



COMPETITOR FOCUS SERIES

Decision Matrix: Selecting a CRM vendor in the pharmaceutical industry (Competitor Focus) – Executive Summary and Oracle Evaluation

New opportunities in a maturing competitive landscape

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DATAMONITOR VIEW

CATALYST

The pharmaceutical industry has utilized constituent relationship management (CRM) strategies in one form or another over twenty years, but not always as effectively or efficiently as it could. Today, fierce generic competition, price containment regulations and poor pipeline productivity are changing the business environment. In effect, pressures to improve profit margins and market share are driving pharmaceutical companies to revisit their CRM strategies and in effect see CRM vendors in new ways. This report explores the competitive dynamics in pharmaceutical CRM in order to help life science companies select a vendor based on its technology strength, reputation amongst end users and ability to influence the market. Based on these criteria, Datamonitor offers a comprehensive view of the competitive landscape and provides recommendations on which vendors companies should explore, consider and shortlist when selecting a CRM solution.

SUMMARY

Datamonitor believes that the competitive landscape for CRM in the pharmaceutical industry is characterized by the following factors:

- By combining robust CRM technology with extensive market impact in the pharmaceutical sector, Oracle is positioned as the leader for CRM solutions in the life sciences;
- With its recent acquisition of Dendrite, Cegedim has increased its market impact and has positioned itself as an important leader in the pharmaceutical CRM market;
- By offering new technology platforms StayinFront and Salesforce.com have become important players in the pharmaceutical CRM landscape; and
- While still a newcomer, Verticals onDemand, boasts domain expertise and a competitive end-user interface.

METHODOLOGY

End-user research	Nearly 300 end users in the pharmaceutical industry participated in an online survey about CRM.
Vendor briefings	In-depth briefings were conducted with each of the six vendors profiled in this report.
Secondary research	Secondary research sources were used to inform and validate the conclusions of this report.



MARKET DEVELOPMENTS

The competitive landscape for CRM in the life sciences is entering a new phase

In order to understand the market for CRM in the pharmaceutical industry, the following vendors have been profiled:


- Cegedim Dendrite
- Oracle
- Salesforce.com
- StayinFront
- Verticals onDemand

In May 2007, Cegedim S.A. completed the acquisition of Dendrite International. Datamonitor will treat Cegedim and Dendrite as a single entity in its market impact assessment but as separate entities in the technology and user sentiment assessment since each company's CRM offerings have remained separate during research and publication of this report. Consequently, Datamonitor has also conducted separate user-sentiment surveys and technology assessments of Cegedim's and Dendrite's CRM solutions. The Datamonitor Decision Matrix will present a single assessment of Cegedim Dendrite's competitive position, but subsequent analyses will treat Cegedim's and Dendrite's CRM solutions separately.

While managing customer relationships is nothing new to the pharmaceutical industry, CRM has not always been utilized effectively or efficiently. Today, the changing business environment calls for more effective and efficient sales and marketing strategies. Specifically, fierce generic competition, price containment regulations and poor pipeline productivity are challenges looming over many pharmaceutical companies today. In effect, pressures to improve profit margins and market share are driving companies to purchase a new CRM solution or re-evaluate and replace existing installations.


Datamonitor expects the following developments over the next 12 months:

- **Consolidation changes the market dynamics and signals a rapidly maturing market** – Two of the leading niche enterprise software vendors for the life science market, Cegedim and Dendrite, have merged, changing the dynamics of the competitive landscape in pharmaceutical CRM. Although the market is characterized by both horizontal and vertical (niche) vendors, the merging of two major niche players, Cegedim and Dendrite, decreases the number of niche vendors and signals a rapidly maturing market. Horizontal vendors such as Oracle, which once competed against the specificity of niche vendors, will now have to compete against size as well. Cegedim Dendrite now boasts the largest pharmaceutical-specific revenue, and pharmaceutical installed base. Furthermore, consolidation in this market signifies both new opportunities and increasing competition for players who are now entering the pharmaceutical CRM landscape. Datamonitor anticipates that the competitive landscape will continue to mature



through consolidations and create new opportunities, particularly as new players offer emerging technologies that are increasingly flexible and cost effective.

- **Software as a Service (SaaS) is becoming increasingly important** – While the pharmaceutical industry has historically shied away from hosted solutions due to intellectual property concerns, ‘on demand’ CRM platforms are becoming increasingly popular within the industry. These subscription-based licensing and hosted multi-tenant models will remove many barriers to CRM adoption, including the high initial cost of ownership. By having the vendor host and operate the CRM application – either independently or through a third party – over the Internet, pharmaceutical companies cut costs associated with owning the software. Instead, organizations pay for using the software on a subscription basis. The SaaS delivery model has prompted many vendors to offer a portfolio of options in addition to their traditional on-site deployments, by adding single- or multi-tenant subscription-based models and the increasingly seamless migration paths between those models. Datamonitor anticipates SaaS to have a disruptive effect on the CRM market, including the pharmaceutical vertical, creating opportunities for new vendors and putting pressure on established players to update their technologies or offer on-demand delivery models as part of their portfolio of CRM solutions.
- **The shift towards integrated enterprises and service oriented architecture (SOA) will impact growth of enterprise wide, end-to-end CRM solutions** – As pharmaceutical companies implement strategies to streamline information across the organization, vendors offering enterprise-wide CRM applications will have an edge over competitors with point solutions. Enterprise-wide CRM products offer greater value by linking the three key business functions of a pharmaceutical company; namely sales, marketing and customer fulfillment. The shift towards enterprise-wide solutions is indicative of the technology adoption of CRM in this industry. Although pharmaceutical companies have been using CRM solutions for over twenty years, the various elements of CRM have developed at different rates and are only now coming together to form a comprehensive CRM solution. The increasingly global nature of the majority of today’s pharmaceutical companies necessitates the ability of an IT solution to scale up. Offering a CRM solution that is built on a service orientated architecture (SOA) enables the organization to benefit not only from keeping its existing systems in place, but also from the flexibility of being able to add or subtract applications as needed. Therefore, Datamonitor believes that enterprise-wide CRM products will become important as they enable integration and interface not only among different CRM applications but also among other applications such as enterprise resource planning (ERP) and product lifecycle management (PLM).
- **Multi-channel CRM will be more widely adopted** – The diverse nature of the pharmaceutical industry’s customer base continues to challenge the successful end-user adoption of CRM. In order for CRM to be successful, multiple types of customers must be catered to through various channels with variable effects on sales and business strategies. At the same time, a company must maintain separation among patients, prescribers, dispensers and payers in order to reduce conflicts of interest and remain compliant with regulations governing the industry. Because CRM end users will have multiple touch points within one account and since long sales cycles continue, pharmaceutical companies must consider a broader range of interaction sources and channels for their CRM strategy.



Therefore, Datamonitor predicts that multi-channel functionality will be widely adopted by the pharmaceutical industry and will serve as an important criterion in selecting a CRM solution over another.

The CRM in Pharmaceuticals Decision Matrix

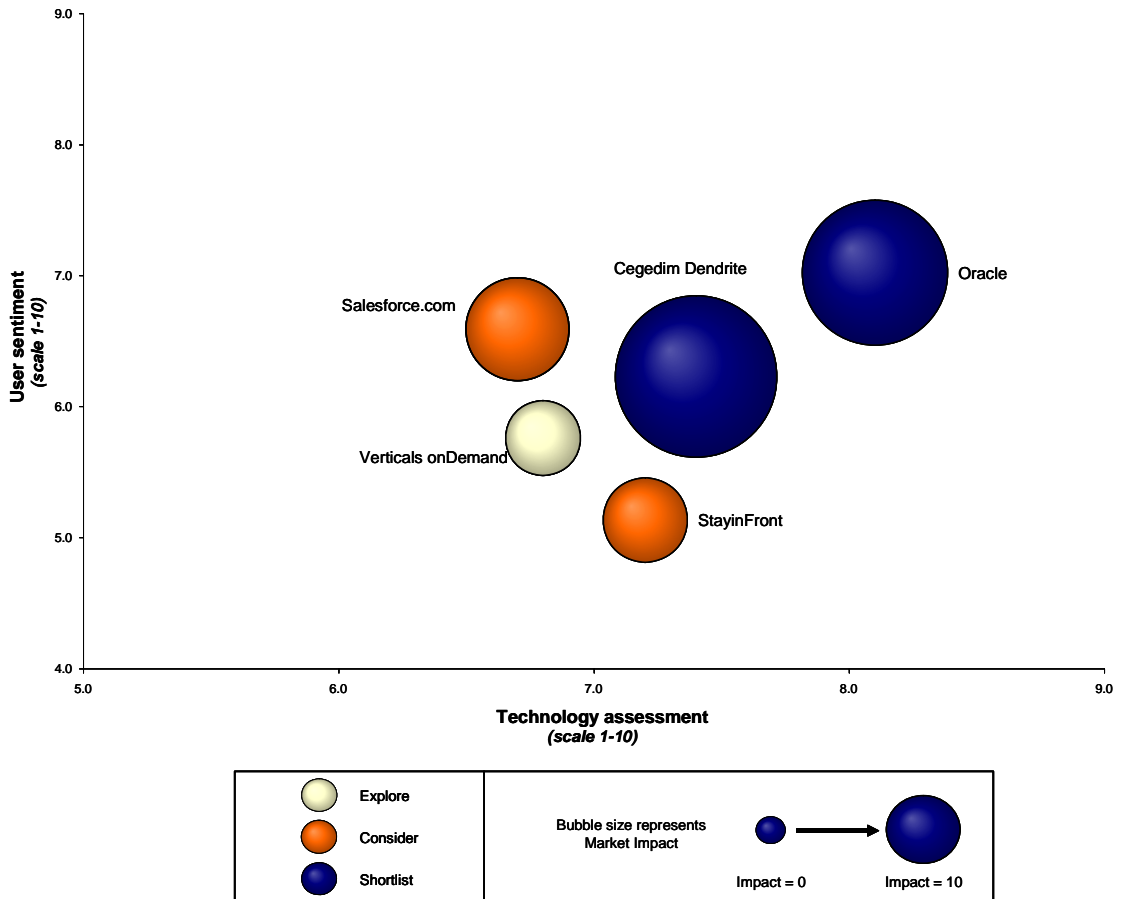
In the Decision Matrix, Datamonitor provides a summary of CRM vendors' capabilities based on a quantitative assessment of their market impact and end-user sentiment, as well as the technology features that they offer. Datamonitor also provides guidance for companies looking to deploy CRM solutions and whether they should immediately shortlist, consider or explore deploying solutions from these vendors. The following definitions are used for each of these recommendations:

- **Shortlist** – These vendors' products and services should always be placed on an enterprise's shortlist for CRM technology selection. This category represents the leading solutions that we believe are worthy of a place on most technology selection shortlists. The vendor has established a commanding market position with a product that is widely accepted as best of breed.
- **Consider** – The vendors in this category have good market positioning and are selling and marketing the product well. The products offer competitive functionality and good price/performance, and should be considered as part of the technology selection process.
- **Explore** – Solutions in this category have less broad applicability, and may have limitations in terms of the product's functionality, or the vendor's execution capability. However, they will still be suitable to meet specific requirements, and may be worth exploring as part of the technology selection process.

All of the vendors profiled in this report have been selected on the basis of their user recognition, the quality of their products and services, and their impact in the pharmaceutical industry. While there are additional niche and horizontal vendors offering CRM solutions to the pharmaceutical market and although many of these vendors have strong products, all vendors included in Datamonitor's Decision Matrix still have a distinct lead over their competitors.

Finally, since realizing value from a CRM deployment is critically dependent upon the solution's ability to execute the company's overall CRM strategy, a decision to purchase one solution over another should be based on a broad array of factors, including, but not limited to, the degree of alignment between the solution's features and functionality and the specific objectives of the company's CRM strategy. As a result, Datamonitor's recommendations of shortlist, consider and explore should be taken only within the context of a company's specific solution requirements.

Figure 1: The CRM in Pharma Decision Matrix*



* Definitions of Market Impact, Technology, Sentiment and the Decision Matrix ratings can be found in the appendix.

Source: Datamonitor

DATAMONITOR

Table 1: The CRM in Pharma Decision Matrix*

Shortlist	Consider	Explore
Oracle Cegedim Dendrite	Salesforce.com StayinFront	Verticals onDemand
* Vendors listed in order based on total scores		
Source: Datamonitor		DATAMONITOR

Oracle is the top leader by striking the right balance between industry specificity and functionality

Oracle's Siebel CRM suite of products offers a wide breadth of solution functionality and a competitive level of vertical specificity, although there is additional room for growth in vertical specialization and customer support for the pharmaceutical market. As the leading vendor in the categories of technology assessment and end-user sentiment, the Siebel CRM solution version 8 propels Oracle onto the top of the shortlist of CRM vendors for the pharmaceutical industry. With an advanced end-user interface and a drag-and-drop environment which does not require coding, Oracle's Siebel CRM v.8 offers robust multi-channel capabilities for companies looking to invest in a winning enterprise-wide CRM product.

Cegedim Dendrite is a leading vendor with strong industry expertise and an expanded installed base

After acquiring Dendrite in March 2007, Cegedim Dendrite is now the largest vendor providing software solutions and services exclusively to the life sciences market. As the largest niche vendor, Cegedim Dendrite holds not only a great ability to impact the market but also the longest history in the industry as well, by offering CRM solutions for over twenty years. The combination of its significant market impact and deep pharmaceutical expertise reflected in the product functionality should put Cegedim Dendrite on the shortlist of most life science companies considering investing in a CRM solution. Recognized by end users for its pharmaceutical expertise, Cegedim Dendrite has experienced recent rapid growth.

With a new delivery model and strong end-user sentiment Salesforce.com is building momentum

As the leader in 'on-demand' CRM software and the 'software-as-a-service' delivery model, Salesforce.com is becoming a formidable competitor in the life sciences CRM space. Having developed a technology platform that allows for rapid implementation and ongoing innovation, the Salesforce.com CRM solution offers competitive product quality and service capabilities. With one of the fastest growing pharmaceutical CRM revenue and a proven technology across other markets such as financial services, high-tech and telecom, Salesforce.com offers a considerable CRM solution for life science companies. Despite room for improvement in vertical specialization and portfolio depth for the pharmaceuticals market, Salesforce.com is one of the most recognized vendors among surveyed end users.



StayinFront offers robust multi-channel capabilities on an updated technology platform

An established player with mid-size life science companies and a long history of pharmaceutical-specific CRM products, StayinFront is a stout competitor in the pharmaceutical CRM market. The company's core competency lies in its upgraded layered architecture which is combined with a Microsoft.Net environment for a familiar end-user interface experience. Although it does not have as strong a brand amongst end users as other vendors on the competitive landscape, StayinFront offers a mature, third generation enterprise-wide CRM solution with robust analytic and data quality capabilities. As such, StayinFront's CRM v.10 offers strong multi-channel capabilities but service capabilities and brand recognition are areas for improvement.

Verticals onDemand's VBioPharma CRM product will change the competitive landscape

As the "new kid on the block," Verticals onDemand has entered the CRM market focusing solely – at least for the time being – on the pharmaceutical vertical. Although the company's solution became widely available to its installed base in July of 2007, product demonstrations suggest that VBioPharma brings together Verticals onDemand's significant industry experience with the power of a flexible and user-friendly CRM solution. Biotechnology and pharmaceutical companies looking to invest in on-demand CRM products should explore Verticals onDemand for its innovative technology, flexibility and usability.



MARKET LEADERS

As the competitive landscape may vary significantly across the three areas assessed by Datamonitor's Decision Matrix – technology, user sentiment and market impact – it is important to consider these categories separately in order to develop a more complete understanding of each vendor's particular strengths and weaknesses and why it has been assigned a shortlist, consider or explore rating. In the following section of this report, Datamonitor will present the market leaders for each area and then discuss how they vary across the sub-criteria within the assessment areas.

Each of the market leaders' diagrams below show the leading vendors in each of the technology, user and market impact categories. The three leading vendors are presented for each evaluation criterion, but if multiple vendors are receiving the same mark, all vendors sharing the same score are displayed.

Market leaders: Technology Assessment

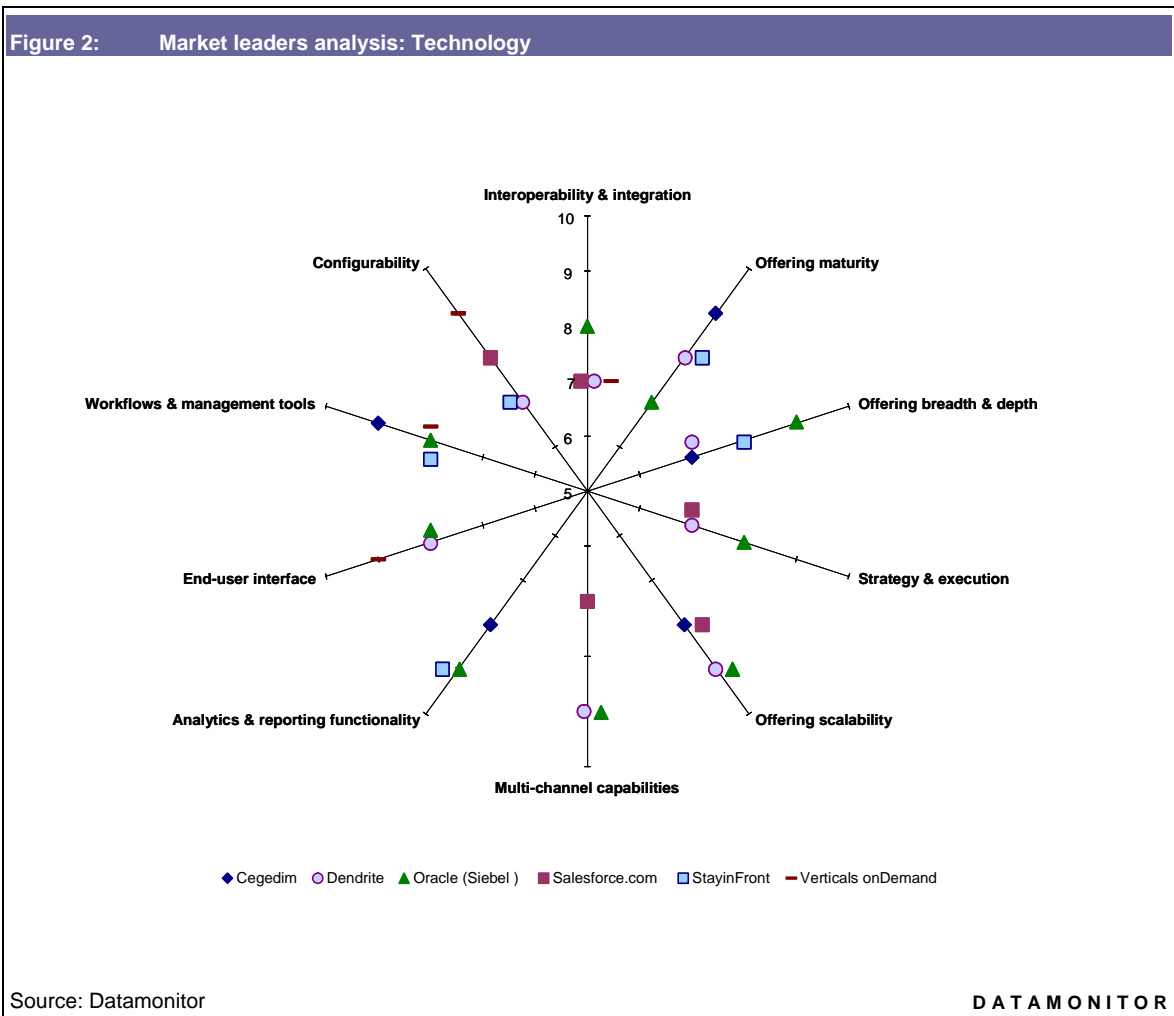
CRM is a strategy first and a technology solution second. CRM is enabled by technology, such as the Internet, but at its core, CRM is a strategy. More specifically, Datamonitor defines CRM as the strategy used by pharmaceutical companies to maximize the value of their products through better management of their customer relationships. Ultimately, CRM is a technique for attracting and retaining customers, increasing or at least maintaining market share, while reducing costs attributed to sales, marketing and customer fulfillment. Technology plays a pivotal role in CRM strategies by acting as a vehicle that provides a cost-effective and systematic way to achieve the above objectives.

All of the six profiled vendors appear on the market leader technology assessment graph, indicating that in the Technology Assessment category all vendors lead the market in at least one area. In general, the pharmaceutical CRM competitive landscape consists of two types of vendors, horizontal and niche, depending on whether their CRM solution was developed for several markets or for the pharmaceutical market exclusively. Two of the six profiled vendors, Oracle and Salesforce.com are considered horizontal vendors and the remaining are niche vendors, although StayinFront and Verticals onDemand have expanded or plan to expand their offerings to additional markets. Horizontal vendor Oracle, whose Siebel CRM solution has been one of the most widely adopted 'verticalized' solution in the life sciences market, leads the group in the areas of product breadth and depth, strategy and execution and interoperability and integration, while niche vendors StayinFront, Cegedim and Dendrite challenge Oracle's leadership position in the scalability, multi-channel capabilities, and analytics areas. Overall, Oracle and Dendrite are strong leaders in the technology assessment category although the other profiled vendors follow closely.

Recognizing the value that automated workflows and management tools can bring to pharmaceutical companies, four of the six profiled vendors took high scores in the category including Cegedim, with the highest mark, StayinFront, Oracle and Verticals onDemand with equal scores. Salesforce.com fell off the leader board, as the solution needs further development in pharmaceutical-specific automated workflow tools, while Dendrite offers such tools as part of a separate offering.

Although the pharmaceutical industry has made significant strides in making the sharing and transferring of data between CRM solutions and other company applications less cumbersome, room for improvement remains. As one of the few solutions that support service-oriented architecture (SOA), Oracle's Siebel offers some of the strongest integration and interoperability amongst the profiled vendors. Datamonitor believes that other vendors will adopt similar strategies as there are great benefits to be gained in the pharmaceutical industry by the adoption of SOA.

Finally, it is important to note that Verticals onDemand, receives the highest score for its usability and flexibility of its end-user interface. With drag-and-drop functionality as well as user-specific language, features and options, Vertical on Demand's CRM product, VBioPharma is a stout competitor in the technology areas of configurability and end-user interface.

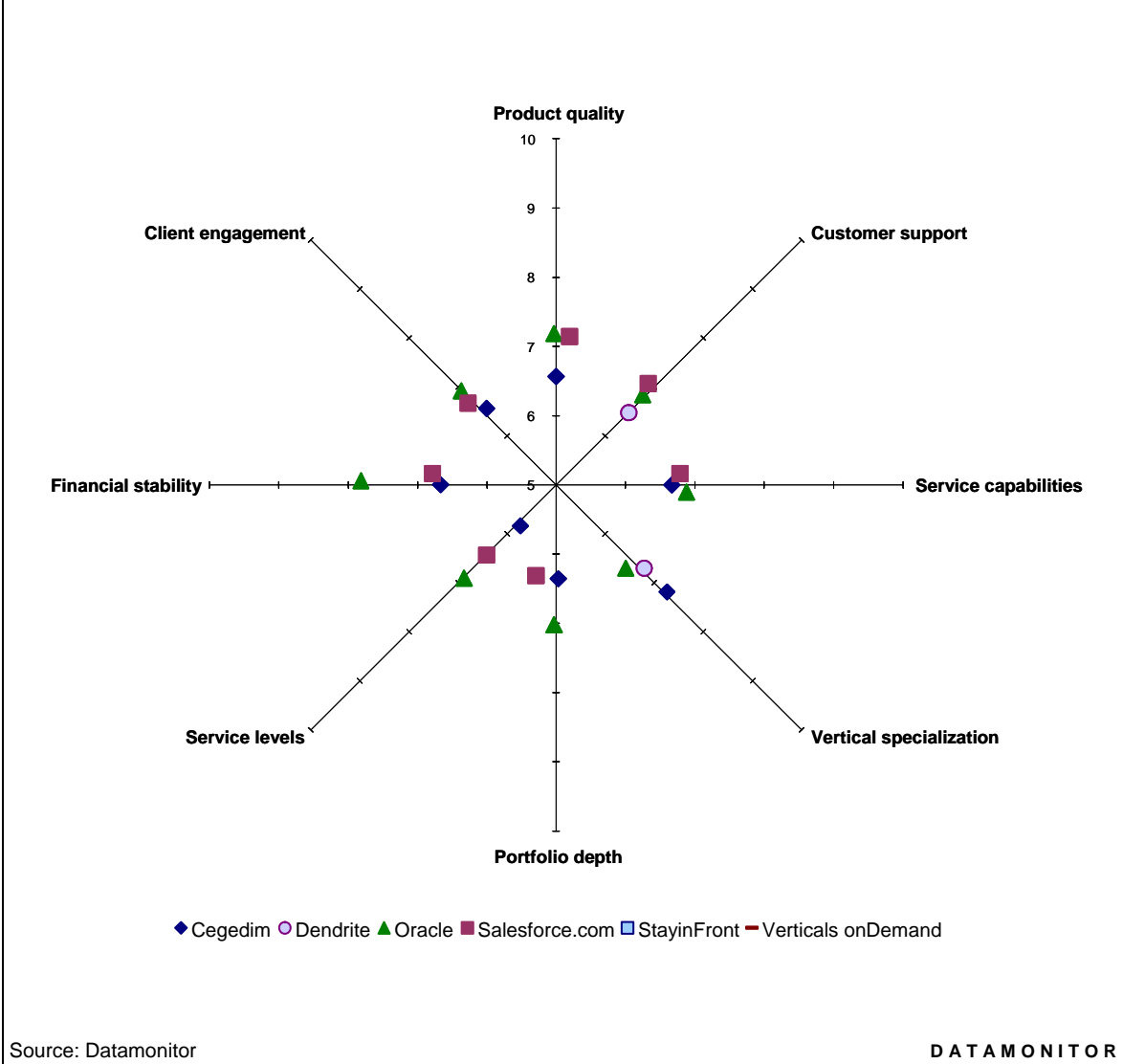





Market leaders: User sentiment

Datamonitor's research on the pharmaceutical technology market shows that pharmaceutical companies, when purchasing a new technology solution, find the most attractive vendors to be those with a demonstrated commitment to the life science market. With ten years of developing life-science-specific features and functionality, Oracle's Siebel CRM is the most recognized solution amongst surveyed respondents and it is also the solution that receives the highest scores across all end-user categories. Similarly, end users recognize and assign equally high scores to Dendrite products, assigning them one of the highest scores for the most specialized products in the pharmaceutical market. This finding seems to indicate that as long as a product meets specific industry needs, it is irrelevant whether or not the solution was originally developed for the pharmaceutical industry exclusively or whether the solution evolved from a horizontal product.

Figure 3: Market leaders analysis: User sentiment



As the pharmaceutical CRM Decision Matrix includes vendors with markedly different delivery models, it is important to note the perception of end users about on-demand vendors, such as Salesforce.com, compared to traditional vendors. As shown in Figure 3, Salesforce.com is one of the top three vendors in this category, receiving top scores for its customer support. As the newest vendor on the competitive landscape, Vertical onDemand belongs to the same “on-demand” category, although it falls off the market leaders diagram since it is not recognized yet by enough users, given that its product was launched a few months prior to the survey. The high scores assigned to on-demand vendor Salesforce.com



suggest that those pharmaceutical users that have adopted the company's on-demand solution are very positive regarding the service that they are receiving.

Additional Datamonitor research suggests that this user attitude reflects a general industry trend in regards to the on-demand delivery model. Namely, end users of such products are more satisfied with customer support and services provided by SaaS vendors rather than by traditional vendors. Therefore, on-demand CRM vendors are making a lasting impact on the pharmaceutical CRM market.

Not surprisingly, with a highly specialized and mature solution, Cegedim broke free from the remaining vendors in the area of vertical specialization, leading that category. At the same time, it is important to recognize that although a few vendors distinguished themselves in comparison to the other profiled vendors, survey respondents, in general, were not particularly favorable about vendors, with not a single vendor receiving scores about a 7.0 in any category. In fact, the average score across all of the vendors did not reach 7.0 for a single category. This may come as a surprise, considering the fact that certain niche vendors have been offering products for over a decade. As there is clearly room for improvement in the areas of portfolio depth, service levels and service capabilities, - categories with the lowest scores – vendors should re-consider these areas when it comes to their pharmaceutical clients.

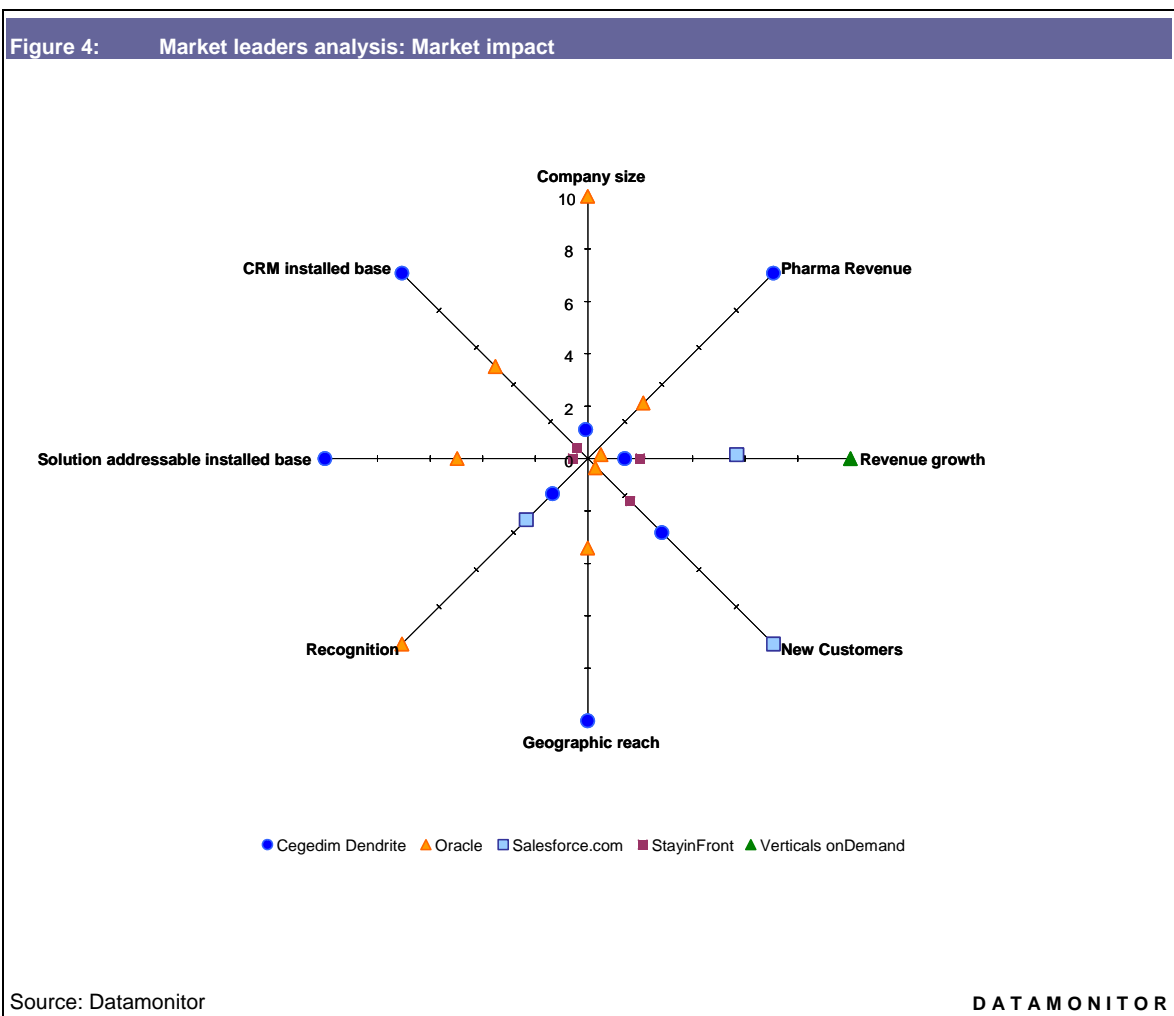
Market leaders: Market Impact

The pharmaceutical CRM competitive landscape changed dramatically when two niche vendors, Cegedim and Dendrite merged in the first quarter of 2007. As a result, Cegedim Dendrite has become a clear leader in influencing the market. Posing additional competition for established horizontal vendors, the acquisition of Dendrite by Cegedim also creates additional opportunities for new vendors. With emerging vendors entering the landscape and offering alternative technologies and delivery models, the impact that vendors can exert on the pharmaceutical CRM market will depend not only on the criteria examined in this section but also on their technology strengths and their customers' perception, as discussed earlier.

Having approached the market from a data collection and warehousing approach, Cegedim already had a strong footprint in the pharmaceutical CRM market – mostly in Europe - even before it acquired Dendrite. Similarly, Dendrite, a pharmaceutical sales force automation (SFA) specialist, was a well-known and respected vendor. The two companies complemented each others portfolio in terms of their geographic coverage, customer base as well as technology and delivery models. Cegedim Dendrite is now the largest niche vendor, enjoying the most pharmaceutical end users, largest CRM Pharma installed base and pharmaceutical-specific revenue.

Although Oracle may be considered a horizontal solutions provider, it is second only to Cegedim Dendrite in terms of its ability to impact the market for CRM in the life sciences. Its company size aside, Oracle still boasts the second largest CRM installed base amongst pharmaceutical companies, considerable revenue from this industry and extensive international presence.

Despite the fact that Cegedim Dendrite and Oracle have considerable presence in the pharmaceutical CRM market, at the same time some of the smallest vendors offering new technology platforms are also the most successful or the fastest growing. As a leading on-demand CRM specialist, Salesforce.com is one of the market leaders in the new customer category. Similarly, Verticals onDemand is likely to play an important role in the competitive landscape, offering an innovative product that seems to meet the industry's need like a glove. Therefore, such on-demand vendors are expanding rapidly both because they are less mature and because their business model is based on rapid mass adoption.



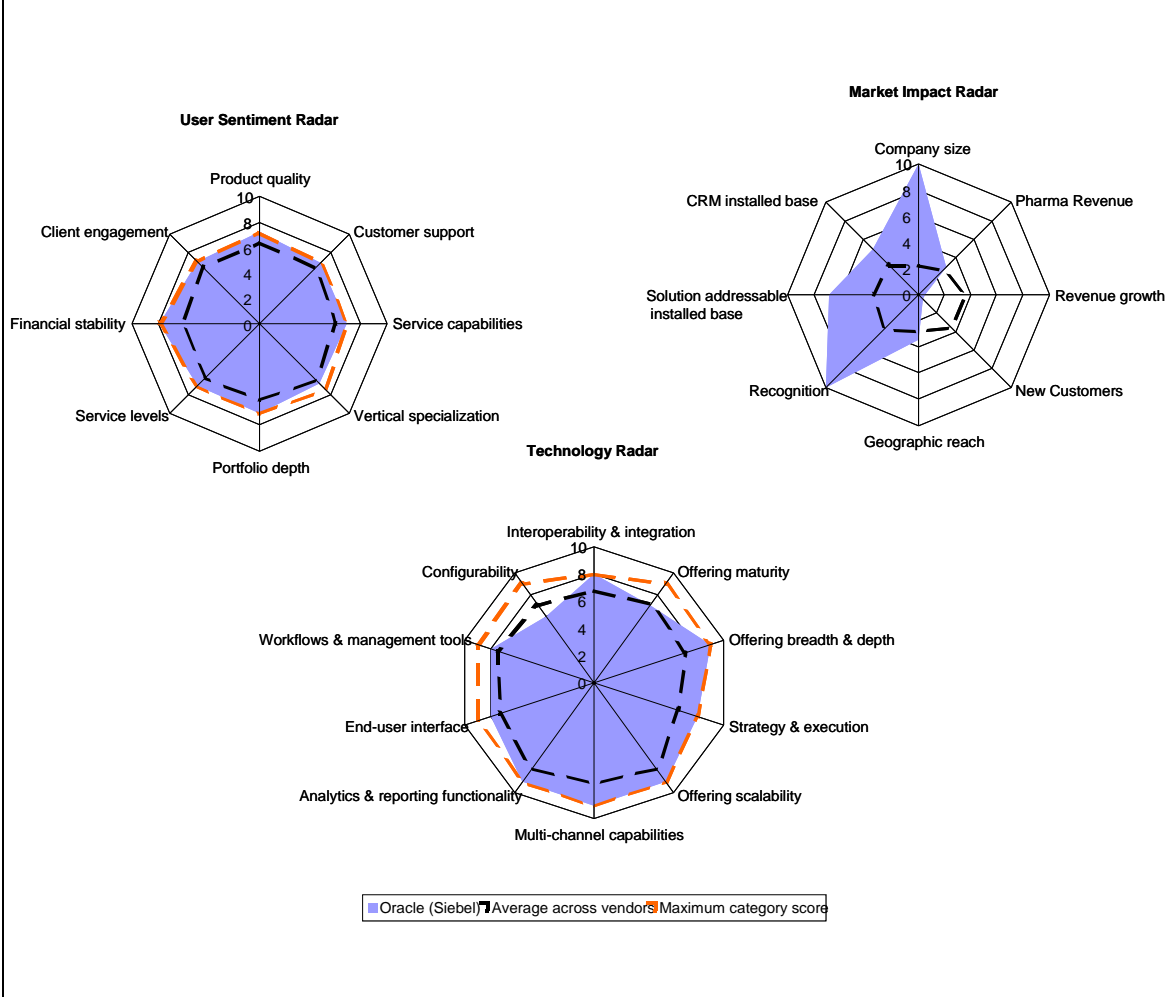


VENDOR ANALYSIS

Oracle - Siebel: CRM in Pharma Radars


Oracle, one of the world's largest enterprise software companies, has an undeniable footprint in the life sciences market, particularly in databases, middleware products and clinical applications. Since acquiring Siebel CRM in 2005, Oracle gained significant presence in the pharmaceutical CRM market, as Siebel CRM is one of the most widely used solutions in the life sciences industry. As a result, Oracle Siebel CRM is the leader in all categories of market impact, technology assessment and end-user sentiment.

Figure 5: The Oracle CRM in Pharma Radar: Siebel



Oracle's clear presence in this market is evidenced by the fact that it is the most recognized vendor amongst surveyed end users, in terms of the number of survey respondents that were familiar with the vendor's CRM solution. As a leading CRM vendor across several industries, Oracle enjoys one of the largest solution-addressable installed bases. This success carries over into life sciences where Oracle's proven track record and dedicated vertical capabilities are demonstrated by its pharmaceutical-specific revenue and Pharma customer base.

Surveyed respondents give Oracle Siebel CRM solution the highest scores in six out of the eight evaluation criteria, including product quality, portfolio depth. End users in the life sciences market that are familiar with Oracle recognize its success, also giving it the highest score for financial stability.



As a mature technology with almost ten years since its original deployment, Oracle's Siebel CRM version 8 has evolved from a client server to web-server architecture offering added functionality for all types of end users, including representatives of managed care accounts. A particularly compelling feature of the Siebel CRM v8 for the pharmaceutical industry is its integration with Oracle's business intelligence (BI) applications. Oracle's Pharma analytics solution comes as a pre-built, pharma-specific offering which is fully integrated with Siebel CRM v8. As part of the pre-packaged product, the analytics solution includes a predefined database that can be customized based on the client, ETL logic and platform and a BI server with metadata analysis, making this product's analytics functionality one of the most robust in the industry.

Additional features to note include extensive integration and interoperability features as well as impressive multi-channel capabilities. Specifically, Siebel CRM v.8 provides support for service-oriented architectures (SOAs) and out-of-the-box Web services-based integration, which can simplify integration between the solution and other applications and services. Its extensive multi-channel functionality includes a web browser, mobile and off-line support, while the product also supports instant messages that can replace email messages.

Recommendation: Shortlist

Because Siebel CRM v8 balances industry expertise with a robust enterprise-class technology that is customizable to every type of end user in the pharmaceutical sales & marketing, life science companies should shortlist Oracle when considering a CRM product. Siebel CRM v8 is a harmonious fit for companies looking for enterprise-wide, global deployment of a comprehensive "out of the box" solution that offers a 360 degree view of its customers.

APPENDIX

Definitions

- **Constituent Relationship Management (CRM)** – A software solution that typically supports the management of interactions between the pharmaceutical company and its customers for such activities as sales force campaigns, marketing campaigns, and helpdesk support. Customer Relationship Management (CRM) is a business strategy by which a company seeks to maximize the value of its products by managing the customer relationship, with specific aims to boost customer retention and increase or, at the least, maintain market share, while reducing the costs attributed to sales, marketing and customer fulfillment.
- **Life Sciences industry** – Includes pharmaceutical and biotechnology companies.


Datamonitor Ratings

- **Shortlist** – These vendors' products and services should always be placed on an enterprise's shortlist for CRM technology selection. This category represents the leading solutions that we believe are worthy of a place on most technology selection shortlists. The vendor has established a commanding market position with a product that is widely accepted as best of breed.
- **Consider** – The vendors in this category have good market positioning and are selling and marketing the product well. The products offer competitive functionality and good price/performance, and should be considered as part of the technology selection process.
- **Explore** – Solutions in this category have less broad applicability, and may have limitations in terms of the product's functionality, or the vendor's execution capability. However, they will still be suitable to meet specific requirements, and may be worth exploring as part of the technology selection process.

Extended methodology

Datamonitor assesses CRM vendors based on three core criteria, each of which consists of between 8 and 10 more specific criteria. Taken together, these criteria serve as the basis for Datamonitor's positioning of vendors as Shortlist, Consider or Explore in the competitive landscape for CRM in the pharmaceutical industry.

Technology



Datamonitor analysts assign vendors a score from 1 to 10 for each of the 10 technology assessment criteria, whereas the overall technology assessment score is determined by taking the average of these 10 scores. The 10 technology assessment criteria used for the CRM market for pharmaceuticals include:

- **Interoperability and integration** - The ease and extent with which a technology offering can exist, interface, combine, and work with the products, services, and solutions from other vendors.
- **Offering maturity** - The extent to which an offering has developed in comparison to similar offerings on the market.
- **Offering breadth and depth** - The degree to which the solution supports all points of customer interaction including sales, marketing and customer support.
- **Offering scalability** - The ability of an offering to meet the demands of the business. Scalability can have many dimensions: transaction rates, computational throughput, concurrent user load, process sophistication, among others.
- **Strategy and execution** – Vendor capability features including financial stability, training options, support policies and maintenance options, as well as deployment services and implementation partners.
- **Multi-channel capabilities** - The extent to which the solution supports the use of multiple contact points with customers, for example telephone, mail, email, web and in-person.
- **Analytics and reporting functionality** - The extent to which the solution provides reporting capabilities on the interactions with customers.
- **End-user interface** – The degree to which the solution supports standard role-based views that are relevant and useful to a diverse set of end users.
- **Workflows and management tools** - The extent to which the solution provides tools to help manage multi-step business processes such as recruitment, retention, financial aid packaging, and campaign management.
- **Configurability** - The extent to which end users from sales representatives to marketing staff are able to configure the solution to meet their own specific needs and preferences.

User sentiment

As part of each technical assessment, Datamonitor surveyed nearly 300 users of CRM technology in pharmaceutical and biotechnology companies across North America and Western Europe drawn from a variety of sources including Datamonitor's technology decision-maker panels, third-party lists and the subscribers of Bio-IT world magazine. These end users were asked to rate the technology vendors that they work with, and Datamonitor provides an average rating in each of the following categories:

- **Product quality** – the company's perception of the quality of the vendor's products.

- **Customer support** – the quality of the vendor's business/technical support offerings.
- **Service capabilities** –the quality of a vendor's particular services offerings (consulting, integration, maintenance, management)
- **Vertical specialization** – the extent to which the vendor offers industry-specific solutions and expertise.
- **Portfolio depth** – the enterprise's perception of the depth of the vendor's product portfolio.
- **Service levels** – the quality of a vendor's service level agreements (SLAs) and its ability to meet them.
- **Financial stability** – how financially stable the enterprise believes the vendor is.
- **Client engagement** – the effectiveness of the vendor's sales-force and the enterprise's perception of its channel to market.

Market Impact

Datamonitor analysts used data collected through primary and secondary research to determine a vendor's global market impact. Market impact is measured across 7 categories, each of which has a maximum score of 10. A vendor's overall Market Impact score is calculated by taking the average across the scores assigned to each of the following categories:

- **Company size** – Each vendor's revenue is calculated as a percentage of the market leader, multiplied by 10 and then rounded up to the nearest integer.
- **CRM installed base** – The number of end users in pharmaceutical companies using the vendor's CRM application is calculated as a percentage of the market leader, multiplied by 10 and then rounded up to the nearest integer.
- **Geographical reach** – The number of pharmaceutical-specific installed based (end users in Pharma using CRM products) that a vendor has under contract outside of the US is calculated as a percentage of the market leader, multiplied by 10 and then rounded up to the nearest integer.
- **Pharmaceutical revenue** – Revenue attributable to the pharmaceutical industry vertical is calculated as a percentage of the market leader for each vendor, multiplied by 10 and then rounded up to the nearest integer.
- **Solution addressable installed base** – The number of end users using at least one of the vendor's applications, such as an enterprise resource planning (ERP), is calculated as a percentage of the market leader for each vendor, multiplied by 10 and then rounded up to the nearest integer.
- **New customers** – The number of new unique-named pharmaceutical or biotechnology companies that each vendor brought under contract in 2006 or 2007 is calculated as a percentage of the market leaders, multiplied by 10 and then rounded up to the nearest integer.

- **Revenue growth** – Each vendor's revenue growth rate over the last 12 months is calculated as a percentage of the fastest growing company in the market, multiplied by 10 and then rounded up to the nearest integer.
- **Recognition** – As part of its survey of nearly 300 end users, respondents were asked to state their association with each vendor. The percentage of respondents claiming to have evaluated or deployed a product from a given vendor is taken to represent vendor recognition. The percentage of the vendor recognition is then divided by the highest percentage of the vendor recognition, multiplied by 10 and rounded up to the nearest integer.

Further reading

Falling Margins in Pharma - increasing ROI through CRM (BFTC1771, July 2007)

Bringing Drugs to Market The role of CRM in improving sales & marketing (BFTC1774, June 2007)

Formulating an effective CRM strategy (BFTC1772, June 2007)

CRM Spending in the Pharmaceutical Industry 2006-2012 (IMTC0136, June 2007)

Future Spending of CRM Technologies Europe 2006-2012 (DBTC0047, July 2007)

Future Spending of CRM Technologies North America and Japan 2006-2012 (DBTC0046, July 2007)

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