IDC MarketScape

IDC MarketScape: Worldwide Life Science Social Media Analytics 2014 Vendor Assessment

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THIS IDC MARKETSCAPE EXCERPT FEATURES: IMS HEALTH

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Life Science Social Media Analytics Vendor Assessment

Source: IDC Health Insights, 2014

Please see the Appendix for detailed methodology, market definition, and scoring criteria.
IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Life Science Social Media Analytics 2014 Vendor Assessment (Doc # HI252646). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

IDC Health Insights recently conducted in-depth research over a six-month period to collect and assess social media analytics software and service offerings available to life science companies. This effort was carried out in response to an increasing number of our clients inquiring about solutions available for social media analytics. This IDC MarketScape provides the results from our evaluation and shares ranked results of the leading providers currently serving this market. Life science spend on outbound social media marketing has been slow relative to other industries, such as retail or consumer products; however, demand for this space has steadily increased over the past 18 months, and investment is beginning to grow. As life science companies move ahead with social media analytics initiatives, no longer sitting on the side and waiting for the FDA to provide further rules and guidance, IDC Health Insights expects spending in this space to experience double-digit growth rates for the next several years. Life science companies are seeking new ways to measure brand perception, keep tabs on end-consumer sentiment around products and therapeutic categories, and gain insight into competing brand strategy, pricing, promotions, and other relevant competitive information. Social media analytics can help companies better understand this information. Life science companies are looking for vendors with industry-specific expertise, strong customer references, and proven experience delivering measured value to life science organizations. This study helps end users evaluate the top 9 leading social media analytics software and service vendors that currently service the life science industry. When evaluating vendors, key criteria to consider (all of which are discussed in this report) include:

- Solution functionality/capability, user interface, ease of use, and ease of implementation, configuration, and integration
- Scalability, language support, pricing model, the vendor's vertical focus and financial stability, and the size of the vendor's customer base (both quantity and quality)
- Diligent vetting of customer references to examine solution pros/cons and the vendor's customer support, market knowledge, and overall level of value delivery

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

IDC frequently has unique visibility into vendor selection processes within life science companies through clients and contacts in the industry. For a vendor to be considered for inclusion in this study, the vendor's services must have been significantly evaluated for purchase within a recent deal with which IDC is familiar. Further research and due diligence were then conducted to narrow the list of vendors to only those that had won deals and that IDC viewed as legitimate contenders for future deals within the industry.
Life science companies are looking for vendors with industry-specific expertise, strong customer references, and proven experience delivering measured value to life science organizations. Consequently, these three metrics are strongly represented within the approach and analysis IDC Health Insights harnessed to conduct this evaluation. At the same time, unlike some areas of technology, when it comes to social media analytics, most life science companies equally consider a build/buy software approach (to own and execute internally) and a subscribe/outsource service approach (to contract and receive periodic reporting externally), both of which have pros and cons. Consequently, IDC Health Insights has chosen to evaluate both software and service providers of social media analytics in this report to most accurately mirror actual life science manufacturer decision-making needs.

While the initial list of vendors considered for this study included more than 25 vendors, that list quickly narrowed as IDC Health Insights researched their capabilities and existing life science client base. Ultimately, 9 vendors were chosen to be included in this study:

- Brandwatch
- Cognizant
- IMS Health
- Indegene
- Genpact
- ListenLogic
- Meltwater
- Salesforce.com
- Visible Technologies

While most vendors included in this study actively participated and were forthcoming with all information and customer references we requested from them, a few were not. For these vendors, our evaluation was based on our own research as well as discussions with our industry contacts that have used their services.

**ESSENTIAL BUYER GUIDANCE**

Traditional social media Web sites like Facebook, Twitter, and YouTube have inherent challenges for branded communication because of life science companies’ need for tight control over disallowing certain behaviors, such as users posting comments that may include discussion of adverse events. However, Facebook and YouTube do offer controls to life science companies to encourage industry participation. This includes the posting of materials without allowing the common page viewer to comment on it, helping life science companies ensure regulatory compliance and avoid adverse event discussions in these settings. Life science companies need to further this effort and work closer with other major social platform companies to help develop “safe” models under which they can engage while still remaining FDA compliant. These types of efforts are now an increasing focus for the life sciences.
Most life science companies have now dabbled in social media analytics, and with some organizations experiencing significant market insight and strategic value, project work is beginning to expand. As companies approach these initiatives, some things to keep in mind are:

The three primary ways life science companies typically engage with end users through social media are advertising in existing health- or disease-specific communities (e.g., patientslikeme.com), building a community on existing social platforms (Facebook, YouTube, etc.), and building an independent online community. While the three options get progressively more challenging and potentially expensive in the order presented, the potential reward and likelihood of meaningful end-user engagement increases as well.

- If companies do choose to build their own community, it is vital they post easily understood terms and conditions conveying what type of comments are allowed and provide easy-to-follow information on how end users can reach the company for adverse event reporting.
- One of the best ways for life science companies to use social media is to discuss certain conditions, illnesses, and diseases in a nonbranded fashion. When a life science manufacturer engages its corporate identity in a disease dialogue, even without the mention of the brand, the brand is inherently inferred and still benefits from the implied recognition. Life science companies can also use these situations as gateways to funnel people to deeper brand-specific Web sites.
- Many benefits of social media marketing and analysis are qualitative, and value shouldn’t always be strictly tied to a measurable ROI calculation.
- Customer service will eventually become an important area for social media in the life sciences, as companies look for ways to open communication with end users and tighten the relationship with the end-user community. It is never too early to start strategizing an approach, including what channel limits, consumer expectations, and resources will be most beneficial to put in place.

VENDOR SUMMARY PROFILES

This section briefly explains IDC’s key observations resulting in a vendor’s position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of one vendor’s strengths and opportunities.

IMS Health

Founded in 1954, IMS has served the life science industry for 60 years, with its global headquarters in Danbury, Connecticut. With its purchase of Semantelli in 2013, IMS Health entered into the social media analytics space nearly 2 years ago, and IDC estimates that it has 10-15 life science manufacturers as social media analytics customers, including both large and medium-sized manufacturers that span the United States and Europe. Life science companies can harness IMS Health’s software either through an ongoing subscription fee model or on a pay-per-project basis.
**Strengths**

IMS Health is positioned in the Leader category in this IDC MarketScape. The company's software, which supports 52 languages, includes some of the most life science-specific functionality available in social media analytics software today by any vendor and is considered by its customers to be very user friendly and easy to use.

**Challenges**

One area cited by customers that holds potential room for improvement is increasing the ease with which data from their system can be integrated with other sources of enterprise information, such as CRM data and other repositories of customer information from other vendors.

**APPENDIX**

**Reading an IDC MarketScape Graph**

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor’s current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

**IDC MarketScape Methodology**

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.
Related Research


Synopsis

This IDC Health Insights report provides an assessment of where the life science social media analytics market is headed, how the leading software and service vendors compare with each other, and what criteria are most important for life science companies to consider when selecting a solution provider. Investment in social media analytics software and services has been steadily growing over the past few years and is expected to continue along this trajectory. This study helps end users evaluate the top 9 leading social media analytics software and service vendors that currently service the life science industry.

Eric Newmark, program director of IDC Health Insights' Life Science Business Systems Strategy service, noted, "Life science companies view social media analytics as an effective tool for investigating competitive pricing and promotions, evaluating therapeutic category of consumer trends and related products, and measuring corporate- and brand-specific consumer perceptions. With more life science companies now investing in this technology, organizations seek vendors with industry-specific expertise, strong customer references, and proven experience in delivering measured value to life science organizations. While dozens of vendors offer these services, few have true proven success in delivering it. This report helps life science companies properly navigate that value decision."
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