Executive Summary

Life sciences commercial operations are undergoing major shifts in how they operate and in the resources available to them. Increasingly, sales and marketing organizations will sell therapies targeted to smaller patient populations, and they already have shrinking marketing budgets and less direct access to physicians. At the same time, sales professionals are using new and varied tools: tablet computers, smartphones and a variety of social media outlets.

Smart master data management (MDM) is critical to getting better results with fewer resources and different tools. Mining customer data, and relationships among that data, can yield valuable business intelligence. Yet traditional, on-premises MDM systems consume vast financial and human resources. Given the cost pressures on life sciences companies, traditional MDM solutions are increasingly untenable.

The time has come to put the life sciences customer in the cloud. Life sciences companies can adopt a flexible, affordable MDM model that provides high-quality, up-to-date customer data, whenever and wherever it is required, at a fraction of the cost of on-premises MDM investments. Cloud-based MDM is cost-effective and easily implemented; it is scalable, robust and mature; and it has the flexibility required to enable and support the evolving transformation of life sciences commercial operations.

Cloud Cost Savings

Traditional MDM systems managed in-house are expensive to implement and maintain because they require hardware and software investments, significant customization and ongoing maintenance and upgrades. The cloud model eliminates as much as half of the costs of traditional MDM approaches.

According to our typical client experiences, an initial investment in an on-site MDM system costs a mid-sized-to-large pharmaceuticals company between $4 million and $10 million for hardware and software. Implementation time for such systems runs six months to a year. Hardware and software must be upgraded regularly, and security measures continuously evaluated and maintained. In addition, as sales teams adopt mobile access devices, the MDM system must integrate with and support those devices with new features and services, often requiring more programming and customization.

This array of maintenance and upgrade activity, plus the initial investment, makes ownership of an on-premises MDM system extremely expensive. The high cost is increasingly hard to justify in the face of industry turmoil and constant financial constraints – especially when the cloud is such a powerful alternative to traditional MDM.
Cloud-based MDM draws on an experienced service provider’s economies of scale to offer these benefits:

- **Faster implementation**: Cloud-based MDM is available to support commercial operations in four to six weeks vs. the year-long implementations often required by traditional solutions.
- **Upfront and continuing savings**: Integration between the cloud and common internal applications should be included in the set-up, while customization is typically quicker and less expensive because service providers draw on a large base of industry best practices to guide this work. Standard upgrades should be free.
- **Predictable operating costs**: Clients subscribe only to the level of service they need and do not pay for capacity and capabilities they don’t require.
- **Minimized data stewardship expenses**: Experienced service providers build data quality assurance practices and structures into their solutions so clients can reduce internal resources dedicated to these tasks.

Based on our engagements, most average and large life sciences companies can achieve 50% cost savings with a cloud MDM subscription compared with a traditional MDM solution, without compromising features or functions.

### Better Support for Commercial Operations

Life sciences sales and marketing professionals are still expected to improve results despite narrower development pipelines, smaller target populations and lower budgets. Being successful in these conditions requires commercial operations to use customer data more creatively to identify high-value targets, plan effective promotions and accurately measure results. The cloud model supports these new business and commercial operations strategies by providing complete and current data for dynamic targeting, call planning and re-routing, measuring and analytics, all at lower costs.

- **Fast availability** of cloud-based MDM solutions - in weeks, not months - means these systems can be used with a specific, limited trial for a product or campaign to evaluate new branding or product lifecycle extension strategies.
- **Easier integration** of cloud MDM with internal applications and devices, including

**Customer-in-the-Cloud**

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Figure 1
smartphones and tablets, makes data more accessible, whenever and wherever it is needed.

- **Faster updates and “anytime” access** ensure that cloud data is fully current and accurate for all users and applications.
- **Eliminating data silos** through streamlined integration and access enables business strategists to more easily find and analyze relationships among customers and groups of customers – potentially even extending that intelligence to users of therapies. Enabling easier data mining will be important for developing new strategies for defining and reaching smaller target populations with effective messages.

Life sciences commercial operations can draw on these benefits from the cloud with full assurance that their customer data is secured and accessible only by authorized users. Experienced service providers incorporate a comprehensive range of powerful security and identity management tools, far beyond what most individual companies can afford to create and maintain.

MDM in the cloud is a natural extension of a model many life sciences companies already have adopted: cloud-based customer relationship management (CRM) applications. Cloud CRM can be easily integrated with cloud MDM solutions, further streamlining the client’s data collection, access and management.

Other third-party cloud-based data solutions, such as state license number (SLN), data cleansing and specialized validation services, can also be quickly integrated with cloud-based MDM. Such integration extends the savings, timeliness and accuracy of a cloud MDM implementation to other data functions.

**Powerful Tools Today; Flexibility for the Future**

Cloud solutions will give life sciences commercial operations the flexibility and capabilities required for managing ever-changing industry conditions at a fraction of the time and cost associated with adapting internal systems to new branding and marketing strategies.

Regulatory changes often require extensive system changes, making maintenance and upgrading of on-premises solutions an expensive, never-ending project. With cloud-based MDM, that burden is on the service provider. Experienced service providers with deep and wide healthcare expertise typically have anticipated these shifts and so are able to accommodate them quickly and minimize their financial impact on service subscribers.

The cloud model also has the inherent flexibility to connect with other public and private clouds, social media, mobile applications, wireless access and evolving technologies and collaborative approaches to delivering healthcare. Such integration, alongside data access, will be critical for supporting the increasingly blurred lines of industry entities and to reach more empowered and connected consumers of therapies and healthcare.

Accomplishing such technologically sophisticated connectivity in-house is difficult, time-consuming and expensive. Compare that approach with the cloud service provider, which can keep technology in alignment with a shifting industry so that life sciences commercial operations can focus on strategies and sales.

**About the Author**

Sriraj Rajaram is the North American Practice Leader for master data management in Cognizant’s Customer Solutions Practice. He specializes in defining ROI for master data projects, establishing data governance processes and developing MDM sponsorship within enterprises. Sriraj’s team is responsible for many of Cognizant’s innovative MDM solutions, including MDM-in-a-Box and Customer-in-the Cloud. He can be reached at Sriraj.Rajaram@cognizant.com.
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