

TGaS[®] Advisors

A DIVISION OF  TRINITY

Transforming the Commercial Model in the Age of COVID-19

Highlights from TGaS Advisors' 2020 Fall Virtual Summit



As the year began, we couldn't have foreseen the unprecedented impact the COVID-19 pandemic would have on US and Global enterprises. By mid-March we were in lock-down, and priorities for Commercial and Medical Affairs organizations in the life sciences industry shifted. Leaders were working feverishly to enable virtual and digital channels to engage with customers as well as internal teams. Companies reached out to TGaS Advisors for our guidance in navigating this uncharted territory, and we stepped up to proactively support more than 1,800 individuals across 300 partner companies. The findings in this Advisory Brief are based on our work with these companies and, in particular, from key themes that emerged during our 2020 Fall Virtual Client Summit.

Critical Focus Points of This Advisory Brief



COVID's Impact on Engagement and the Commercial Model



Leading the Commercial Model Transformation in 2021



Continuing to Look Ahead to 2021 and Beyond

Background

The TGaS Advisors 2020 Fall Virtual Summit provided an interactive forum for Commercial and Medical Affairs leaders to engage with other members of the TGaS network. More than 350 individuals from 111 emerging, mid-tier, and large-tier biopharmaceutical companies attended functional specific sessions across the Commercial and Medical Affairs ecosystem. Leaders shared perspectives, made recommendations and collectively thought through alternative paths forward relative to critical COVID-related topics.

Key themes across the sessions included:

- The new commercial model, including modifications in client-facing roles and the evolution of digital and virtual capabilities
- Expanded opportunities to leverage Artificial Intelligence and Machine Learning
- Team engagement and motivation

Executive Commercial Operations Leaders Shared Their Priorities



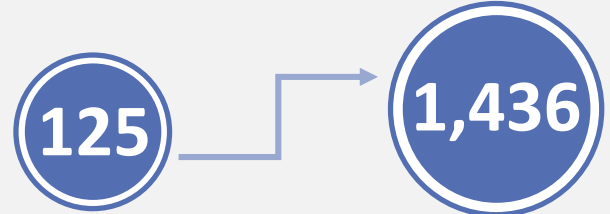
COVID's Impact on Engagement and the Commercial Model

Digital Finally Arrived

2019	2020
In-person details	Virtual engagement
In-person speaker programs	Virtual speaker programs
Pushing HCP messages	Self-service model
Deprioritizing digital	Doubling digital efforts

Personalized Digital Outreach to HCPs Increased Drastically

Average Volume of Rep Triggered Emails Delivered



Commercial Analytics & Insights Teams Shifted Priorities



Forecasting and **Market Research** rose to the top post COVID-19

Virtual Engagement: Barriers and Successes

Barriers



- Effectively delivering impactful messaging
- Getting HCPs to agree to attend

Keys to Success



- Flexibility with both HCP lunches and samples
- Improved marketing materials and virtual selling skills

Reps are averaging less than 2 in-person calls per day (1.9)



<2
calls/
day

Enabling Value & Access

Evolving Customer Engagement

- Non personal promotion is valued
- Payer marketing teams are looking for new ways to engage clients with virtual, interactive tactics

- Companies are seeing less of an impact from COVID-19 to daily business than expected
- Virtual meetings seem to be working well for contracting activities

Pricing & Contracting



COVID's Impact on Engagement and the Commercial Model

As organizations adapted their commercial capabilities to operate in the age of COVID-19, there were significant changes to the commercial model. With the pandemic as the catalyst, 2020 was the year that digital finally arrived. The world was forced to move virtual, and Pharma's engagement with their customers followed suit.

At the beginning of the pandemic, companies made the unprecedented decision to pull their field teams from the field. During the summer months, companies began to redeploy representatives to the field, basing their criteria largely on individual state decisions, measures of customer receptivity, and CDC guidance. At the time of the TGaS Summit, Field Operations leaders indicated that representatives are averaging less than two in-person calls per day.

Personalized digital outreach from field representatives to health care providers (HCPs) increased drastically during COVID-19. Interestingly, brands curtailed their overall investments in non-personal promotion channels, specifically media, and opted for more personal digital outreach through email. TGaS observed an increase in the average volume of rep triggered emails from 125 delivered to 1,436 delivered during COVID-19.

Companies stated that flexibility with both HCP lunches and samples were key areas to enable representatives to be successful in the post-COVID environment. Improved marketing materials and virtual selling skills were also rated as very important factors for enabling success. Effectively delivering impactful messaging virtually and getting HCPs to agree to a virtual interaction were perceived to be the biggest barriers to success.

Commercial Analytics and Insights (CA&I) departments also shifted priorities during the pandemic. Forecasting and market research were ranked as lower priorities by CA&I leaders in a TGaS survey conducted in March 2020. Not surprisingly, these priorities rose to the top in a second survey conducted in October 2020. Skills and capabilities training decreased in priority for CA&I teams over this period.

Value and Access teams are also evolving their customer engagement. Non-personal promotion is valued, and payer marketing teams are looking for new ways to engage clients with more virtual and interactive tactics to drive both depth and breadth of engagements. Many believe Payer Account Managers are having more meetings; however, the meetings are generally shorter, more targeted and more transactional in nature. Pricing and Contracting teams are observing less of an impact from COVID-19 to their daily business than expected. Virtual meetings appear to be working well for contracting activities.

Leading the Commercial Model Transformation in 2021

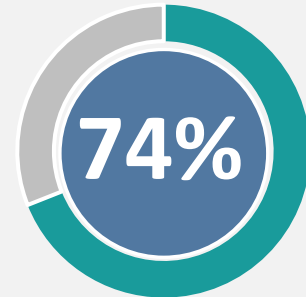
Common AIML Themes From Our Clients

We have massive amounts of data – hoping AIML can streamline analysis and results to my organization.

How are companies piloting AIML for omnichannel and next best action...

How can we bring AIML expertise/capabilities in house rather than relying on external expertise.

Percentage of Companies Using AIML in 2020



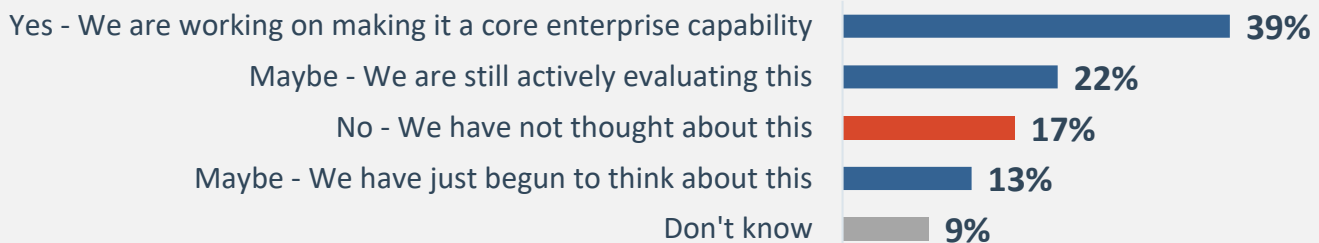
Top Areas for AIML Use in 2020 and Plans for 2021

Commercial Analytics & Insights

Patient Identification

Field Operations

Most companies are either considering or have decided to make AIML a core enterprise capability



Building the Field Teams of the Future

Though the adoption of Remote HCP Engagements is being monitored in real-time, leaders must be planning for multiple scenarios:

Hiring profile for new field teams

Coaching of new/existing field teams toward REX



Remote Engagement Excellence (REX)



Leading the Commercial Model Transformation in 2021

As the commercial model evolves, companies are capitalizing on opportunities to expand and enhance their capabilities. Artificial Intelligence and Machine Learning (AIML) is one such area that is ripe to drive transformation in the life sciences industry. Although Pharma has traditionally lagged behind other industries for the use of AIML, most companies in a recent TGaS study indicated that they are either considering or have decided to make AIML a core enterprise capability. Seventy four percent of companies reported using AIML this year, with Commercial Analytics & Insights, Patient Identification and Field Operations mentioned as the leading areas for AIML use in 2020 and plans for 2021.

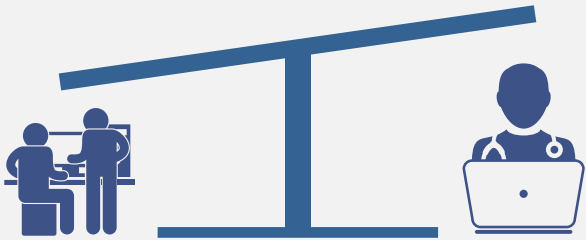
Based on discussions among TGaS clients, companies recognize the value of AIML; however, common questions exist and continue to be explored:

- How can companies bring AIML capabilities in house rather than relying on external expertise?
- How are companies piloting Next Best Action?
- How can companies use AIML to automate operations?
- How can AIML drive personalized customer engagement and accelerate call planning?
- Can AIML find analytical patterns in a trove of data and help drive the business?

The transformation in the customer engagement model has also presented opportunities for Learning & Development organizations who strive to support building the field teams of the future. The skills for field teams and managers are more nuanced and complex than ever before and success/competitive advantage will likely stem from those Commercial, Medical and Market Access teams that align early on their strategy and execution of remote engagement excellence (REX). Though the adoption of remote HCP engagements is being monitored in real-time, leaders must plan for multiple scenarios. These scenarios include the hiring profile for new field teams as well as the training and coaching of new and existing field teams toward REX.

Continuing to Look Ahead to 2021 and Beyond

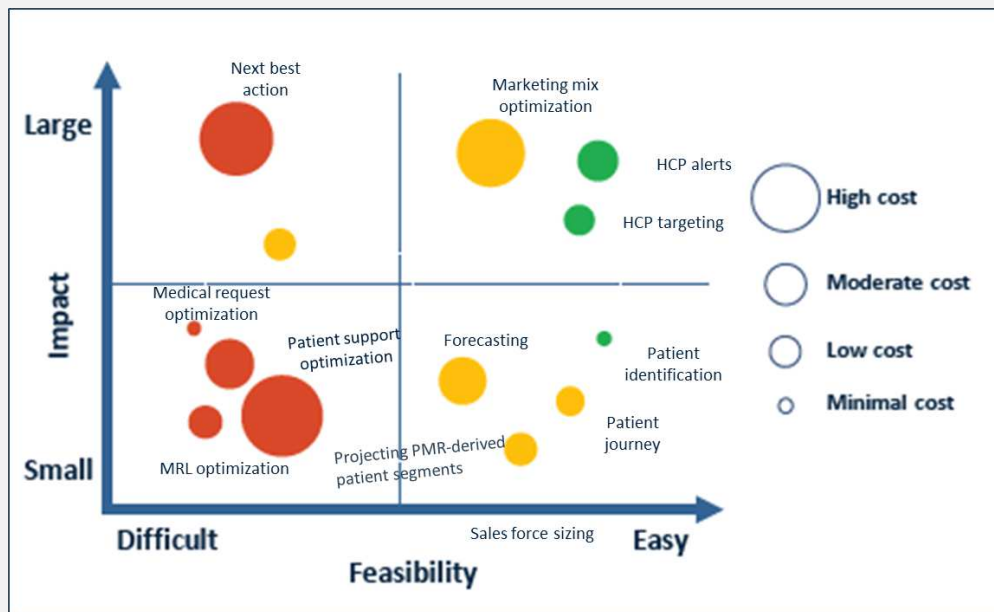
Limited in person engagement
balanced with increasing
non personal promotion



Expanded digital excellence to enable
best in class customer engagement
during the shift in commercial model



Leveraging Artificial Intelligence and virtual platforms



Cultivating remote engagement skills and capabilities





Continuing to Look Ahead to 2021 and Beyond

In conclusion...

What a paradigm shift 2020 has been, particularly for the life sciences industry. The pandemic has driven an unprecedented transformation to the Pharma commercial model, and much uncertainty remains as we move into 2021. Achieving an optimal balance of client facing resources and digital/virtual client engagement will be a critical priority while organizations continue to evolve their capabilities in the midst of COVID-19. TGaS Advisors remains engaged with our clients every step of the way as together we plan and navigate the “new normal.”

Achieving an optimal balance of client facing resources and digital/virtual client engagement

- Limited in-person engagement balanced with increasing non-personal promotion
- Expanded digital excellence to enable best in class customer engagement during the shift in commercial model
- Leveraging Artificial Intelligence and virtual platforms
- Cultivating remote engagement *skills and capabilities*



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About TGA S Advisors

TGA S Advisors, a division of Trinity Life Sciences is the leading benchmarking and advisory services firm for commercial organizations in the life sciences industry. With a roster of large, emerging and precommercial life sciences companies, TGA S provides robust comparative intelligence and collaborative network membership services. The team includes more than 50 experienced professionals, most with senior-level experience in the life sciences and related industries.

For more information, please contact TGA S at contact@tgas.com.