2017 Global Pharmaceutical Scientific Process and Technology Outsourcing Customer Service Leadership Award
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Background and Company Performance

Industry Challenges
Pharmaceutical companies increasingly resort to outsourcing non-core activities to contain costs. While first employed as a means to fulfill on short-term goals, outsourcing services are now an integral strategic component of most pharmaceutical business models. Outsourcing allows pharmaceutical firms to focus on their core competencies and high-value projects, while strategic partners support the long-term business goals in a cost-effective manner by enhancing overall quality, providing access to cutting-edge technologies and specialized expertise, ensuring compliance, and facilitating timely entries to the market. Likewise, outsourcing partners secure sustainability with strategic long-term service agreements. The market is transitioning, from being a supply-driven to a demand and service-driven industry.

While known for innovation, pharmaceutical company’s core business processes are often lagging, rendering them inefficient. Technological advances in drug discovery and development (DD) and informatics combined with increasingly stringent regulatory requirements and the growing role of patients in developing new medicines—raising their voices to self-advocate for better, safer treatments—further complicate the drug's processes-to-market. Moreover, consolidation and globalization are key growth strategies in the sector, adding layers of complexity to already complicated processes. This dynamic and evolving regulatory and market landscape drives the demand for outsourcing partners that help improve efficiencies throughout the DD chain to curtail costs, mitigate project risk, and reduce post-market failures while ensuring the highest-quality drug product.

Scientific Process Outsourcing: High-value, Specialized Pharmaceutical Services
Scientific processes organizations (SPOs) are industry-specific service providers. Unlike conventional business process organizations (BPOs), SPOs focus on acquiring the talent and capabilities—skill sets, scientific knowledge, business expertise, and technologies—to meet the particular need of their life science customers.

In the pharmaceutical sector, these organizations go beyond the traditional outsourcing segments like manufacturing [e.g., contract manufacturing organizations (CMOs)] and clinical research [e.g., contract research organizations (CROs) and functional service providers (FSPs)] which operate within the scope of clinical trials. SPO’s bridge the service gap between CROs, CMOs, and FSPs, by offering pharmaceutical firms specialized scientific domain, business process, and technology expertise across the DD continuum (e.g., drug safety and efficacy profiles, risk management, regulatory compliance, and pharmacovigilance). Pharmacovigilance and Regulatory Affairs, in particular, are gaining traction as they play a central role in ensuring patient safety, the core mission of quality healthcare. Hence, both pharmaceutical companies and regulatory authorities’ increasingly focus on drug safety compliance and risk management along the entire product cycle.
Frost & Sullivan anticipates the United States (US) outsourcing market for pharmaceutical operations and processes will show strong double-digit growth in the coming years in areas like pharmacovigilance, regulatory affairs, clinical trial support, and technology services. The increase in these areas is due to the evolving landscape, high demand, and relatively low overall penetration rates of outsourcing services, which may garner to be less than 30%. SPOs have a huge opportunity to expand in this sector.

**Quality of Customer Service and Customer Impact of Sciformix**

Established in 2007 and headquartered in Westborough, Massachusetts, Sciformix is a leading global SPO service provider dedicated to the life science industry. The company employs in-depth, leading industry knowledge, subject matter expertise, and technological innovations to offer best-in-class, flexible, tailored solutions to both small and large pharmaceutical partners. By streamlining processes and implementing innovative technologies to improve quality, performance, and efficiencies along the entire drug development lifecycle, Sciformix helps its customers create quality products for better health worldwide. With locations in Europe (EU)—offices in the United Kingdom starting in 2015—and Asia Pacific (APAC)—offices in India, and the Philippines—Sciformix truly provides global services to the pharmaceutical industry.

Frost & Sullivan previously recognized Sciformix for its scientific excellence, technology foresight, Lean Six Sigma methodologies, and best practices implementation in SPO services and now distinguishes the company’s further growth in this area.

**Sciformix: Trusted and Proven Partner**

Knowledge depth and expertise breadth differentiate Sciformix from its competitors. Additionally, the company’s thought leadership is deeply valued by its clients. Sciformix is intensely committed to quality and process excellence, providing specialized services that help pharmaceutical sponsors advance high-quality drug products to market faster, safer, and more efficiently at reduced costs for nearly 10 years. A trusted partner, the company is an integral part of its customers’ teams, consistently delivering compliant and high-quality deliverables.

![Sciformix Diagram](image)
"Customer centricity is at the heart of what we do at Sciformix and it features prominently among our core values. We are committed to creating value for our customers through our uncompromising focus on quality, process rigor, predictable delivery experience, and ability to scale. Customer feedback via our NPS (Net Promoter Score) initiative allows us to introspect and improve, drive innovation, build customer loyalty and establish strategic partnerships."

-Manish Soman, President and CEO, Sciformix

Service Excellence Built on Science

Since its inception, Sciformix has evolved alongside scientific advances, technology innovation and the changing regulatory environment and industry landscape. The company has grown from a small knowledge process organization known for safety and risk management, its flagship service line, to a leading global SPO provider by steadily strengthening its in-house capabilities and expanding its services, providing customers flexible, cost-efficient processes, technologies and service options for a range of outsourcing needs.

In a continued effort spanning a decade and counting, the company has methodically built its offerings to fill the service gaps across the drug DD chain and provide more value to its pharmaceutical partners. Erected on the science and knowledge of people—acquiring and retaining excellent talent and expanding knowledge on industry and regulations across its five service lines: Safety & Risk Management, Regulatory Affairs, Clinical Development, Real World Evidence & Market Access, and Technology Services—Sciformix has bolstered its service portfolio while cementing its leadership position.

Sciformix delivers quality, high-value, flexible, and end-to-end integrated services by the highest corporate and regulatory standards on a global scale while maximizing cost efficiencies, providing greater actionable insights, and tightening the timelines for timely regulatory submissions. Sciformix nearly doubled its global workforce from just a couple of years ago to nearly 1,000 employees.

...And Technology

Sciformix’s infrastructure and technology tactics—automated enterprise and process management platform—streamline workflows for optimal resource utilization and process efficiencies, helping the company garner its reputation for quality, reliability, and timeliness over time.

Over the last several years, advanced information technologies, including cloud computing and big data, and patient-centric trends prompted the company to transform yet again, launching its fourth service line mid-2016—Technology Services. Adding technology as a service as well as an enabler to existing service lines, allows the company to extend further its value proposition to its pharmaceutical partners.

Technology also plays a significant role in innovation. As such, the company is also expanding into areas, such as laboratory informatics and compliance and validation tools, as it re-evaluates strategies and roadmaps to meet-anticipate market requirements to
continue delivering excellence to its clients. Thus, as a service and technology provider, the company keeps bringing forth enhanced benefits and overall value to customers.

"Through now combining scientific process and technology services, Sciformix offers customers a solution with even more service value. Technology, and our full portfolio of services, provides the platform for service delivery excellence, continuous improvement and innovation."

-Fran Bates, VP Technology Services, Sciformix

**Customer Satisfaction: Top-of-mind**

Outsourcing organizations must develop strategic, consultative value-add relationships with its clients to sustain long-term growth. Sciformix’s commitment to quality, process, and technology excellence underpins its customers’ overall service experience and satisfaction. The company sets weekly meetings with its pharmaceutical clients to discuss project status, progress as well as challenges, and create response plans.

Sciformix commits to its clients as much as their clients commit to working with the company, facilitating a quality process as well as reacting to issues immediately. For new clients or new projects, the company carries out the “hyper care phase.” This customer interface requires an “all hands on deck” approach and involves daily, weekly, and monthly reports and metrics which the company examines with its partner and tweaks services as needed, ensuring 100% quality work and meeting all milestones.

Sciformix launched the Net Promoter Score (NPS) initiative in 2015. The company surveys sponsors across different areas—e.g., staffing, delivery, partner-client service interactions, pricing, etc.—every six months. Sciformix then conducts internal meetings to evaluate the collected feedback, and either adjusts course to serve customer needs better or validates that its implementations are in the right direction.

**New Directions: Growing the Business**

In the past, the company mostly focused on helping large, global pharmaceutical companies, constituting about 90% of its customer base just two years ago. Sciformix now serves small- and medium-sized pharmaceutical firms—as they lack the resources to fulfill the functions that it performs. Hence, the company’s customer base keeps expanding, not just in terms of geographies—EU and APAC in addition to the US—but also on company sizes; small- to mid-sized firms now constitute about 25% of its clientele.

Like its services, Sciformix’s implementation model is also flexible, ensuring the best and most cost-efficient global service delivery with staff located in the US, EU, and APAC. The company aligns itself with its customers’ needs, processes, and budgets and leverages either offshore assets, e.g., India, or hybrid-asset models, e.g., US and Philippines, to meet its clients’ demands successfully.
Social Responsibility: Core to Mission and Vision

Sciformix helps its customers create quality products to improve patients’ health worldwide. In line with that goal is the company’s pledge to the communities in which it operates. In commemoration of its founding day on May 7th, Sciformix gives back to those communities each year. The company’s social impact initiative, or SII, supports its employees volunteering work with different organizations, whether giving time to orphanages and food kitchens or providing professional expertise—physicians and other healthcare professionals—to administer basic health services. Employees from the US, India, and the Philippines participate in the SII program and last year the program positively impacted nearly 10,000 lives. The company plans to extend its SII program to other geographies in the future.

Conclusion

The path-to-market for new medicines is long, complex, and costly, and accompanied with the risk of failure at every stage of the process. Pharmaceutical companies increasingly resort to outsourcing non-core activities to streamline operations and contain costs.

Frost & Sullivan research identifies Sciformix as a strategic scientific processes outsourcing partner, ensuring best-in-class services and technology. The company employs flexible, tailored solutions to improve quality, performance, and efficiencies along the entire drug development lifecycle, helping pharmaceutical companies create quality products for better health worldwide. Sciformix’s best practices underpin its exceptional customer service.

With its commitment to quality and excellence across the board, Sciformix earns Frost & Sullivan’s 2017 Global Customer Service Leadership Award in the pharmaceutical scientific process and technology outsourcing industry.
Significance of Customer Service Leadership

Ultimately, growth in any organization depends upon customers purchasing from your company, and then making the decision to return time and again. The service experience is therefore a critical component of a company’s efforts to retain customers over the long term. Through successful retention, companies enhance their brand, increase demand for their products, and differentiate themselves from the competition.

Understanding Customer Service Leadership

Customer Service Leadership is defined and measured by two macro-level categories: quality of customer service and customer impact. These two sides work together to make customers feel valued, and confident in their products’ quality and long shelf life. This dual satisfaction translates into repeat purchases and a high lifetime customer value.
Key Benchmarking Criteria
For the Customer Service Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Quality of Customer Service and Customer Impact—according to the criteria identified below.

Quality of Customer Service
- Criterion 1: Empowerment
- Criterion 2: Leverage of Customer Feedback
- Criterion 3: Speed/Timeliness
- Criterion 4: Frictionless Interaction
- Criterion 5: Technological Investment

Customer Impact
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology
Frost & Sullivan’s 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan’s research methodologies. Too often, companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry players and for identifying those performing at best-in-class levels.
Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan Awards follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

<table>
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<tr>
<th>STEP</th>
<th>OBJECTIVE</th>
<th>KEY ACTIVITIES</th>
<th>OUTPUT</th>
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| 1 Monitor, target, and screen | Identify award recipient candidates from around the globe | • Conduct in-depth industry research  
• Identify emerging sectors  
• Scan multiple geographies | Pipeline of candidates who potentially meet all best-practice criteria |
| 2 Perform 360-degree research | Perform comprehensive, 360-degree research on all candidates in the pipeline | • Interview thought leaders and industry practitioners  
• Assess candidates’ fit with best-practice criteria  
• Rank all candidates | Matrix positioning all candidates’ performance relative to one another |
| 3 Invite thought leadership in best practices | Perform in-depth examination of all candidates | • Confirm best-practice criteria  
• Examine eligibility of all candidates  
• Identify any information gaps | Detailed profiles of all ranked candidates |
| 4 Initiate research director review | Conduct an unbiased evaluation of all candidate profiles | • Brainstorm ranking options  
• Invite multiple perspectives on candidates’ performance  
• Update candidate profiles | Final prioritization of all eligible candidates and companion best-practice positioning paper |
| 5 Assemble panel of industry experts | Present findings to an expert panel of industry thought leaders | • Share findings  
• Strengthen cases for candidate eligibility  
• Prioritize candidates | Refined list of prioritized award candidates |
| 6 Conduct global industry review | Build consensus on award candidates’ eligibility | • Hold global team meeting to review all candidates  
• Pressure-test fit with criteria  
• Confirm inclusion of all eligible candidates | Final list of eligible award candidates, representing success stories worldwide |
| 7 Perform quality check | Develop official award consideration materials | • Perform final performance benchmarking activities  
• Write nominations  
• Perform quality review | High-quality, accurate, and creative presentation of nominees’ successes |
| 8 Reconnect with panel of industry experts | Finalize the selection of the best-practice award recipient | • Review analysis with panel  
• Build consensus  
• Select winner | Decision on which company performs best against all best-practice criteria |
| 9 Communicate recognition | Inform award recipient of award recognition | • Present award to the CEO  
• Inspire the organization for continued success  
• Celebrate the recipient’s performance | Announcement of award and plan for how recipient can use the award to enhance the brand |
| 10 Take strategic action | Upon licensing, company may share award news with stakeholders and customers | • Coordinate media outreach  
• Design a marketing plan  
• Assess award’s role in future strategic planning | Widespread awareness of recipient’s award status among investors, media personnel, and employees |
About Frost & Sullivan

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