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The Breakfast Club "Bottom Line"

Summary of Key Points from the 6th Blue Matter Breakfast Club™ Meeting

Virtual Meeting, 26th November 2020

Panelists:

Margarida Duarte, Vice President and Head of Commercial (CEMEA), Alnylam
George Schmidt, Managing Partner, Blue Matter Consulting

Moderator:

Dirk Moritz, Senior Strategic Adviser, Rare Diseases, Blue Matter Consulting

Event Support:

Gary Brandam, Senior Consultant, Blue Matter Consulting

The virtual Breakfast Club meeting of 26th November 2020 was a panel discussion with Margarida Duarte and George Schmidt. The key topic was how biopharmaceutical companies will change how they engage with customers as a result of the COVID-19 pandemic (in the short- and long-term).

The summary below is intended to capture the "bottom line" of the meeting in a concise, well-organized manner. Key themes from the session are captured here as notes for attendees and other interested readers. These notes are intended to provide a general overview.

Customer Engagement in a Post-COVID World

Executive Summary (Key Themes and Takeaway Messages)

Theme 1 – Understanding customer needs and preferences is foundational: Biopharma companies must build a clear understanding of evolving customer needs and communication preferences. This is critical to enabling high-value interactions and is a central pillar in achieving customer-centricity in a post-COVID environment.

Theme 2 – Quality is more important than ever: Understanding customer needs and preferences also enables companies to develop relevant high-quality content, a crucial component for providing customer value. Also, COVID-19 has led companies to rethink the nature and purpose of customer-facing roles, and as well the competencies and behaviors needed to engage with customers.

What is the Blue Matter Breakfast Club?

As a strategic consulting firm serving the life science industry, Blue Matter works to remain on the leading edge of commercial strategy in biopharmaceuticals.

Blue Matter Breakfast Club meetings are 1.5 to 2 hours long and provide ideal opportunities to network and interact with senior leaders and colleagues from other organizations. They are by invitation, and they offer a private, engaging environment for networking and discussion.

To inquire about speaking at or attending a Breakfast Club event, please contact:

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Theme 3 – New technologies have disruptive potential: The use of artificial intelligence (AI), telehealth/telemedicine, and other virtual engagement tools have strong promise and are already demonstrating application in diagnosis, patient / physician interactions, and data protection.

Panel Discussion:

Margarida, living through all the experiences of the last year, what has changed you as a person and maybe also as a leader?

1. For me, nothing has fundamentally changed. My beliefs are reinforced that we need to lead from a place of understanding, with empathy, and that this is the future of leadership. I experienced that some of my team members were affected by COVID and needed to go part-time. It was important to give them full flexibility and the ability to choose the times when they could be productive. We need to keep this balance as we still must navigate through some challenging times. However, we are starting to see the light ahead.

George, can you share a particularly good and memorable experience that you had recently when you yourself had been a customer?

1. I recently moved back to the UK. We worked with an estate agent remotely who was helping us select the right place. This person was patient, flexible, and responsive. Because of this individual, it was a positive experience overall.

George, Blue Matter has recently conducted an interesting survey on how customer engagement is going to change after COVID-19. Can you tell us a little bit more about this survey and maybe other work you have recently done? When was it conducted, who participated and what key questions were asked?

1. Over the summer, we conducted a series of personal interviews as part of a survey with 16 senior leaders from larger pharmaceutical and mid-sized biotech companies. We focused on post-COVID customer engagement, specifically on these three topics:

   a. How to increase customer centricity by understanding needs and communication preferences

   b. How to ensure the quality and value of interactions with customers

   c. What technologies might have disruptive potential.

Theme 1 - Understanding Customer Needs and Preferences is Foundational

George, if we look at the first topic of customer centricity, can you please summarize the key insights for us? What were the most unexpected and original findings?

1. COVID-19 is catalyst for change—First of all, it's very clear that COVID-19 is a catalyst for and accelerator of change – for patients, physicians, and biopharma companies.

2. Customer-centricity remains key—Most of the respondents mentioned that maintaining or even increasing customer-centricity will be absolutely critical. This is more difficult now as we are essentially introducing a whole new segmentation variable: engagement preferences. We need to engage with customers using the channels they prefer, whether that's via Zoom, telephone, face-to-face (F2F), or even old-fashioned letters.

3. What customers want is very fragmented and will also vary by channel—With customers wanting different information delivered through different channels, this adds extra complexity in segmenting the customer groups. The traditional share of voice model will not work for a lot of customers.

4. Quality of interaction is critical—The quality of the conversation with the customer is critically important. Many respondents have experienced that during virtual customer interactions (e.g. with HCPs), they actually had significantly more time with the customers. The willingness to adopt technology varies. While F2F interactions were typically 5-10%, the virtual interactions were up to 20-30%. For all, the quality of the conversation as well as the value of the interaction was key.

Margarida, how were customer needs and preferences assessed at Alnylam and what have you learned from this?

1. For context, Alnylam had two products approved in Europe during the pandemic: one in March and one in November. We had 9 virtual launches across 8 countries as we were also still launching our first product in later launch countries.

2. Like many others, we put the customers' needs first, starting with patients. Some of our patients are older and have cardiological and neurological problems.

They fall into high-risk groups and started to miss their appointments and treatment infusions due to fear of COVID19. Hence, we supported home treatment where possible and allowed. Protecting patients and enabling them to receive their treatment was our true North during the pandemic.

3. On top of that, with the rapid adoption of telemedicine, we partnered with institutions and HCPs to develop apps for patients that could enhance remote monitoring (e.g. symptom tracker, etc.) and give patients a stronger voice in the management of their disease.

4. With the healthcare providers (HCPs)—essentially cardiologists who were at the frontline—flexibility was paramount, we typically communicated through email and WhatsApp. Market research was conducted online to ensure flexibility. Interestingly, other specialty doctors found that they had more time at their disposal either because many of their consultations were canceled or some were in quarantine and could connect via digital platforms such as Zoom or Microsoft Teams.

5. In all cases, the smartphone was very important, and we made sure that our e-detailing platform was highly compatible with smartphones.

Question from the Audience:

Did physicians proactively enable the use of technology with the patients, or did you have to help facilitate?

1. Margarida:

a. The use of technology was slow at the start, but many patients and doctors ended up adopting and downloading supporting technology like Zoom.

b. Communication platforms played a critical role in connecting people during the pandemic and healthcare was no different. Digital may also facilitate the multidisciplinary teams coming together by using those tools. Breakout rooms (a feature available on Zoom to create sub-conference calls) have been used among doctors to privately discuss their patient cases after having observed the patient in the main conversation window.

c. Some pharma companies such as BMS or Pfizer setup virtual clinics in the US to support patients' and doctors' interactions.

Have you observed differences between experienced team members and newcomers in responding to the changes as a result of COVID?

1. Margarida:

a. I am a big believer in trust, and it is naturally more challenging to build trust virtually, without the casual day to day interactions. All newcomers to our company have a buddy to support them and help them get oriented.

b. Our leadership style, centered around empathy and authenticity, played a central role to support newcomers.

Comments from the Audience:

1. Participant 1:

a. In our company we have tried to identify the strengths of the team rather than weaknesses and play on those strengths.

b. The lesser experienced were more willing to take risks and leverage their strengths.

2. Participant 2:

a. A lot of younger people tackle the pandemic with greater skill and a good attitude. Women are disproportionately affected by the pandemic and while we tend to gravitate to people with families, individuals that live by themselves are most in need of support. It is critical to show empathy and use a velvet touch for everybody.

Theme 2 - Quality is More Important Than Ever

George, can you please summarize for us what you found in the survey? What are the key elements that make a high-quality and high-value customer interaction?

1. Relationships are important—As for all human interactions, the nature of the relationship is critically important. Trust and connection have to be established and maintained. Initial F2F contacts are most useful for establishing these. In a virtual setting, more effort has to go into the initial relationship building.

2. Holistic engagement—Customers want a single point of contact. In response to this need, survey respondents considered a single future customer-facing role and function-agnostic "unicorns" to provide holistic and function-independent customer

engagement. Pharma companies need to understand how to break down silos internally and have a point person representing them to a given HCP.

3. Relevant content—Obviously, providing the right information and quality content is critical for any high-value conversation. Survey respondents noted an increasing need to discuss relevant medical and scientific data. This requires longer, higher value interactions and has implications for the field role. Medical / RML roles were considered relatively more important and individuals that can holistically address and discuss all questions independent from functional silos will be super important. These "engagement unicorns" will be critical but may be hard to find.

Margarida, can you please provide your personal perspective and what Alnylam does to enable high quality / high value customer interactions?

1. I agree with all that George shared. A key theme for us was training, training, and more training. We have MSLs and KAMs that are highly relationship focused. For them, it was hard to stop seeing their customers and go fully virtual all of a sudden. I spent 4 years in the field, so I totally sympathize with that. We focused significantly on technical training and also on soft skills (for example, how to read body language through Zoom…There are cues that over time we learn to decipher). We also had training on how to manage difficult conversations. There was a tendency to leave more difficult conversations for F2F situations, but we couldn't afford to wait 6 months to have those. We needed to give people confidence to manage them remotely. Reskilling and upskilling were a key focus during 2020. We are still seeing some people struggling with that, but others have adapted very quickly. We also use best practices forums for cross-fertilization.

2. Another important point was to provide creative and unique experiences. For instance, we had a physical event booked at the Karolinska Institute in Stockholm. It included a reception at the Nobel prize hall to celebrate the fact that our technology is the result of Nobel prize-winning science. Of course, we had to cancel due to COVID-19, but the team found a creative solution. Even though we went fully virtual they created a virtual tour, with a lobby that welcomed our guests and also scenery that resembled being in the Karolinska auditorium.

3. We've focused on creating virtual interactions that are high-value and high-quality. We've received very positive feedback from doctors, and they tell us that they expect some of these virtual engagements to remain in the post-pandemic world. Convenience and efficiency are huge benefits for them. A good example are advisory boards. It's amazing to think of how many times we took the 7:00 am flight from Zurich to go to the Sheraton in Frankfurt for a four or five-hour meeting, then came back later the same day. It's just not efficient. The future is a smart combination of traditional and omnichannel interactions.

4. Virtual / digital interactions come also with some downsides. For example, it is easier to decline an invitation virtually.

Questions to the Audience:

What examples of high-quality / high-value customer interactions have you seen? Please share.

1. Participant 1:

a. The comments from Margarida reflect the direction in which we are moving as managers and companies. Our team members can do the basics that are needed in this time of COVID and digital interactions. The soft skills required are now more critical when looking at new hires. The soft skills are now more like hard skills, and the ability to manage across a screen is becoming more and more essential.

b. Similarly, interactions with external stakeholders are happening virtually. We recently interacted with an HTA body virtually. The negotiations are more difficult through a screen and even more if they are not using the camera.

2. Margarida:

a. This is why I do not call it the new normal but the new possible. It is an opportunity to reset and be more efficient and effective.

b. I do believe this pandemic brought valuable lessons in terms of efficiency. I just don't see us going back to our hectic travel schedules of the past.

I assume that virtual ad-boards work well with individuals with whom you have previously established relationships. How well does it work with those attendees that you don't already know?

1. Participant 1:

a. It usually works well. With time and virtual experience, everyone is getting more used to this format.

b. It's a matter of content. If the content is seen as valuable, people will squeeze it into their schedule.

2. Participant 2:

a. We managed to even get a top KOL who is known to not join physical ad boards. His participation was driven by getting and providing high-value content.

b. The anchor of what makes those conversations so successful was the content. This was very pronounced in the Nordics where they have adopted technology widely.

3. Participant 3:

a. The virtual format also allows us to "sneak in" rising stars together with the more established KOLs. It helps introduce the rising stars and provide them with a platform that enables them to be more comfortable and establish themselves.

b. Somehow, the virtual format is a more egalitarian platform, as everyone gets to say what he or she has to say when the moderation is done well.

c. Additionally, we can now have multiple smaller ad boards and have much further reach.

d. It allows us to conduct ad boards with different segments of KOLs.

Theme 3 - New Technologies Have Disruptive Potential

George, what potentially disruptive technologies or trends were mentioned by the survey participants?

1. Flexible use of virtual platforms—Respondents mentioned that due to the pandemic, HCPs as well as patients increasingly use and are familiar with using digital platforms. For companies, it's important to be flexible and adapt to the platform that the customer wants and knows. A company should not force customers to use its own system which might be inconvenient, cumbersome, requires additional installation steps, etc.

2. Telemedicine—Many respondents mentioned telemedicine as a key emerging technology and opportunity for pharma companies. While nobody knows the future potential of it, it seems clear that telemedicine is going to stay. Exactly how telemedicine can be leveraged is currently unclear.

3. Artificial Intelligence (AI)—Some pharma companies are looking at AI and machine learning as a tool to enhance customer engagement. While AI is being used by pharma in different applications related to R&D and drug development, it has yet not been applied to customer engagement. However, the big tech companies such as Google, Amazon, Facebook and Apple are currently pioneering AI and machine learning to target customers and provide highly customized content and interactions. Some of this experience will undoubtedly be applied to health care.

Margarida, can you please provide your personal perspective and what disruptive technologies Alnylam is considering (to the extent that you're comfortable doing so)? For example, can you share perspectives on telemedicine for patient diagnosis or the use of AI?

1. We are at the very beginning of a digital revolution in pharma. This is change management on steroids. We are still very much in learning mode and I don't think we have all the answers yet.

2. However, I believe that telemedicine is here to stay. The companies that will be successful are those which correctly identify which aspects are here to stay and those which will fade with time.

3. Digital tools will bring significant benefits to patients:

   a. Virtual consultations would save people from having to travel many hours to doctor appointments and may also help declutter hospitals/waiting rooms.

   b. This will likely require an increase in remote monitoring including increased medical technology to measure the effect of drugs or disease evolution e.g. wearables

   c. Various tools could:

      i. Enable networking between general practitioners (GPs) and specialists. This will help with diagnosis in rare diseases, bring multidisciplinary teams together, and more. For example, physicians can conduct a joint consultation via Zoom, then use Zoom breakouts to discuss separately from the patient.

      ii. Potentially bring 24/7 support by providing "live chat" from anywhere.

   d. When it comes to AI and algorithms, we are piloting solutions for patient diagnosis. Facial recognition technology is also emerging, aimed at detecting certain patterns in the face of a patient and based on those patterns try to direct the patient or the doctor to the right diagnosis.

Question from the Audience:

Do you have any thoughts on in-house vs. partnership in developing AI for Pharma?

1. Margarida:

a. I believe that what we should be in partnership with physicians that believe in it and help advocate and also improve AI.

b. It also depends on the local regulations and restrictions (with regards to the apps). In some countries you can be more hands-on and in others you need to leave it to patient groups or medical societies.

c. Pharma needs to work with patient associations and patient advocacy groups (PAGs).

Closing Questions to the Audience:

What are the most innovative and impressive approaches you have seen from companies—not necessarily focused on healthcare but also beyond?

1. Participant 1:

a. Big data is the obvious one. There is nothing being invested in more than patient data. However, the big question is how to use and leverage the large amount of data available.

b. We see blockchain technology being used for privacy of patient data. A blockchain-secured wallet can be used to selectively provide access to specific patient data.

2. Participant 2:

a. Data mining patient databases between different countries can help discover things when datasets are not available.

b. HCPs are now setting up Zoom meetings with patients and we, as pharma companies, are providing support in facilitating the call. The Zoom call would include doctors, patients, and families.

3. Participant 3:

a. Tele-sales has been helpful in collecting digital consent for electronic content, especially as we're unable to collect consent via F2F means.

4. Dirk:

a. Pharma might consider leveraging learnings from other industries such as the use of chatbots. Chatbots might offer an exciting new way for physicians to get their questions answered and problems solved.

5. George:

a. Learning experience platforms that adhere to adult learning principles can provide physicians with a place to learn about the drug or disease area.

b. Platforms can also allow physicians to connect with the correct person at a company if they have further questions.

New Ideas. Better Results.

Blue Matter is a consulting firm serving the life sciences industry. We strive to bring a new approach to consulting with original ideas that deliver a meaningful impact.

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