

CC6529

K24091_21005_2084780_TheHealthPulsePodcast

S1E5PatrickHomer

[MUSIC PLAYING]

GREG HORNE: Hello, and welcome to this episode of The Health Pulse, a podcast exploring how analytics in the health and life sciences industry is growing and its repercussions in all our lives. My name is Greg Horne, and I am your host for the series as always. And I'm joined by my expert Patrick Homer today to discuss a topical subject.

And on this week's episode, we turn our attention to commercial pharma, a subject that is fairly new to me and one that I'm going to learn a lot about today as well. And we've got Patrick coming on to talk about it. But before he comes, just a reminder that your emails and questions can come through to The Health Pulse Podcast at SAS.com, where now we have live episodes.

We're starting to get questions coming through. And as we've mentioned before, we're going to be looking at how we include those in an episode in the future. So without further ado, let's hand over to Patrick to do a quick introduction. Patrick, can you tell us a bit about yourself, please?

PATRICK HOMER: Yeah, sure, Greg. Well firstly, I just want to say thanks for the invite to your show. Part of the Global Life Sciences team at SAS, I joined here from having over 20 years in the pharmaceutical industry. And as a team, we've got our Life Sciences specialties across clinical research and development, market access, commercial manufacturing, and supply chain. And my focus is the market access and commercial side.

The role that we've got is, well, two parts. Part one is that we help inspire and support our customers on their journey into the world of developing advanced analytical capabilities. We help them navigate around the complexities in developing this competence.

And part two is that naturally, we're exposed to the real world. We see the trends that are starting to take place in analytics. And we bring those back to SAS to evaluate the development of should we develop IP? Should we develop solutions on our analytical platforms to solve these industry problems?

GREG HORNE: Patrick, yeah. Something we're getting into with everybody is we want to hear a bit more about our guests in a rounded way. So when you're not solving these commercial issues, what do you like to do when you're not at SAS?

PATRICK HOMER: Well Greg, historically, I love to travel, to travel globally, not only sort of professionally when I've had the opportunity to go out and travel the globe, meet customers, but also personally as well, adventures to the tropics, to tropical islands. I also like to ride motocross. I get out to the track in our home state, North Carolina, a couple of times a month. I find it's a great release and a great way to get fit for it and also to keep fit by doing it too. So that's a little bit of background about myself.

GREG HORNE: Yeah, that sounds great. I used to ride motorcycles in the UK. And I'm sure listeners can hear that even though Patrick lives in North Carolina, he is also from the UK too. So we have a British invasion here today.

So Patrick, so let's get into this a little bit more then because commercial pharma, again, it's a subject I'm not massively familiar with. But you've been in this for a very long time, and you've been involved in the

analytics of this for a long time. So can you just talk to me about a memorable moment, something that really stands out for you that we can kind of pick apart and start to discuss?

PATRICK HOMER: Yeah, sure. Well firstly, give a quick definition, description, sort of, Greg. You say that you're not too familiar with this area, so let me start there. Well, in simple terms, pharma companies have research and development programs for sort of a drug discovery.

And when a product is starting to look promising that it's going to make it through there, they start to seriously plan for the market access. Which countries are going to launch into? What are the regulatory submissions that we've got to sort of tackle? We've got to start seeking approval within those countries to market the products. How do we get reimbursement?

And then we need to start thinking about sort of the true commercialization phase. How many sales forces do we need to put behind the brand, to the market in each country? Which physicians do they target? How should we support the marketing? Which channels do we invest in? And so on.

How do we make accurate future forecasts in the supply chain? Making sure that the supply chain is in sync with demand. Those are all areas that I've put under the banner of sort of commercial analytics. It's a study of all those processes and the determination of where advanced analytics can make a difference and bring in significant value.

GREG HORNE: All right. So OK, let's jump back to that first question then. So thinking about your long and distinguished career, what's that thing, that memorable moment that kind of jumps out to you?

PATRICK HOMER: Yeah, sure, Greg. Well, I think you always remember your first breakthrough that you managed to create. Well, my background, I had 20 years in the pharma industry. And during that time, I did have the opportunity to lead pharma sales teams.

The methodology that those teams deployed and the way that they targeted physicians, who they were going to call on the priorities, had a flooring to it. It was based upon what we call top-decile prescribing, based upon identifying physicians who prescribed highly of the therapy area.

So turn the clock back to 2008 when I first joined SAS. I had at my disposal the resources and also the technology to challenge these assumptions. And we started to build predictive models, predictive models identifying physicians who had prescribed highly.

And then we could identify what I call the prescribing DNA, exploring the prescribing trends of all the competitors by analyzing that data, understanding more about their profiles, such as socioeconomic areas that they served. And very quickly, we discovered that we could significantly increase the yield, the prescribing potential, by developing predictive models. And we found a number of innovative sponsors from the industry who wanted to join us on this voyage of discovery.

And that was going back to sort of 2008. I think in many ways, we were probably ahead of our time. But it's great to see recently in the years, McKinsey also picked up this as part of analysis they did on the industry. And they identified it as an area that would also drive significant value.

GREG HORNE: So Patrick, that's really interesting that you discussed there. I want to pick up on that McKinsey piece there. Can you expand on that a little bit more and just tell me a bit more about that piece of research and its relevancy for today?

PATRICK HOMER: Yeah, sure. Great question, Greg. Well, a few years ago, McKinsey released a report about the impact of analytics and AI, artificial intelligence, across all industries, but they also did a study of life sciences. I think the conclusion there is that they identified that for the life sciences industry, there

could be \$400 billion, \$400 billion of gains from the application of analytics and AI across the whole of the life sciences spectrum.

But yet, out of that \$400 billion, over 50% of the potential value comes from the commercial sector. Now when you start thinking about this, it becomes very logical as an area that would bring significant value. If you consider that when a pharmaceutical company invests in the research and development phase, they probably spend, depending on which report you see, between \$2 to \$3 billion to bring that drug to market. Yet, however, the lifetime value if you get that drug right of revenues that you can discover is significant. The top 10 launches of all time have netted between \$85 billion to \$160 billion in revenue. Now that's a big area to go after. And that's where advanced analytics can study all the processes that are involved and can really make that difference in releasing value. So I think McKinsey's conclusion were very much to the point there.

GREG HORNE: That's really interesting, because I think drug companies, it's often not known the kind of investments they make in this space as well. And people don't sort of appreciate that return on investment that's required in that drug space. OK, let's just turn this around a little bit then.

Let's think about coronavirus because you've talked very eloquently about what's been the norm up until now. Coronavirus must have changed that quite a lot, and it must be changing the strategies around how these companies go to market, how they engage their sales teams, particularly. Can you just expand a little bit about what the coronavirus has done in this market?

PATRICK HOMER: Yeah, well, Greg, in summary, COVID mercilessly tested the commercial side of life sciences. Now as an industry, they were heavily weighted towards in-person scientific education. So for example, Greg, sales reps, symposia, and congresses, very much of an in-person type of business model.

Now take that away instantly overnight, as happened with the pandemic. They're only left with one channel about digital engagement. And as an industry, because the pharma industry had invested so much on the in-person, yes, they had made significant developments amongst the digital channels, but perhaps not as much as other industries.

And so now, overnight, they had to rely heavily on that channel. And they had to reimagine about how they would re-engage with their sort of audience through that channel. Now during that time, the time of the pandemic, at the start of the pandemic, we had the opportunity to work with a really pioneering customer.

They were going to launch a critical series of webinars that was designed to tackle down COVID. It was about experts, physician experts, sharing about their experiences from around the globe and the approaches they had in tackling down sort of COVID. But very quickly, this customer started to ask the questions about the experiences that the physicians were having within that webinar, and there were questions that they couldn't answer. And at that time, they reached out to our team.

Now, instantly, we managed to help them out by embedding what we call some of our customer intelligence capabilities, being able to get a granular level of information way beyond where the industry currently was. And we deployed it really quickly, within a couple of weeks. Certainly in time before they run their next webinars of this series, the analytics started to yield new insights.

And they started to discover major issues, major issues, for example, where the registration that led to high levels of abandonment. Physicians in the height of a pandemic, they're not going to be joining from a

PC in an office. Most likely, they're going to be on a mobile phone. So what are the implications there for the content that they're trying to deliver through those webinars that's consumed on a mobile phone? They're not going to stay for hours. And so you need to find out what is most relevant and impactful to be able to focus the message to ensure that engagement is maintained for as long as possible. But you can only get to that level of insight by taking analytics way beyond the metrics that are currently out there and exploring sort of the micro level of insight to a new depth.

To me, Greg, that was a great example, a client that was curious and started to ask questions of the existing data that they couldn't address and very quickly realized the benefit. And now going forward, all of their webinars now have this new level of insight.

GREG HORNE: That's quite incredible. And this isn't just something that applies to this industry then, either. This is something that I think across the health and life sciences industry we've seen as we've moved.

And I must admit myself, I get invited to so many webinars on the line now that you can't attend everything, for sure. So can you see how this might be used by other customers to do the same kind of thing? And do you think it's here to stay?

PATRICK HOMER: Greg, well, we've got to look at it. Digital will be the primary channel for the foreseeable future. Now look, even when the sun sets on the pandemic and rises on a post-pandemic world, it's still going to be digital first. You've got to look at it.

What are all the efficiencies we've all gained and the benefits from our virtual engagements? Easier to get content, more tailor made, you don't have to take days out of the working week to go to an in-person sort of conference anymore. So webinars, they're going to have such a critical role in conveying scientific information. So yeah, I definitely think that they're going to be here to stay.

The one thing that I'm starting to see, though, is that many clients don't know what they don't know. We're provisioned with summary-level statistics, how many people attended? How long did they stay for? And they can be lulled into a false sense of security that we're sort of doing OK.

But the question is, can they do better? Can we deliver more precision back that enhances the physician's experience? And I think this is where the conversation needs to go to, Greg. Have they got a true understanding of a physician's behavior online?

What other digital real estates are physicians exploring in addition to those webinars? What is their journey that they're going on? And how can you collect all of that information and provide insight back to those at the sharp end who need it, such as the sales representatives?

How can all this information be collected back and put back into a CRM system, for example? I think where it's leading us to, Greg, is that needs of the digital engagement landscape, it needs to be reevaluated.

GREG HORNE: Interesting. I'll build on that. You shared with me a report before we did this, EY Reuters Report, Beyond COVID-19 Life Sciences Reimagined. And that picked up on some of these things. Can you talk to me a bit about some of these other challenges that the industry will have going forward?

PATRICK HOMER: Yeah, sure, Greg. Well firstly, I think that report is a must read for any sort of digital marketer in the life sciences industry. It was a survey. It was conducted of over 500 executives about the experiences that they'd been through and throughout the pandemic and how it was changing their perceptions being able to sort of move forward.

They conclusively agreed that the webinar channel was going to be the primary channel. And also, well, what are the challenges that are associated within that? And I think it was expanding upon that idea that I just mentioned earlier, is that I think one of the biggest areas, the biggest gaps that's going to exist, is from all of these digital engagements that physicians are now starting to have across digital real estates owned by pharmaceutical companies, is that how can you collect all of that information and put it to the point of execution?

Such as a sales rep, the next time that they go in, when they do go in to have a conversation with a physician, that all of this insight about their online journey, their online behavior, has been collected and served up back to them in their CRM system. I certainly see that's the area where the industry needs to start thinking about and how to charter a direction of how to get there.

GREG HORNE: That's great. Thanks, Patrick. Well I'm just conscious we're running out of time here. I just want to pick up on one question at the end here that we've been asking everybody, and that's to think about the future, where the industry is heading and where it's going. Yeah, we've had some interesting comments from previous guests that ranged from the miraculous to the kind of really kind of common sense kind of answers. So Patrick, just sum up for me, what's the future hold? What's your kind of prediction for where this industry is heading?

PATRICK HOMER: Greg, well, I think the industry had been on this path of digital transformation over the last number of years. COVID didn't start it. The pandemic didn't start it, but it has accelerated it. And now it's accelerated to a stage where that transformation is now starting to go at warp speed.

What is part of this? Well, cloud has to be a central part of the strategy. Now over the last few years within the life sciences industry, we've seen data that is being put into the cloud. But wherever the data is in the cloud, the analytics need to follow. Data without analytics is value that is undiscovered, so the analytics has to follow the data into the cloud.

New opportunities are then going to start to sort of emerge, to reimagine about now that that data and the analytics are now in the cloud, how do we get to the insight and release that insight? So we need to start thinking about designing and getting our analytical platforms in the cloud to allow the discovery of new insights.

If I was just to summarize, Greg, from my experiences over the last 12 months, I really would say that cloud saved the day. Those companies that had embraced evolutionary cloud strategy for analytics that were those companies that were best to respond throughout the pandemic. So making the investment into cloud, getting the analytics into the cloud, that's where I see the future direction going. And of course, all of the things that will then follow, let's start thinking about artificial intelligence, deploying internet of things, being able to get those insights into that cloud environment too.

GREG HORNE: Brilliant. Thank you very much, Patrick. And your insight is always valuable, and I'm sure our listeners are going to have a lot of feedback. And as a reminder, you can do that through our email, thehealthpulsepodcast@sas.com.

I think that closing subject there about the future and the use of analytics in the cloud is particularly interesting. I think people are going to have some views and opinions on that, maybe even some thoughts about the IoT side of it. Are we going to swallow a tablet with a little sensor in it? And maybe that's something we can pick up on a subsequent episode as well.

So as we've mentioned in other episodes, we are looking to bring together an episode in the future where we look at listeners' questions and we put them back to our experts that have been online. And we've got

plans to do that in the future. But thank you very much for joining me on The Health Pulse. I've been your host, Greg Horne. Please like and subscribe to receive future episodes. And we hope to be broadcasting to you again very soon. Thank you very much.