

## Accenture Life Sciences

Rethink Reshape Restructure...  
for better patient outcomes

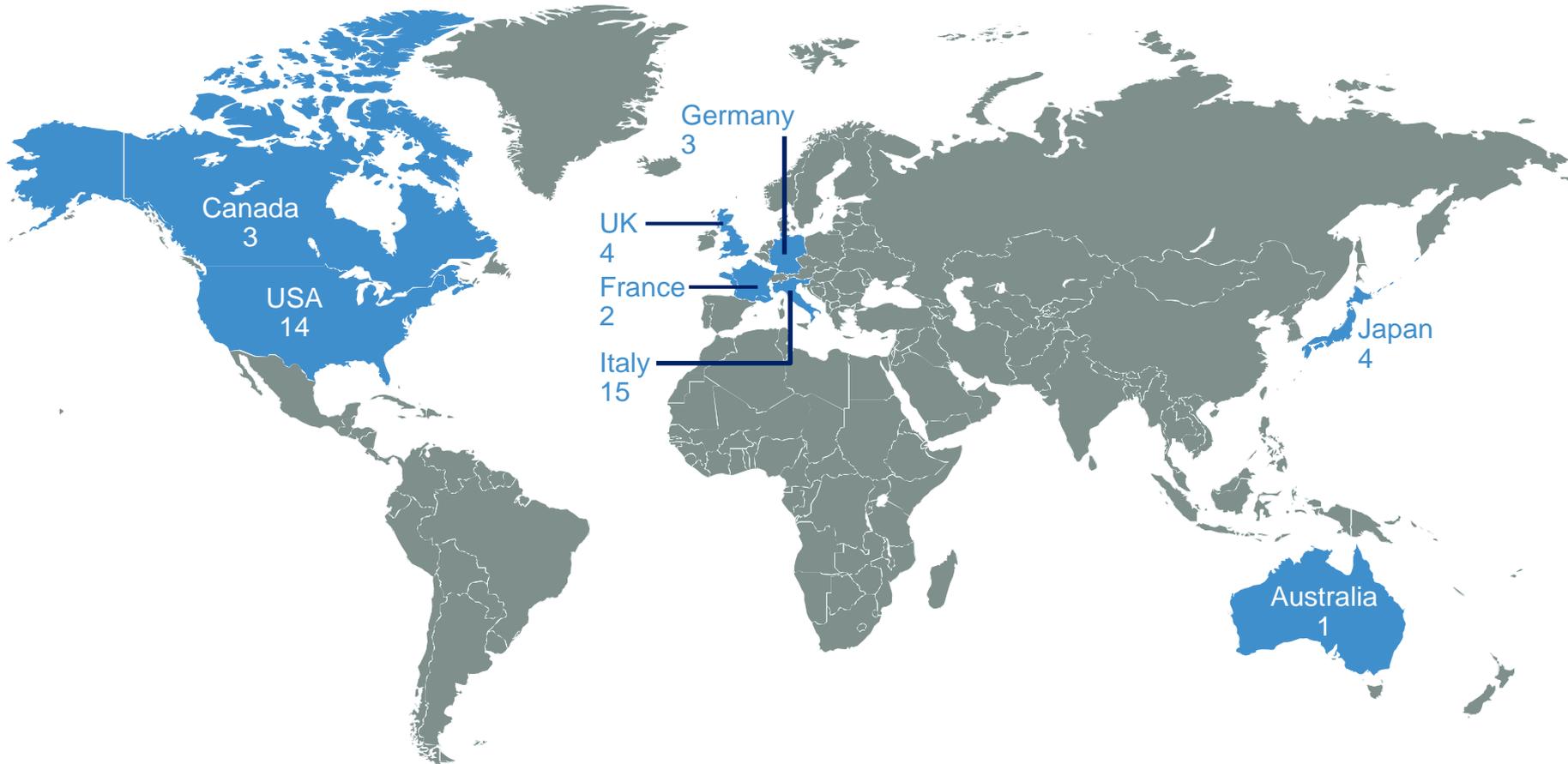
# The Rising Opportunity for CMO-CIO Collaboration in the Pharmaceutical Industry



 High performance. Delivered.

# Demographics

Life Sciences—Pharma/Biotech: 46 Total, CIOs (22) and CMO (24)  
\$5B+ in revenues; Mature countries



# Executive Summary

---

- **The Pharma Industry is in a period of rapid and deep change, adapting to a changing health consumer, massive advances in digital and a more dominant Payer and reimbursement for outcomes environment.**
- **This environment is creating an urgent need and opportunity for CMOs and CIOs to converge and collaborate to better meet new customer expectations in a digital world.**
- **Our survey found pharma CIOs have a strong desire to align with CMOs but Pharma CMOs had one of the lowest interest in collaborating across all industries surveyed.**
  - 33 percentage points difference in Pharma CMOs & CIOs compared to Cross Industry average of 14%. This is a large gap in comparison to other industries such as Retail and Insurance with 11% and 3% gaps.
- **Pharma CMOs/CIOs are not closely aligned on how to unify. The differences in perspectives on how to unify is larger in Pharmaceuticals than other industries.**
  - Pharma CIOs reported much stronger desire for aligning CMO/CIO goals, KPIs and budgets as well as co-locating marketing & IT as well as aligning Goals & Objectives, with a 14% and 25% gap respectively, versus just 2% and 9% reported gap cross industry.
  - Pharma CMOs reported strong desire for training in emerging marketing technologies and creating an IT lead within marketing and vice versa with 36% and 10% difference respectively versus 4% and 2% gap cross industry.
- **The opportunity to improve collaboration is most profound in Analytics, Technology Spend and Big Data**
  - Analytics: Pharma CIO's see Analytics as the #1 driver of integration (52%) but CMOs rank it near the bottom (13%) creating a 33 percentage point gap in contrast to technology leaders like Banking (16%) and Retail (19%)
  - Technology Spend: Pharma CMOs have focused their spend on Customer Experience (54% vs 14% for CIOs) while Pharma CIOs have focused their spend on Mobile Enabled Sales Force (43% vs 17% for CMOs) and Multichannel Analytics (43% vs 13% for CMOs)
  - Big Data: Most Pharma CIOs (62%) see Managing Big Data as a key priority but less than half of CMOs do (42%)
- **Pharma CIOs and CMOs are not fully aligned around a common technology vision.**
  - The majority (67%) CMOs don't see IT as strategic partner (vs. 52% X-Industry), and 80% CIOs see need for greater alignment vs 44% CMOs
  - Less than half of IT employees understand marketing goals and objectives
- **The CIO/CMO gap may be hindering digital preparedness.**
  - Less than 1/3 of CMOs feel very well prepared to exploit opportunities presented by digital marketing channels; just over half of CIOs feel prepared

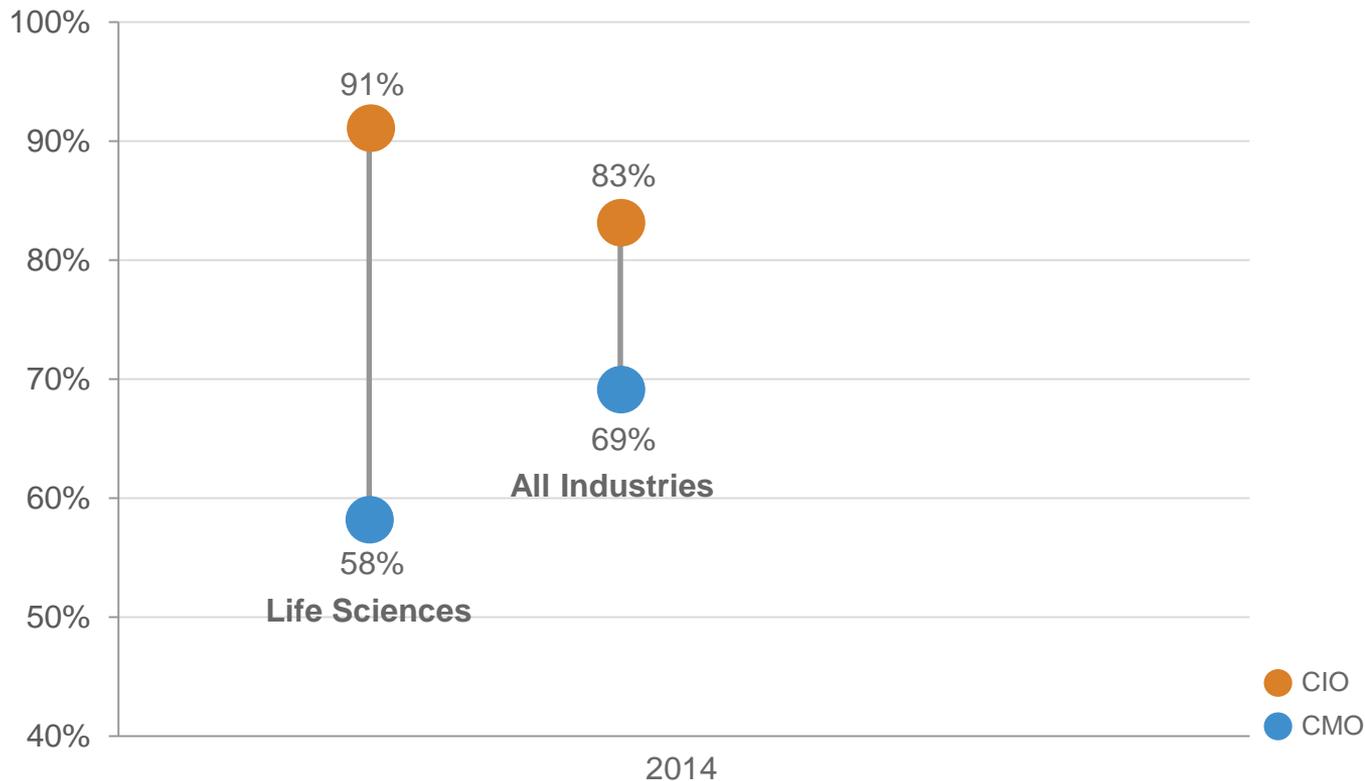
The Pharma Industry is in a period of rapid and deep change, adapting to a changing health consumer, massive advances in digital and a more dominant Payer and reimbursement for outcomes environment.

This is creating an urgent need and opportunity for CMOs and CIOs to collaborate to better meet new customer expectations in a digital world.

# CMO—CIO alignment is lower in Pharmaceuticals compared to other industries

Pharma CIOs have a strong desire to align with CMOs but Pharma CMOs expressed the lowest need to collaborate across all industries surveyed.

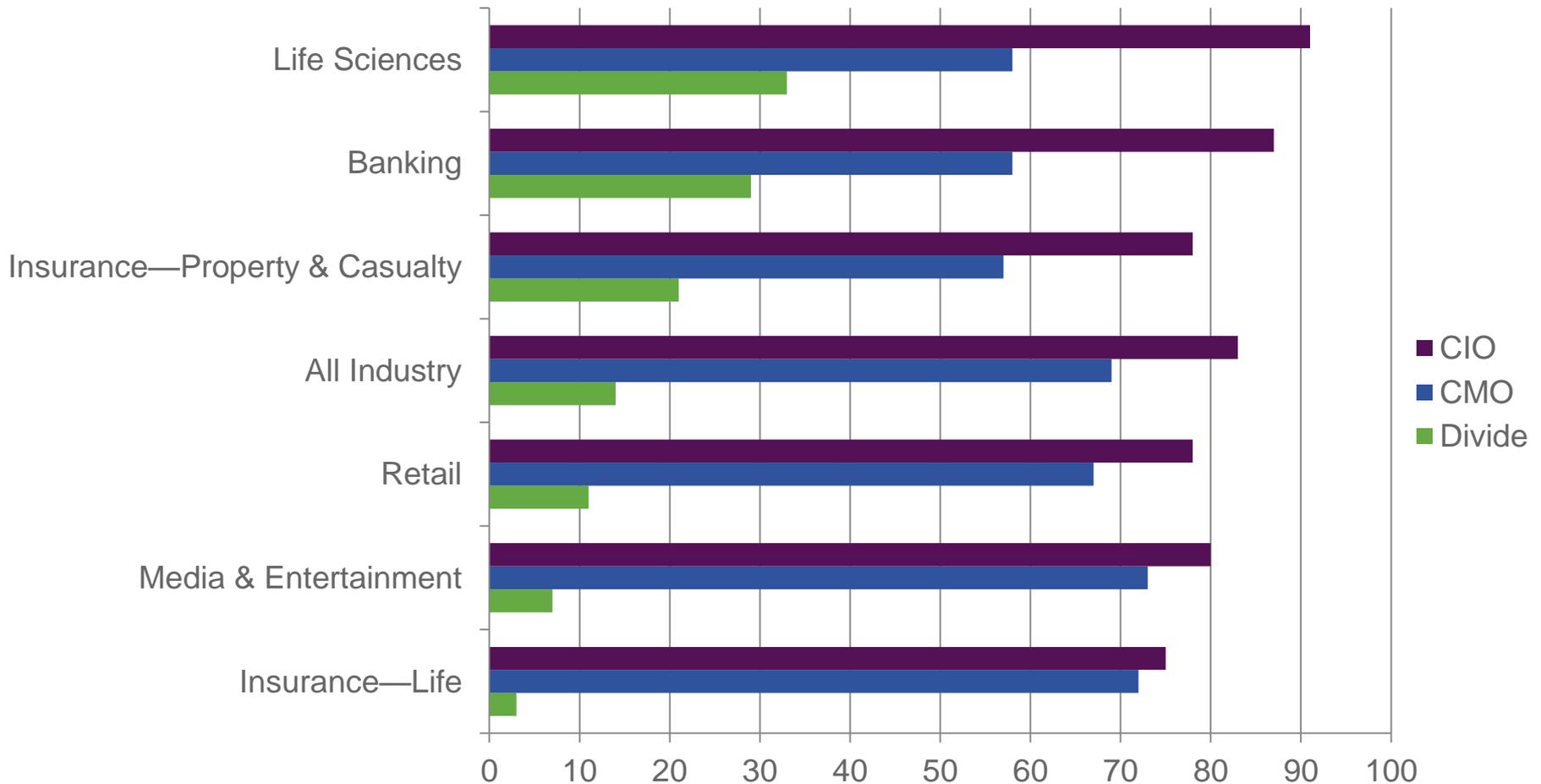
Do you feel that you have a need for Marketing/IT alignment and interaction?



Our survey found that pharma CIOs have a high desire to align – the highest of all industries – while pharma CMOs rank among the lowest across industries in their desire to collaborate.

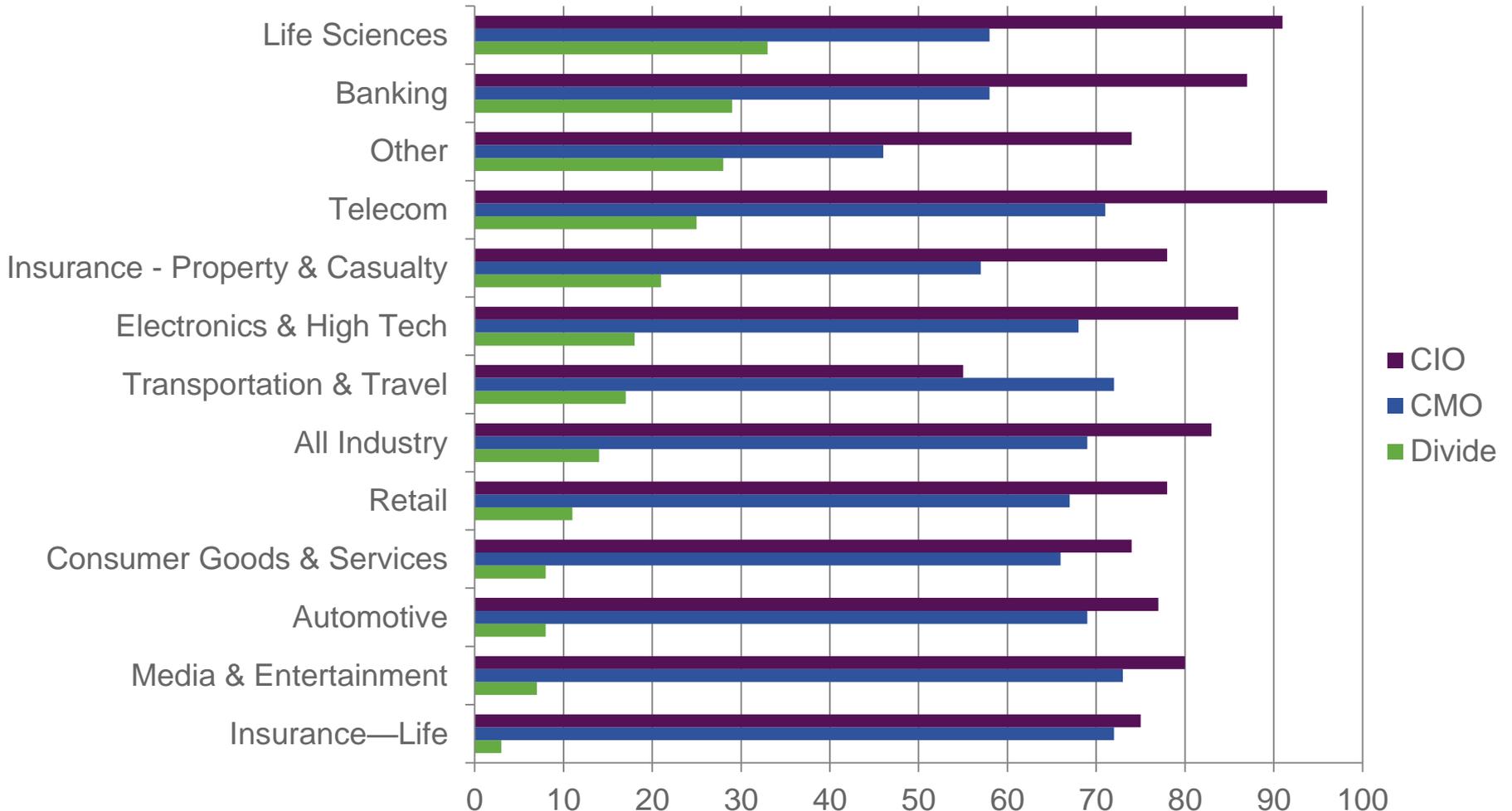
# CMO—CIO alignment is lower in Pharmaceuticals compared to other industries

Do you feel that you have a need for marketing / IT alignment and interaction?



# CMO—CIO alignment is lower in Pharmaceuticals compared to other industries

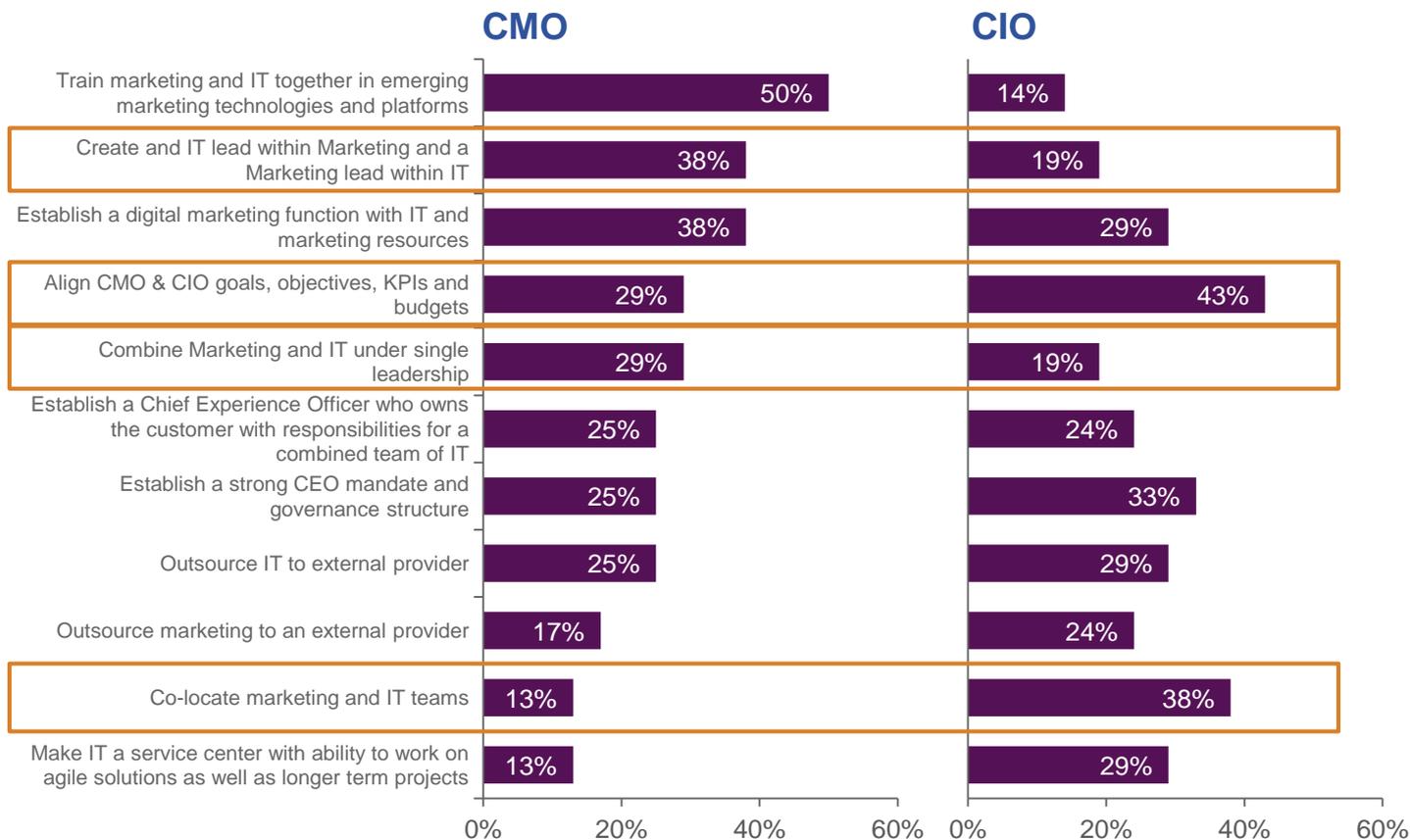
Do you feel that you have a need for marketing / IT alignment and interaction?



Pharma CMOs/CIOs are not fully aligned on how to unify.

# Pharma CMO/CIO Differences in How to Unify

How should companies approach marketing/IT unification and collaboration—what organizational mandates, structures and support would aid in functional unification?



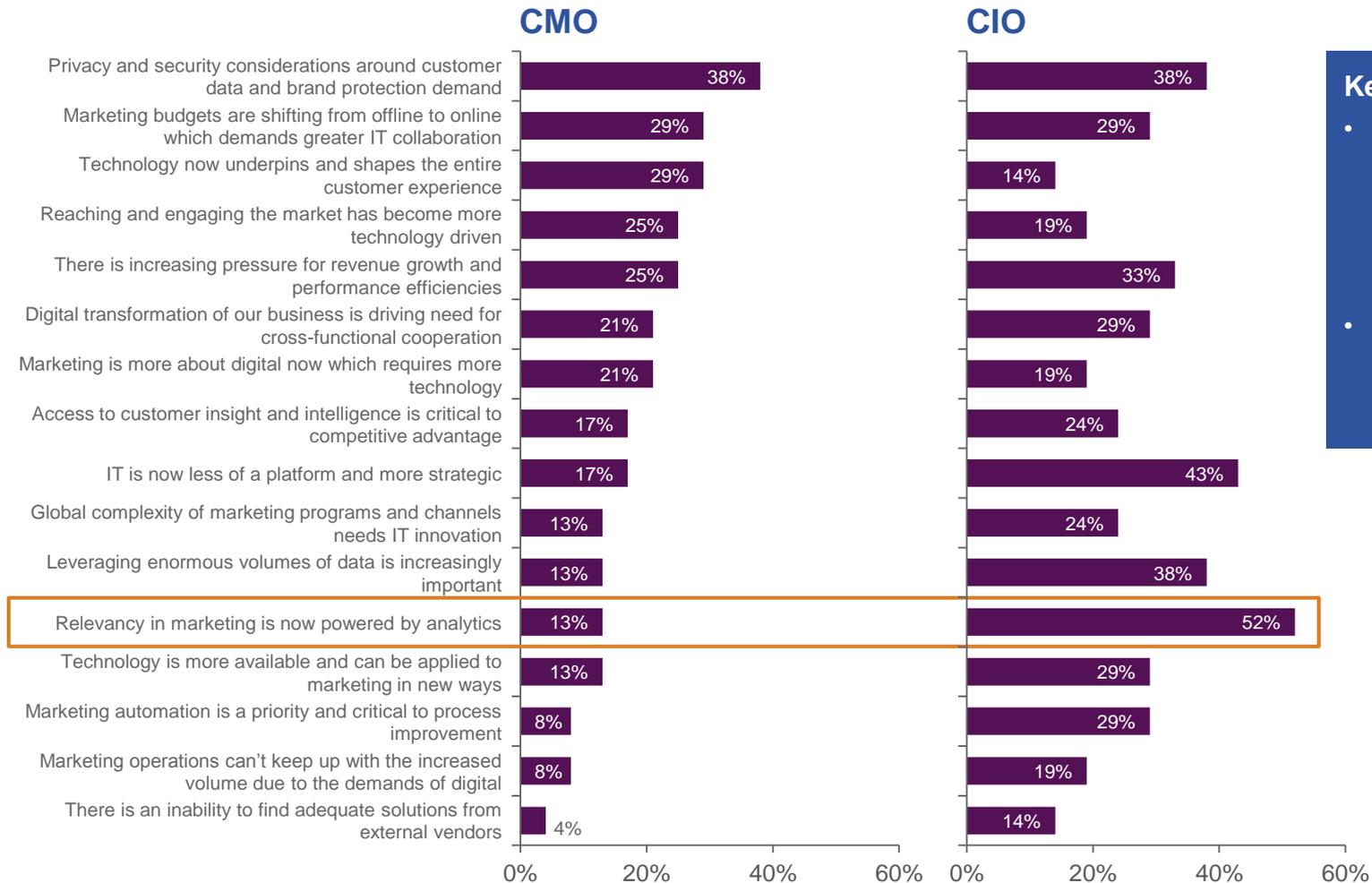
## Key Insights:

- CIOs see the highest value in aligning on goals, KPI's and budgets as well as co-locating marketing and IT teams
- Marketers see more value in aligning on training in emerging technologies and creating IT and marketing leads within each respective organization

The opportunity to improve collaboration is most profound in several critical areas of the business: Analytics, Technology Spend, Big Data

# Analytics: CIOs rank Analytics as the #1 driver for marketing/IT alignment whereas CMOs rank it at the bottom

What do you believe is driving the need for marketing/IT alignment and interaction?

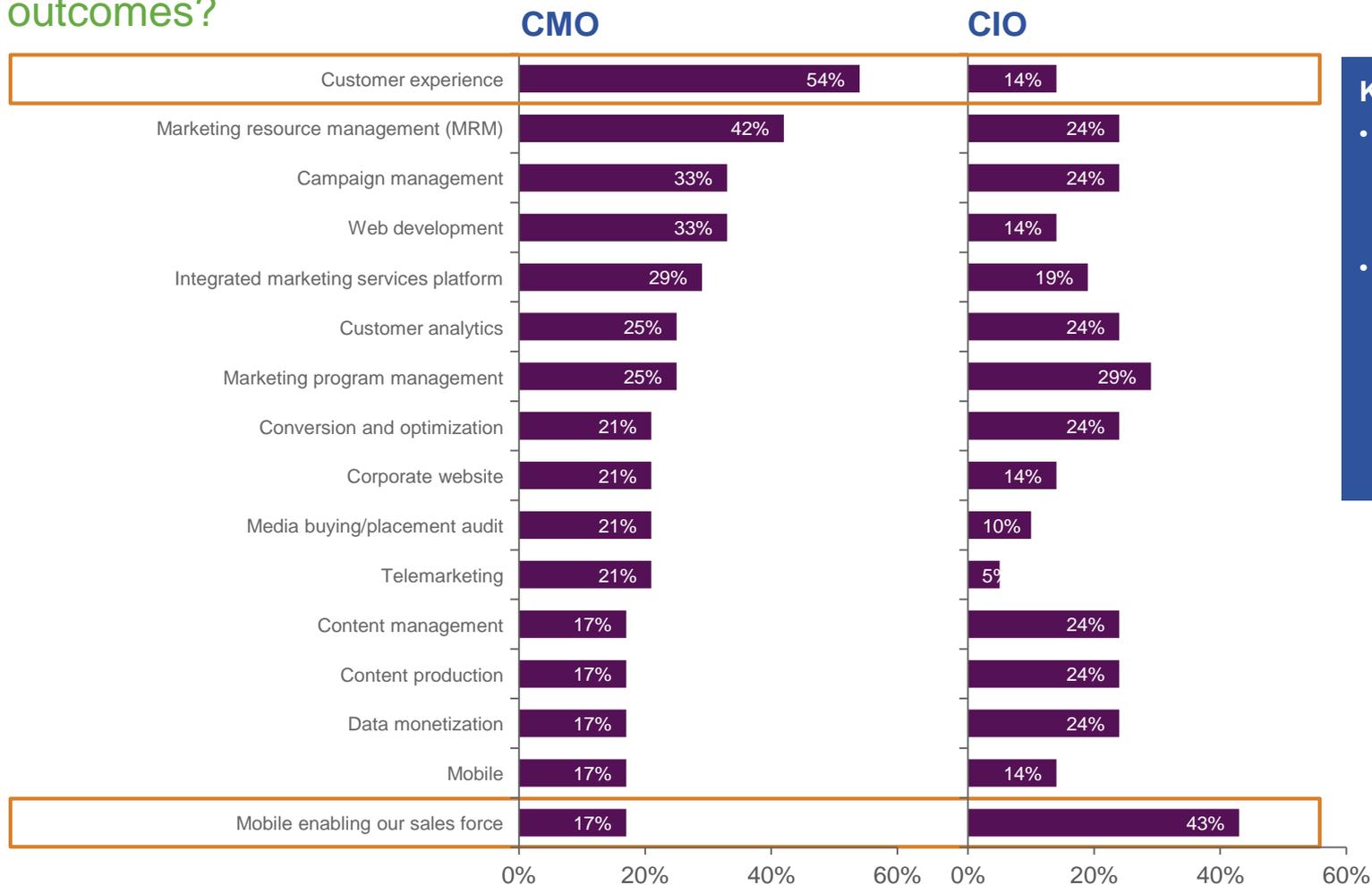


## Key Insights:

- CIOs feel analytics can help close the gap as digital marketing rises in importance
- CMOs cite security as the greatest driver of alignment

# Spend: CIO have prioritized their spend on mobilizing the sales force, CMOs have prioritized spend on Customer Experience

Where have you spent the most in applying technology to further market impact and outcomes?

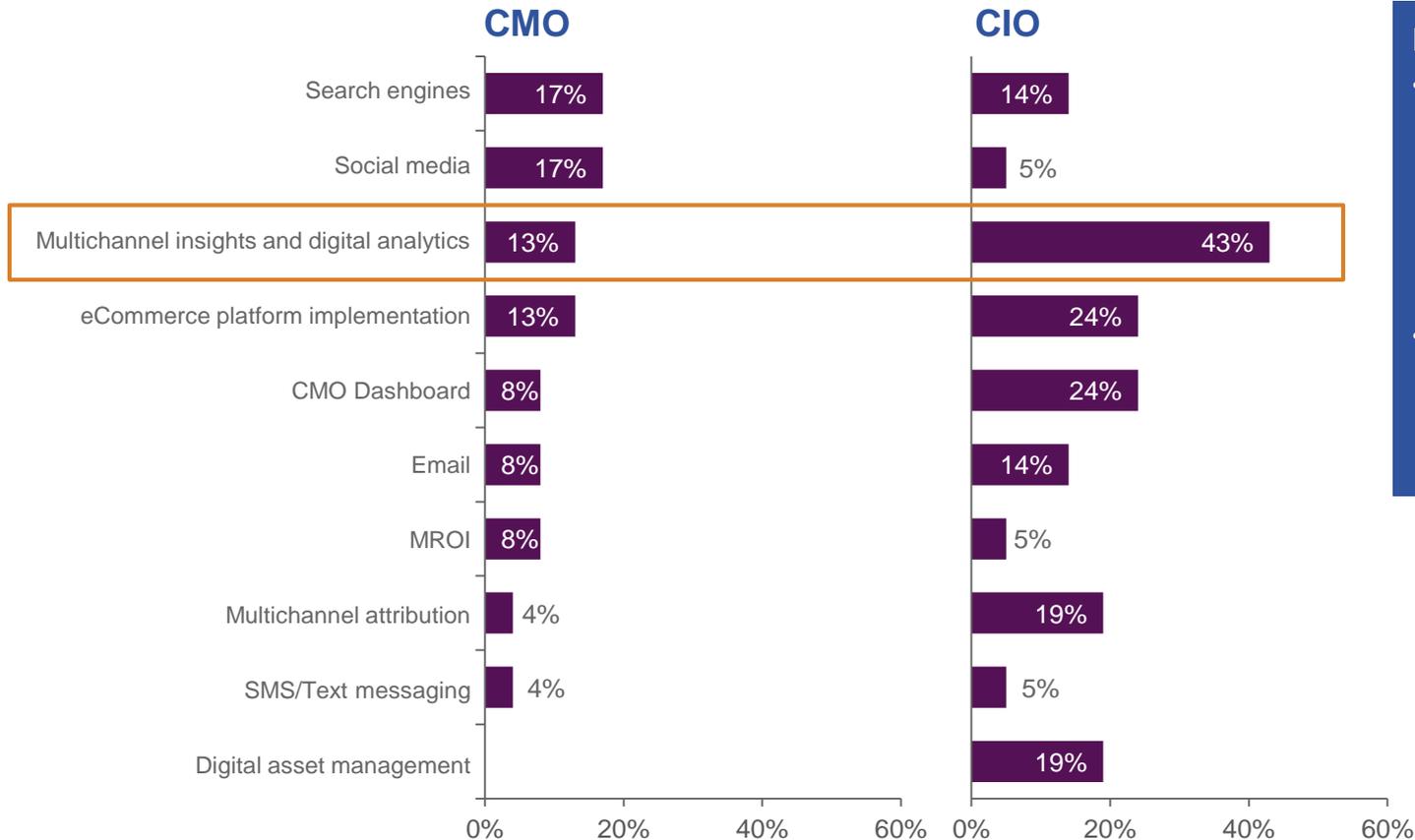


## Key Insights:

- Historical biases have CIOs focused on mobile enabling the sales force
- More than half CMOs have spent the most money on technology that enhanced the Customer Experience

# Spend: CIOs have spent significant money on Multichannel and digital analytics, but few CMOs have

Where have you spent the most in applying technology to further market impact and outcomes?

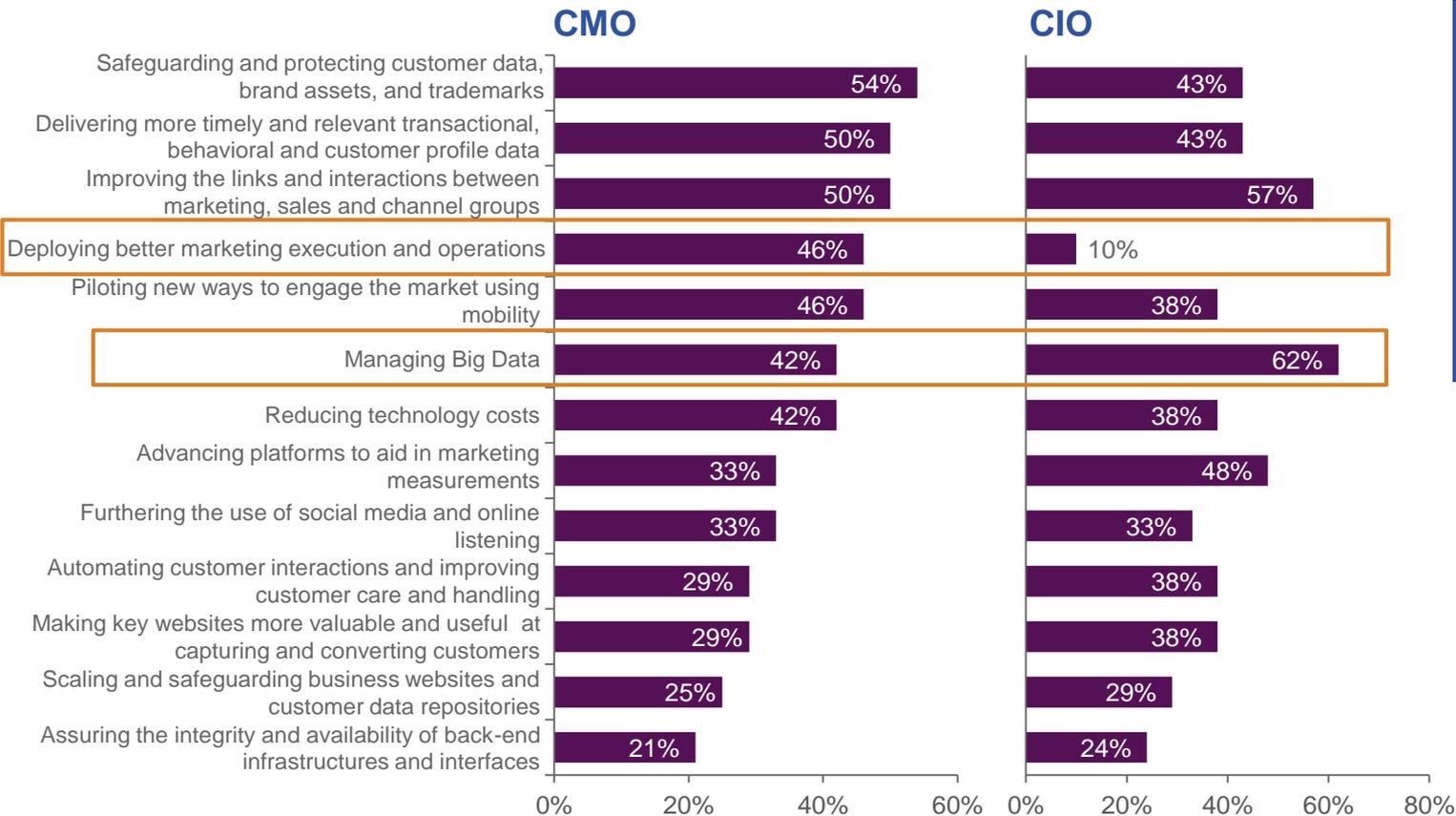


## Key Insights:

- Marketing and IT executives are not in close alignment on top technology investments they're making to further marketing impact
- Marketing may not fully see the value Analytics can provide

# Big Data: There are significant gaps in how CMOs and CIOs prioritize Managing Big Data and Deploying Better Marketing Execution and Operations

What do you think should be the top priorities of the CIO function as it relates to improving marketing effectiveness?



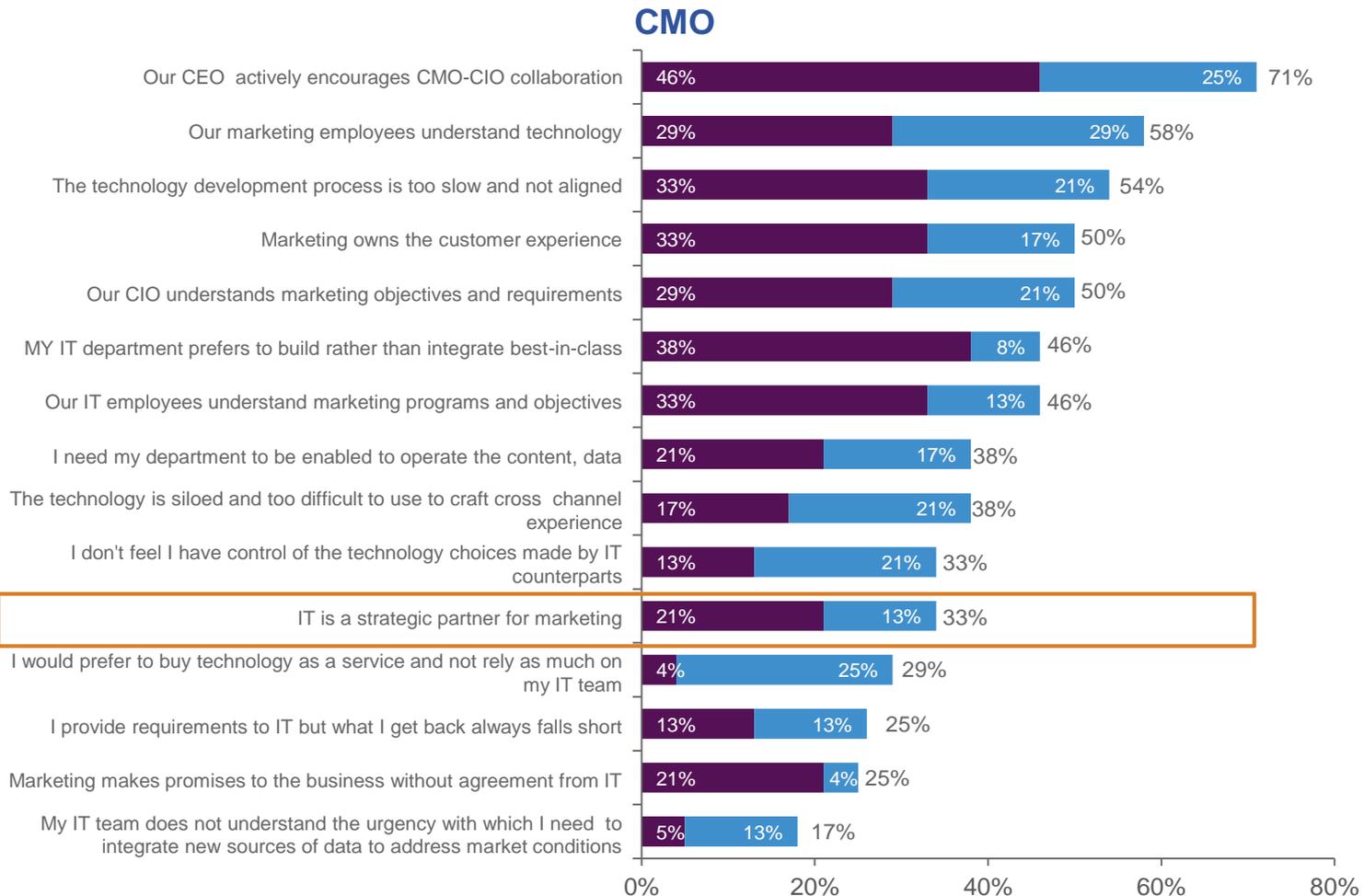
## Key Insights:

- However, they do agree that “improving the links and interactions between marketing, sales and channel groups” is a top priority

Pharma CIOs and CMOs are not fully aligned around a common technology vision.

# Just one third of CMOs see IT as a strategic partner

CMO—Please indicate your agreement with each of the following statements

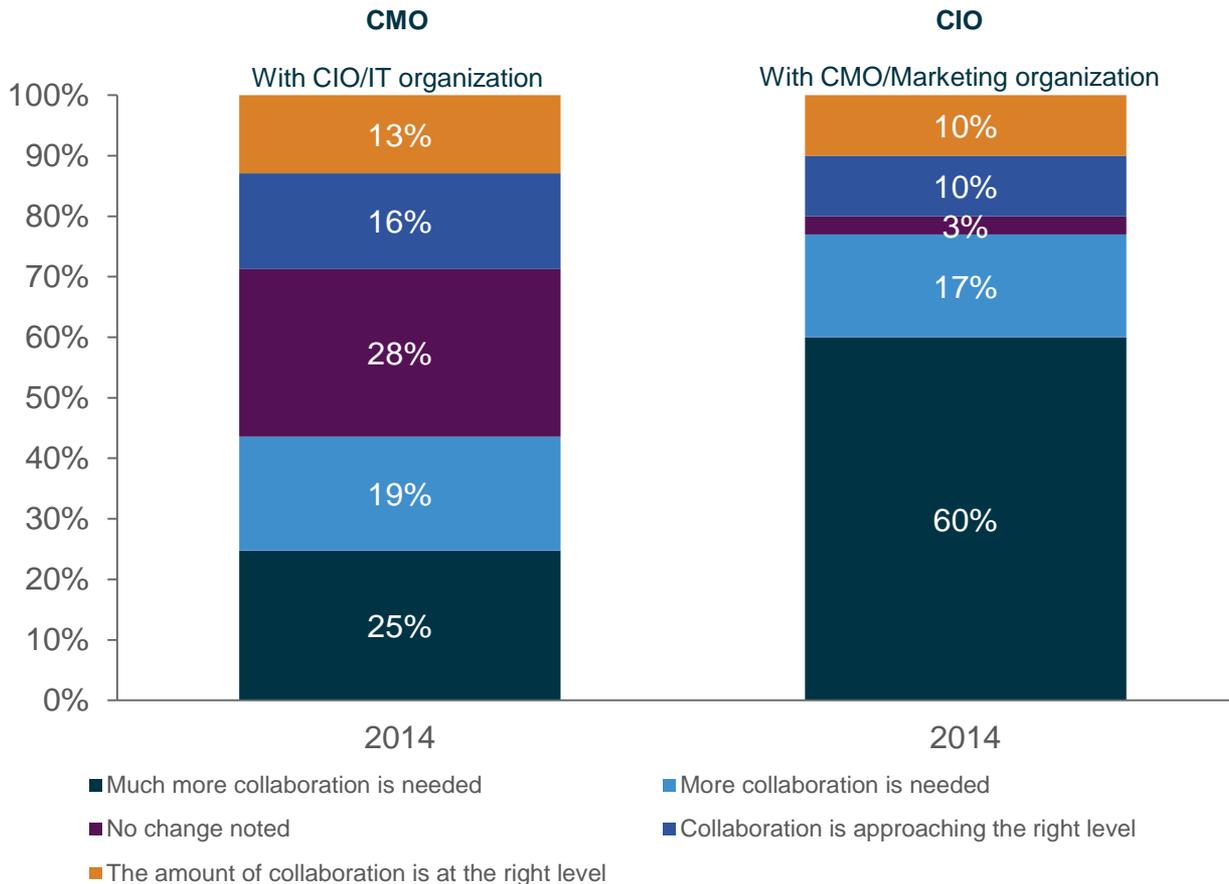


## Key Insights:

- 71% of CMOs say their CEO actively encourage collaboration and yet there is still a significant gap and lack of desire on CMOs part
- 50% of CMOs don't feel they own the customer experience

# More than 3/4s of CIOs think more or much more collaboration is needed versus less than half of CMOs

How would you rate the current level of collaboration with these C-Suite executives and their respective organizations?

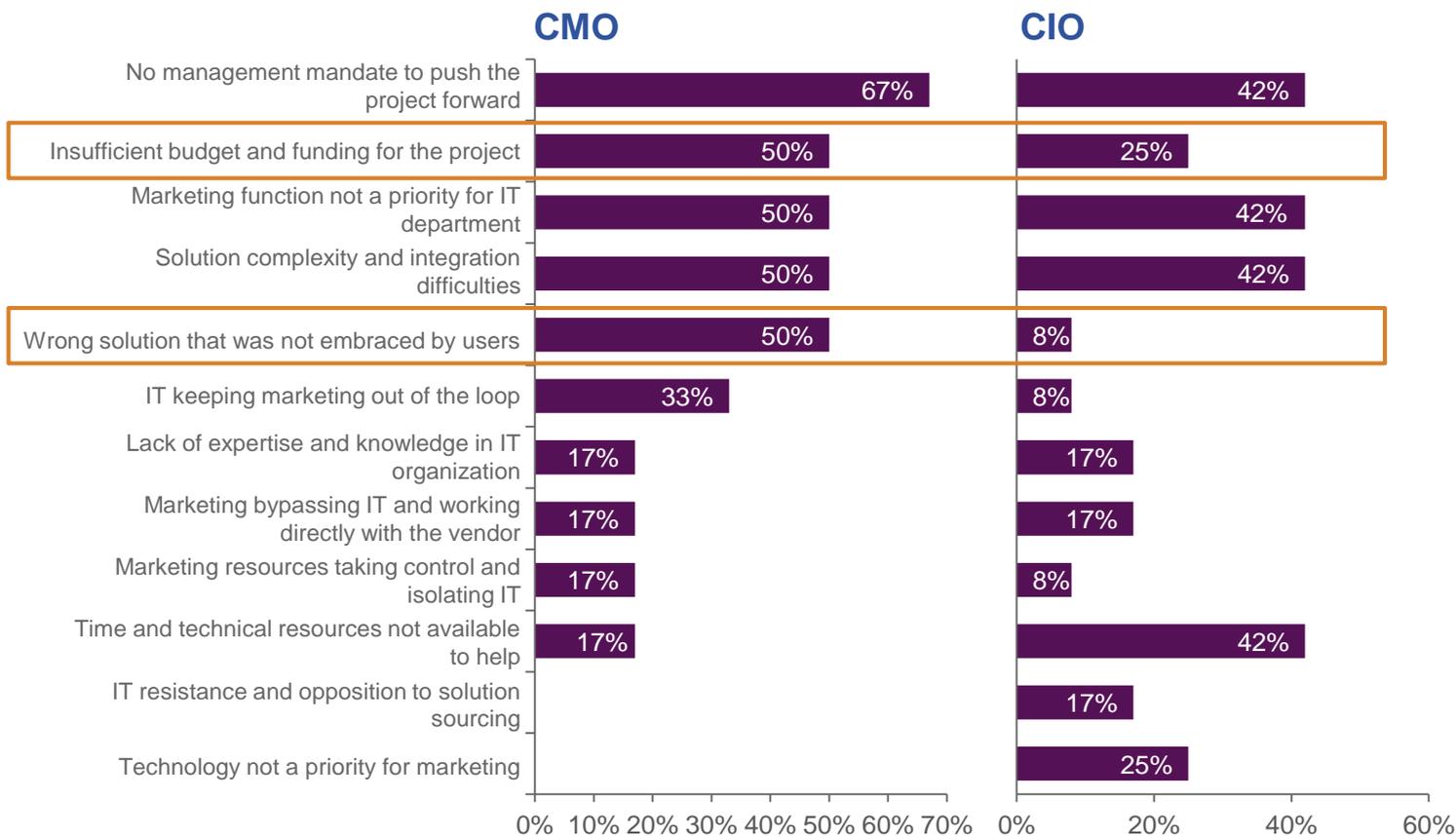


## Key Insights:

- 28% of CMOs did not see any need for change in collaboration
- 77% of CIOs saw a need for more or much more collaboration

# Half CMOs cited the wrong solution as a key obstacle to adoption versus 8% of CIOs; Half CMOs indicated insufficient funding as key obstacle versus one quarter of CIOs

What were the biggest issues or obstacles implementing marketing solutions or IT projects to further marketing effectiveness?



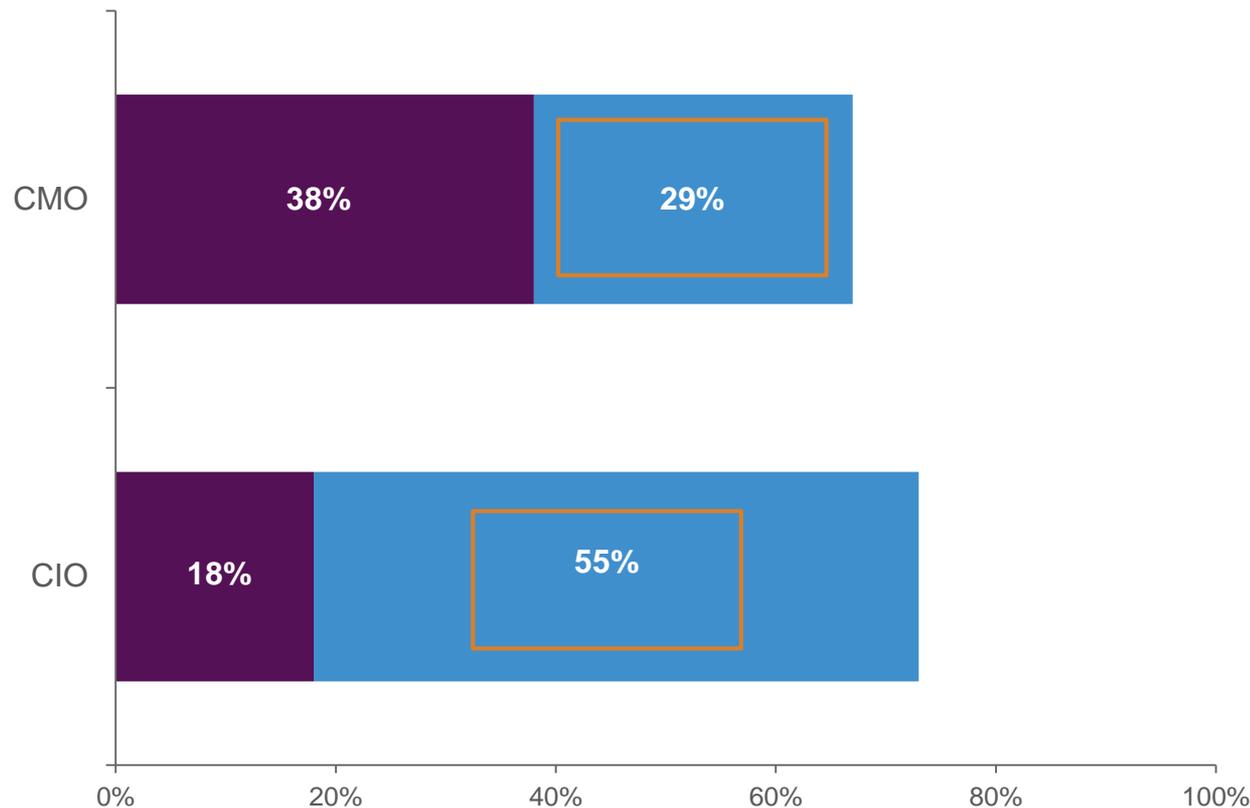
**Key Insights:**

- It will be critical for CIOs and CMOs to align on where the key issues are that need to be solved to improve alignment
- Agreeing to the solution before investing can be an important step to better collaboration and improved ROI

Is the lack of alignment between Pharma CIOs and CMOs hindering digital preparedness?

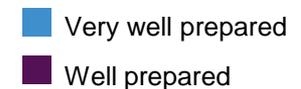
# Pharma CIOs feel better prepared to exploit digital marketing opportunities than CMOs

Rate how prepared your organization is to exploit opportunities presented by digital marketing channels.



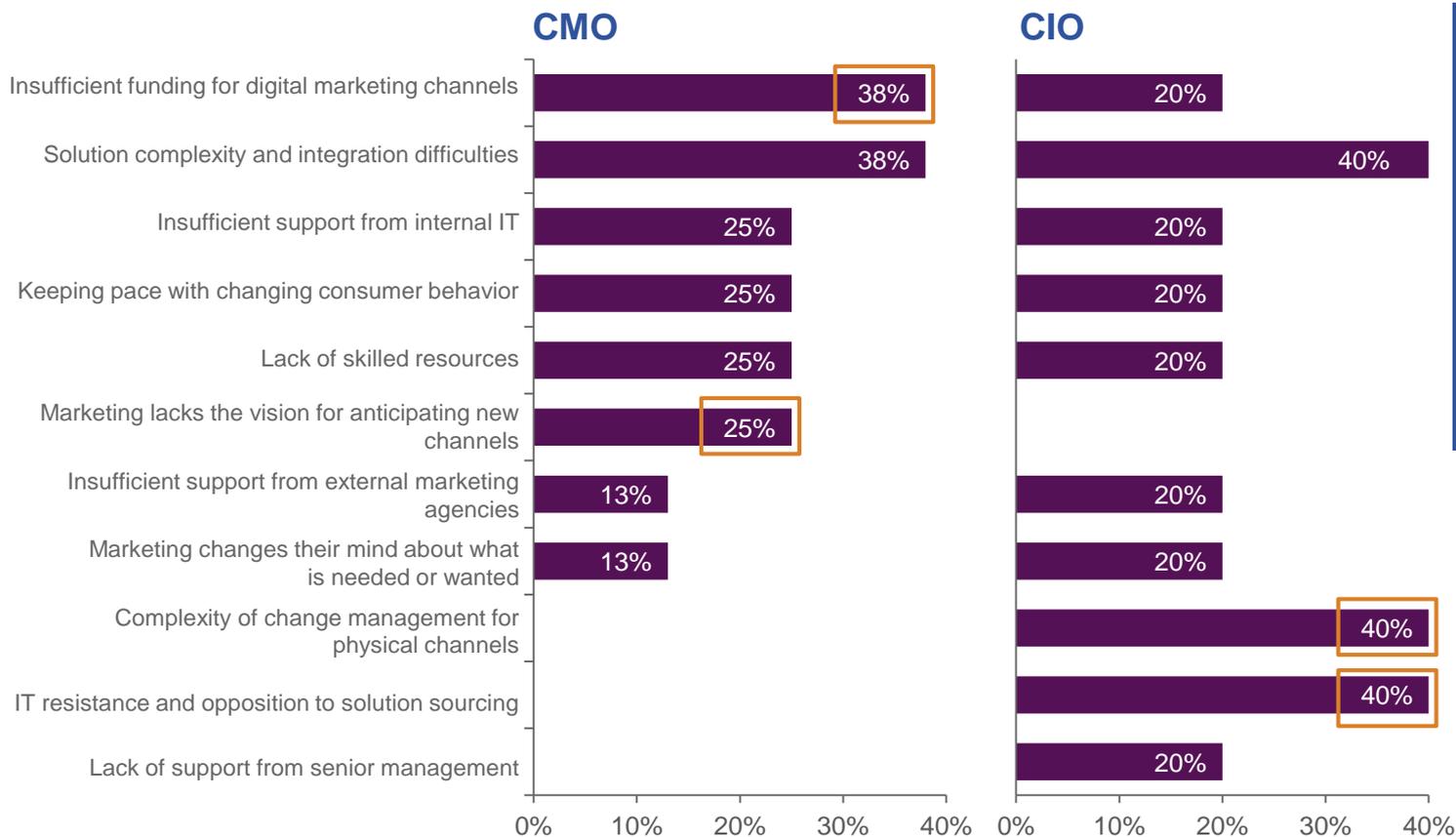
## Key Insights:

- Less than 1/3 of CMOs feel very well prepared to exploit opportunities presented by digital marketing channels but over half of CIOs do



# The reasons hindering digital readiness are generally different for Pharma CMOs and CIOs

## What are the reasons you are not prepared?



### Key Insights:

- 38% of CMOs cite insufficient funding for digital marketing channels
- 1 in 4 CMOs think marketing lacks the vision for anticipating new channels

# Key Steps to More Closely Align Pharma CIOs and CMOs



1

Establish a vision and common objectives for IT and Marketing that leverages the power of digital

2

Unify around the customer and patient experience



3

Integrate customer-focused skills throughout the company



4

Focus the IT agenda to empower Marketing to exploit digital technologies



# Contacts & Links

---

- **Contacts:**

- [shawn.d.roman@accenture.com](mailto:shawn.d.roman@accenture.com) (North America)
- [david.p.logue@accenture.com](mailto:david.p.logue@accenture.com) (Europe & Latin America)

- **CMO – CIO Microsite (all industries):**

<http://www.accenture.com/us-en/Pages/insight-cmo-cio-alignment-digital-summary.aspx#>

- **CMO – CIO Tableau Results (all industries):**

[https://public.tableausoftware.com/profile/accenture.interactive#!/vizhome/2014CMO-CIOAlignment-External\\_0/Title](https://public.tableausoftware.com/profile/accenture.interactive#!/vizhome/2014CMO-CIOAlignment-External_0/Title)