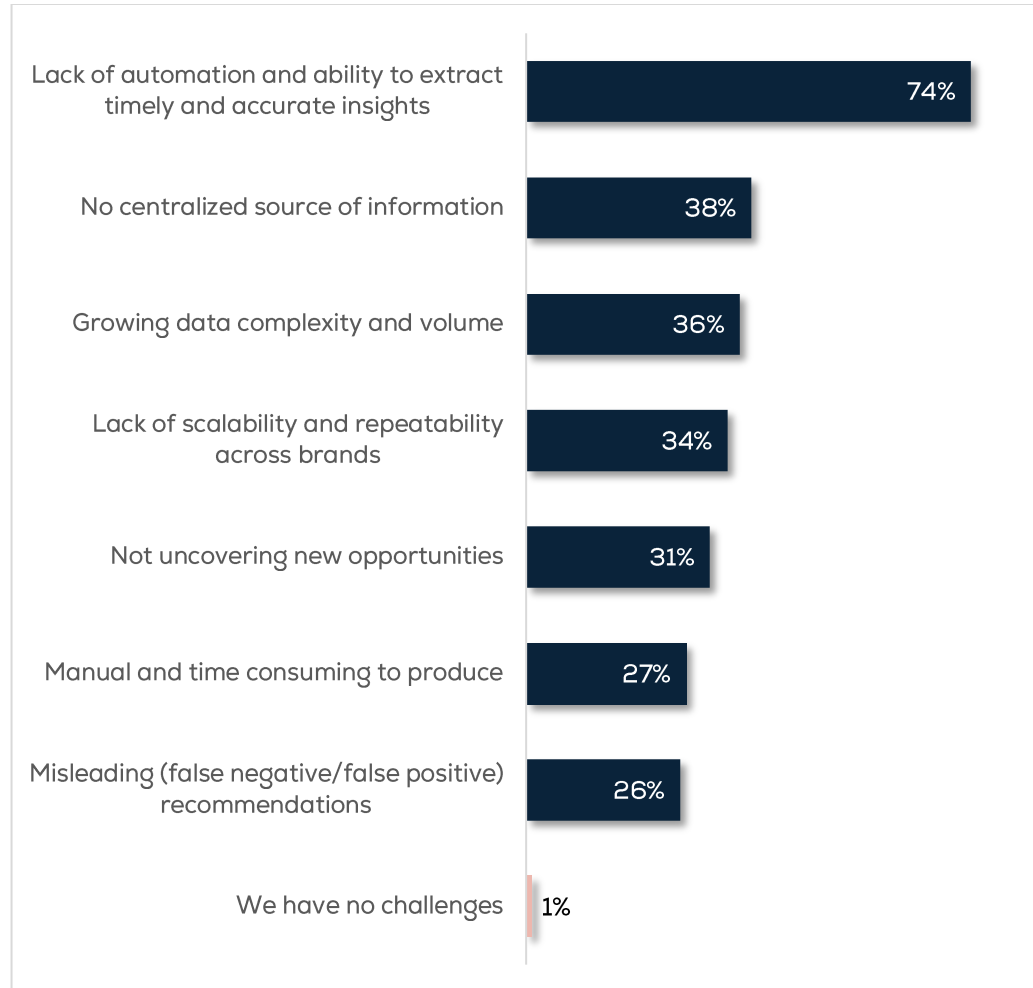


Figure 2: Top Challenges with Current Business Insights and Data Analytics Methods

The Top Pain Points in Commercial Strategy and Execution

Zooming out from business analytics, we asked respondents what their broader challenges are in terms of commercial strategy and execution.

41% mention increasing their brand share, which makes sense considering the fierce competition in the market.

It's interesting to note that there is no single, overwhelming pain point that stands out for commercial teams – they have many issues on their minds and their roadmaps. At least one third cite challenges of increasing new writers, allocating resources effectively across different brands, and showing ROI.

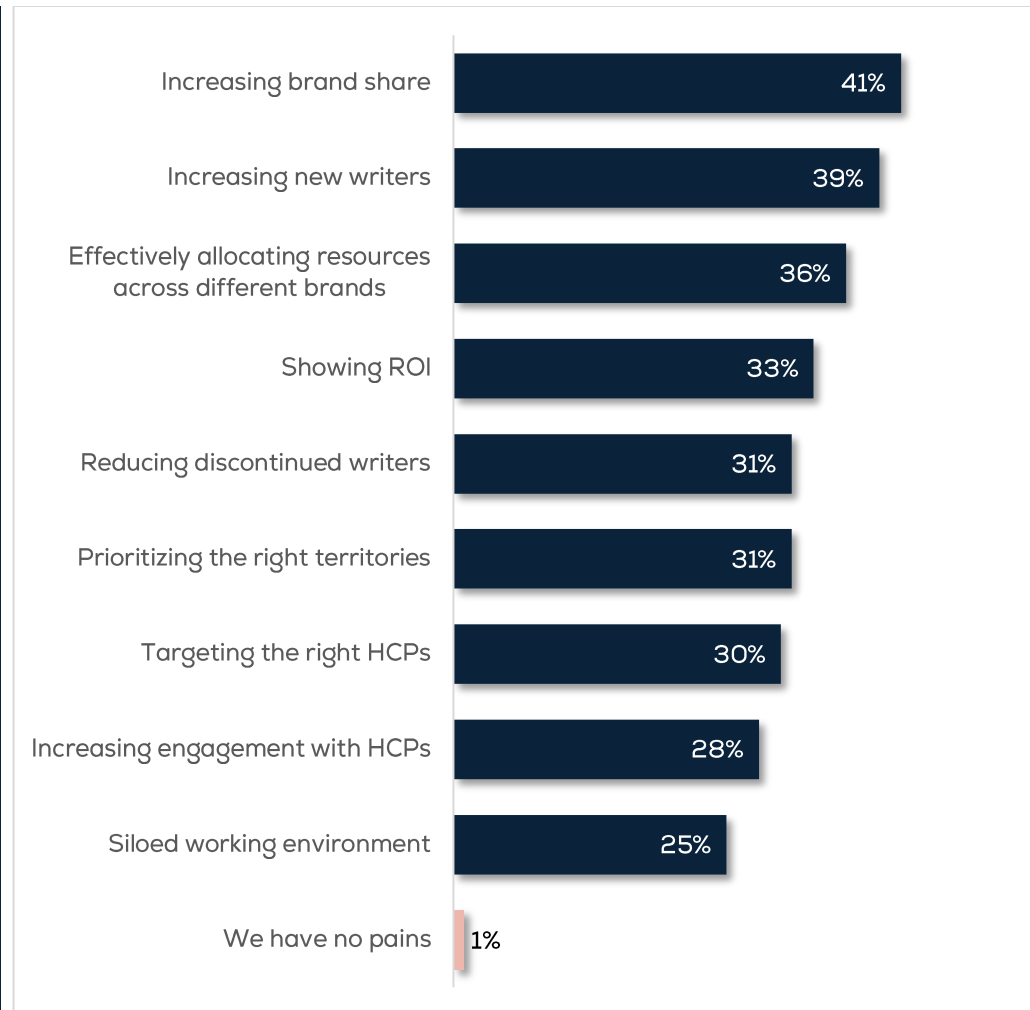


Figure 3: Top Pain Points in Commercial Strategy and Execution

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Would Accurate Insights Positively Impact Brand Performance?

We saw in Figure 2 that 74% of commercial teams are challenged by a lack of automation, which negatively impacts their ability to obtain accurate and timely insights.

Here, we asked respondents directly if access to these insights would improve their commercial performance. 79% of pharmaceutical executives agree.

With more accurate information about who to target on a more consistent basis, teams can improve their performance, and move away from a manual approach to decision making.

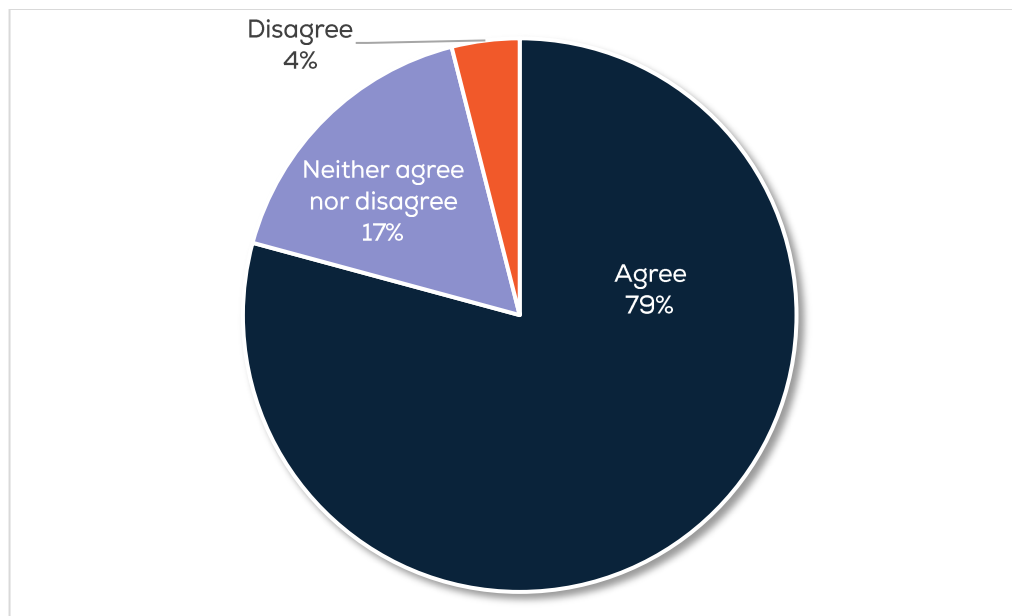


Figure 4: “Having more accurate and timely insights would have a positive impact on my brand performance”

Would A Holistic Platform Make It Easier to Reach Business Goals?

We then asked executives whether a holistic platform that automated and optimized commercial processes would streamline the ability to meet their goals and found that 81% agree.

It's common for the commercial team to be very fragmented. Although stakeholders are all targeting the same customers – their systems are often siloed and disparate. Access to data is a challenge, and getting all the information you need about a specific physician can take many hours.

A single, holistic platform would open doors for cross-functional collaboration and dramatically improve efficiency and success rates.

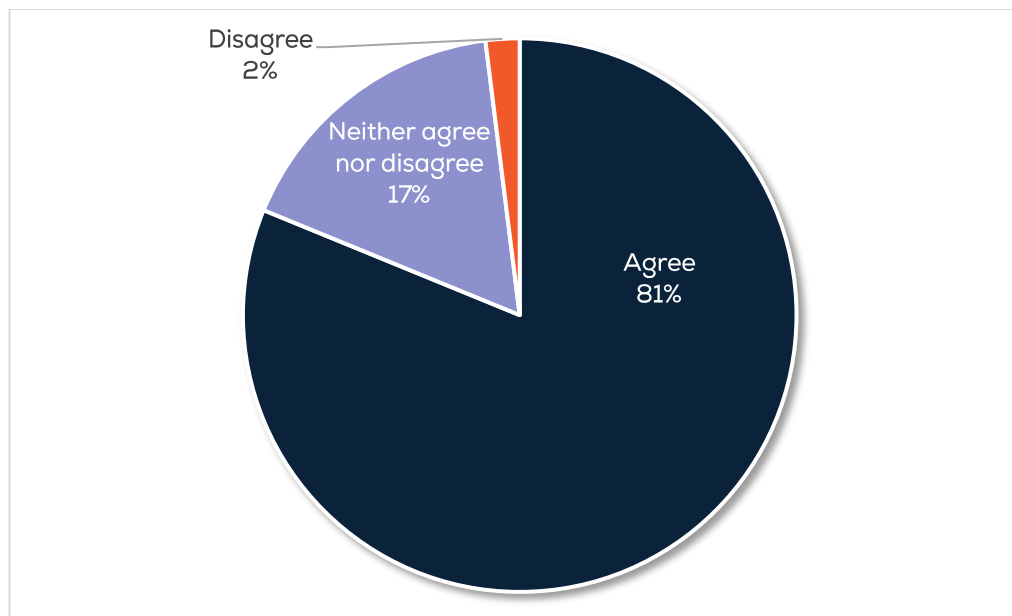


Figure 5: “Having a holistic platform to automate and optimize all commercial processes would make it easier for me to reach my business goals”

Would a Scalable Solution for Re-using AI Models Increase Efficiency?

AI is still a relatively new technology, and teams regularly need to create very specific models for each of their therapeutic areas. Most commercial teams are recognizing the challenges in deploying a scalable AI solution.

To move away from this “one and done” process which limits teams’ ability to see value from AI, finding a scalable solution is a key priority. **82%** of executives agree that a scalable way to repeat their AI models and become more modular would increase their efficiency and speed up time to value.

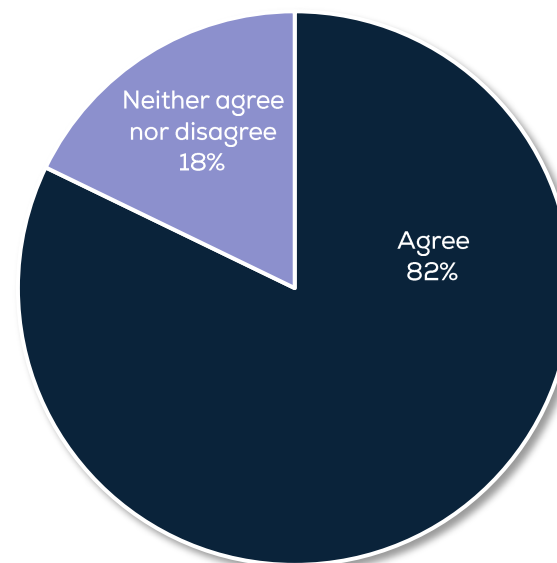


Figure 6: “Having a scalable way to repeat AI models across different brands would increase efficiency and reduce time to insights”

Estimated ROI from Current Insights and Data Analytics

We spoke to commercial teams about the ROI of their current solutions and found that there is certainly room for improvement. 69% of executives believe that their organization's revenue would be significantly increased if they had stronger insights.

On the other hand, 31% of executives don't believe their current insights are contributing to revenue loss. For those in the 69% - this is a positive indicator that the right solutions are out there, and when leveraged intelligently, can support commercial goals.

Interestingly, revenue loss is more of a concern for Marketing teams, who need to decipher vast amounts of data to make strategic decisions that boost marketing ROI.

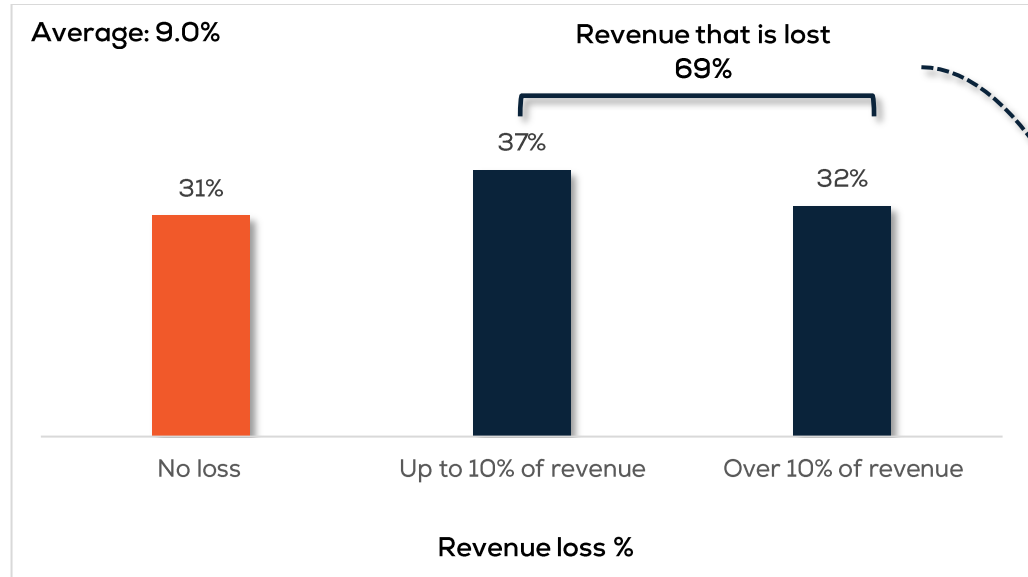


Figure 7: Estimated Revenue Loss from Relying on Current Insights and Data Analytics Tools

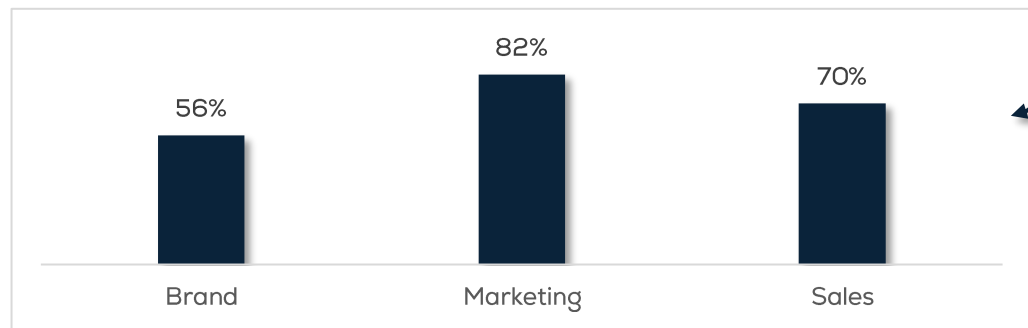


Figure 8: "Experienced revenue loss", by Department

Expected Budget Changes for AI-Driven Data Analytics Solutions in 2024

69% of commercial teams are increasing their budgets for AI-driven data analytics solutions in 2024. Just 5% are decreasing their budgets in this area.

Despite the challenge, pharmaceutical companies recognize that AI needs to be part of their long-term roadmap. AI will soon be an integral part of the industry; it opens doors for greater operational efficiencies and is the future of innovation.

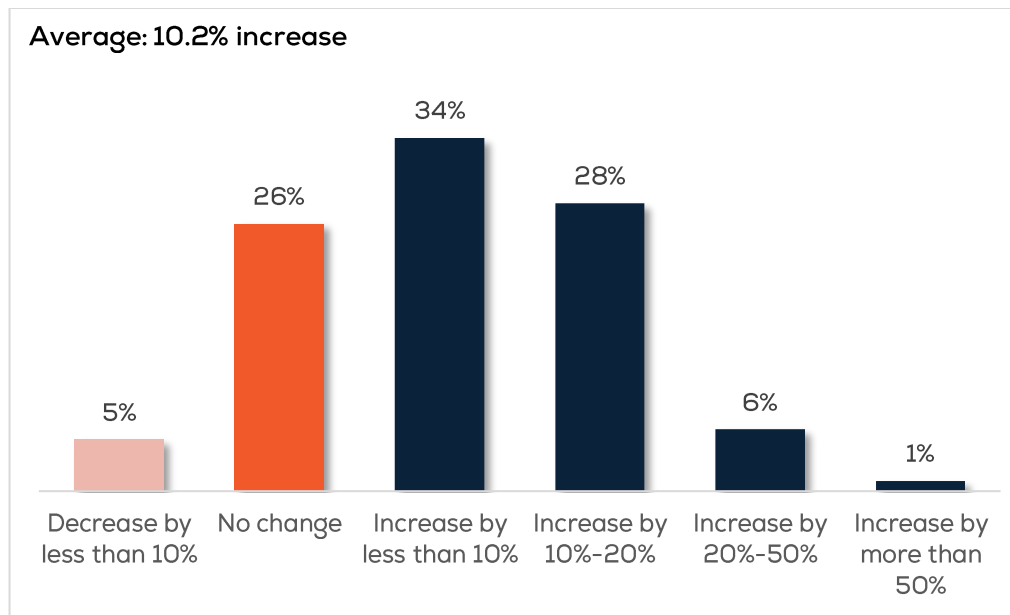


Figure 9: Expected Budget Changes for AI-Driven Data Analytics Solutions in 2024

Considerations for Choosing a New AI Data Analytics Solution

It's more critical than ever that any available budget is allocated effectively, and executives are tasked with proving the ROI of every technology purchase in their remit.

Creating a checklist for the capabilities of any potential AI data analytics platform is an important part of that process. 77% of commercial teams cite the ability to integrate with existing work environments as a top priority, and when we break down the data by team – this percentage leaps to 88% of Sales teams specifically.

Being able to integrate data with the company's CRM and ensure all the pieces are coming together accurately is a huge challenge for today's teams. An agnostic platform that has rich API integrations allows companies to be flexible about the other technologies in their tool belt.

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

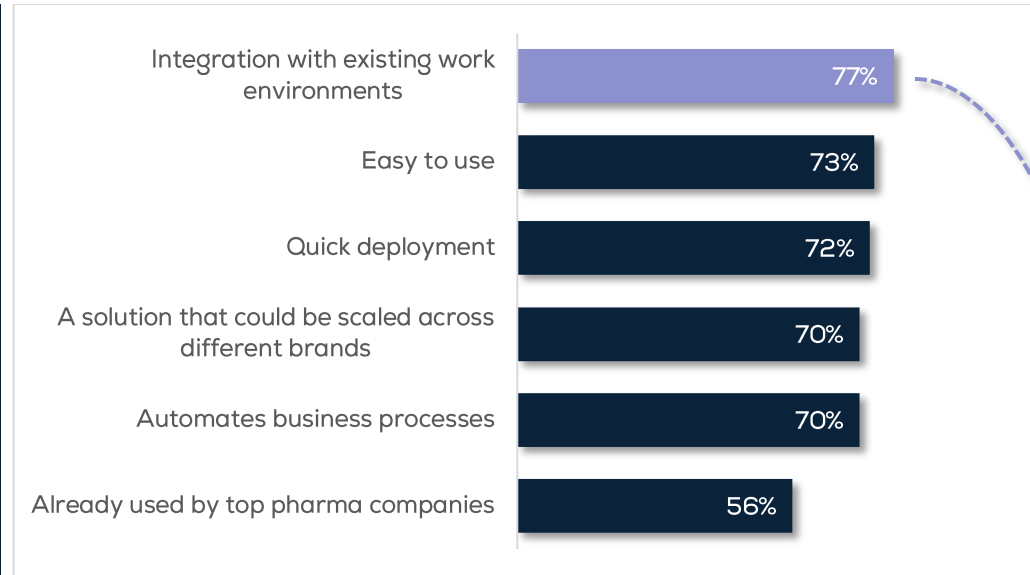


Figure 10: Considerations for Choosing a New AI Data analytics Solution

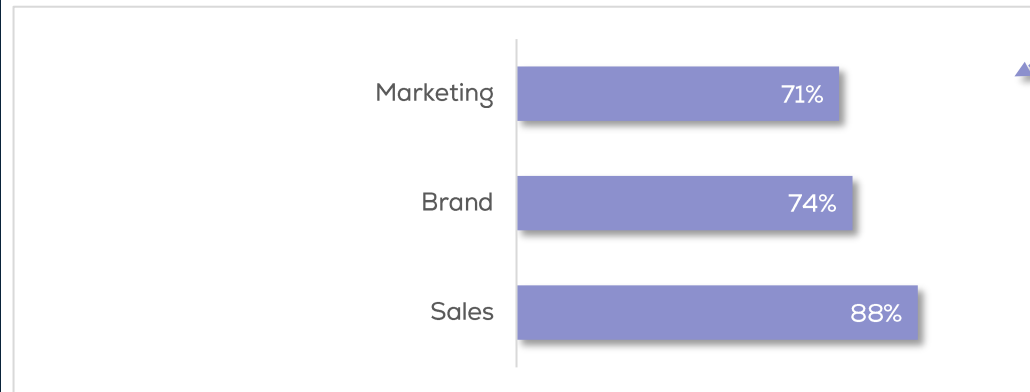
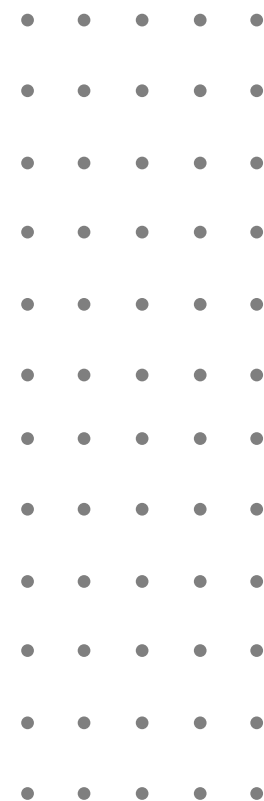


Figure 11: "Integration with existing work environments", by Department



Demographics

Company Size, Annual Revenue, Department and Role

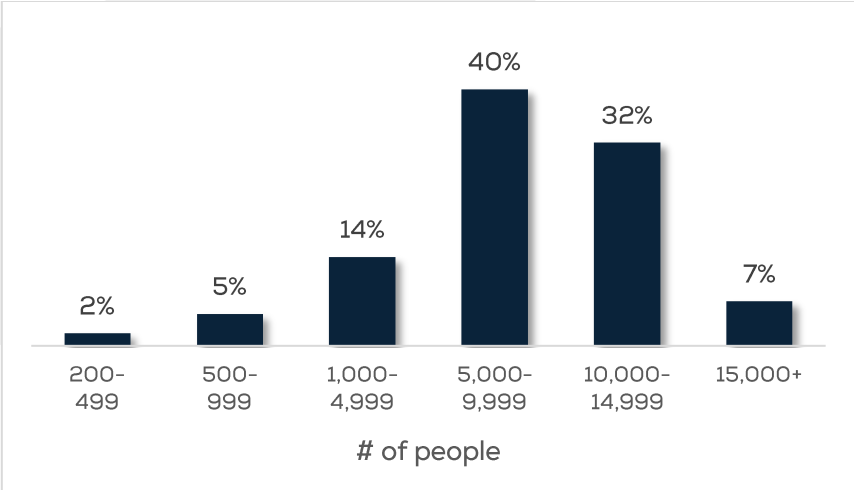


Figure 12: Company Size

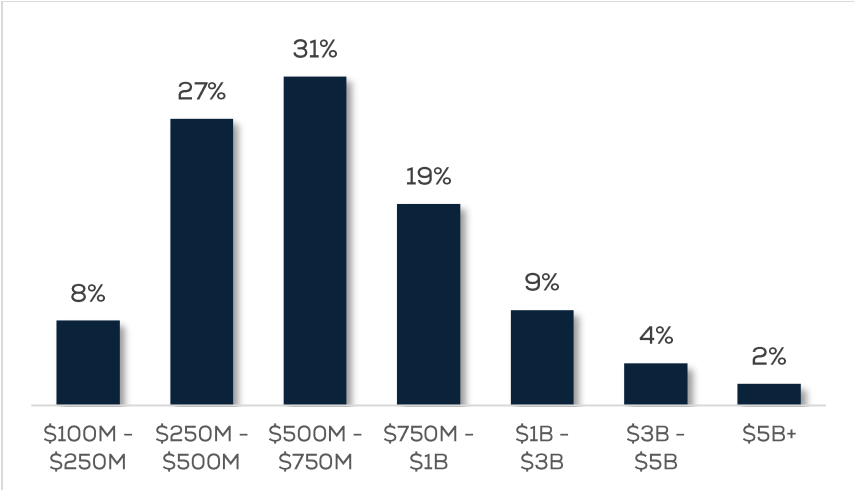


Figure 13: Annual Revenue

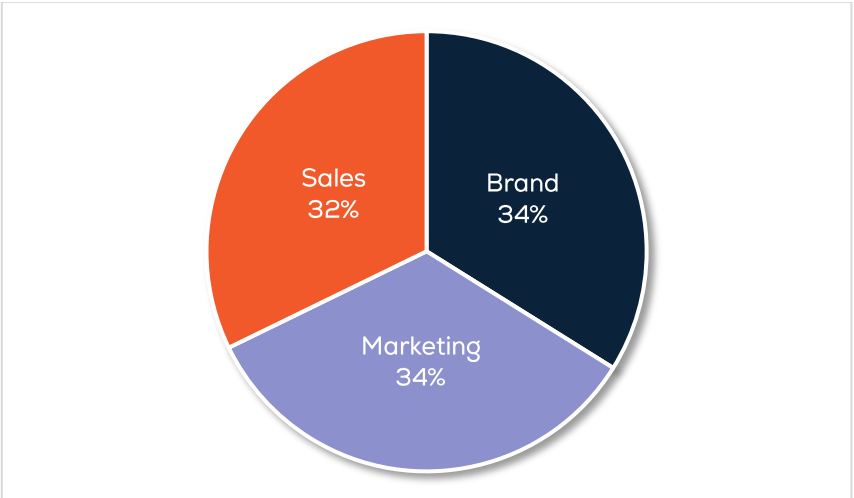


Figure 14: Department

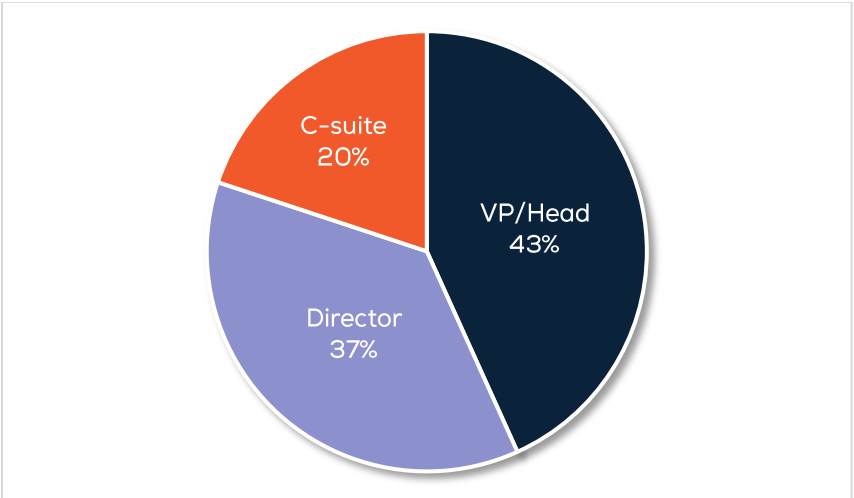


Figure 15: Role

About Verix

Verix is the leading provider of a Commercial Optimization Platform, an AI- based platform dedicated for Life Sciences Commercial Operations. The platform leverages a plethora of data and cutting-edge technology to optimize strategy development and effective execution. Verix's platform embeds deep learning with abundant domain expertise to optimize essential processes such as HCP targeting, precision forecasting, channel optimization, patient discovery, and more, in a continuous manner, to keep up with the dynamic nature of today's life sciences market.

Verix's innovative Platform enables Fortune 500 pharmaceutical organizations worldwide to leverage their data and accelerate brand performance, in a flexible, accurate, fast, and easy- to-use manner.

Request a Demo

For more information, please visit us:



Email: learnmore@verix.com