

A global landscape of Medical Communications outsourcing

Integrating data and creativity to drive commercial success

July 2024



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Executive summary

Medical Communications (MedComms) is becoming an integral part of the biopharma commercialization initiatives



- MedComms is a medium to communicate medical & scientific data to relevant audiences throughout the lifecycle of a product
- The space is evolving and driven by patient-centricity and the expanding communication channels

Global MedComms market was \$2.6 Bn in 2023 and is expected to grow at a CAGR of 18% to reach \$8.3 Bn by 2030



- Growing complexity of healthcare, advances in medical technology, and the globalization of pharmaceutical markets contribute to this growth
- Companies are leveraging digital platforms, and creative solutions to engage stakeholders and enhance patient outcomes
- Companies focusing on niche areas such as rare diseases, oncology, and advanced therapies, are providing patient –specific solutions to differentiate themselves among the peers









With growing demand and increasing outsourcing activities, the growth trajectory of Med Comms space is attracting strategic and financial investments



- Commercialization organizations are undertaking strategic initiatives to build a comprehensive portfolio of MedComms offerings and expand their geographic footprint
- Investment in digital communication channels and technology-enabled solutions are also driving the investment thesis
- Increased spending on outsourcing and the fragmented market has resulted in PE-led acquisitions
- Consolidation is expected as commercialization partners build a one-stop-shop solution offering scientific expertise integrated with creativity

MP Group with >30 years of biopharma experience can help catalyze your journey to expand into the MedComms space

MedComms enhances the communication of critical information throughout the product lifecycle across the key stakeholders

Segmentation	Key Deliverables	Target Audience
Off-label communications	<ul style="list-style-type: none"> Scientific literature reviews, RWE, epidemiology databases, lexicon, clinical trials, etc. 	Define & align product attributes & value  Internal teams
Medical-scientific communications	<ul style="list-style-type: none"> Scientific and communications platforms Content management, publication planning, and execution Clinical landscape assessment Stakeholder identification and engagement Market access, payor communication HTA reports, regulatory communications 	Effective communication of product profiles to establish peer-to-peer engagement  Payor  KOL  MSL
Medical education	<ul style="list-style-type: none"> HCP education and training Stakeholder engagement Strategic content management 	Support product adoption  HCPs
Commercial communications	<ul style="list-style-type: none"> Brand and internal communications E-learning and training, digital strategy, media, and videos, field force optimization Sales and marketing communications 	Marketing information intended to drive sales  Physician  Patient
Patient communications	<ul style="list-style-type: none"> Identification and engagement of patient advocacy groups Direct outreach to patients for education and product awareness 	Drive awareness and communicate outcomes  Patient

Source: IQVIA report, Secondary Research, MP analysis;

HTA: Health Technology Assessment

Global MedComms market is projected to grow from \$2.6 Bn in 2023 to \$8.3 Bn by 2030, at a CAGR of 18%

Increasing drug pipeline & R&D innovation



With ~20,000 drugs in development, there is a constant need to deliver succinct insights on complex therapies to key stakeholders

Majority of MedComms services are outsourced



Biopharma will continue to outsource a significant proportion of MedComms services, reaching up to 60% of the overall spend on MedComms by 2026

Patient-centric commercialization strategies



Increased focus on patient-centered care and investment in health education and awareness campaigns

Omnichannel strategies expanding reach



The surge in digital platforms, and online communication channels, impacting patients, HCPs, and payors

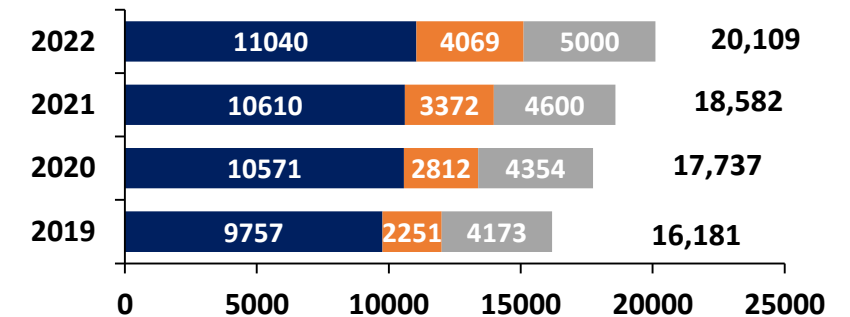
Penetration of MedComms in RWD/RWE & HEOR



Medical-scientific communications convey market access, HTA, and regulatory information tailored for the masses

Global R&D pipeline-2022

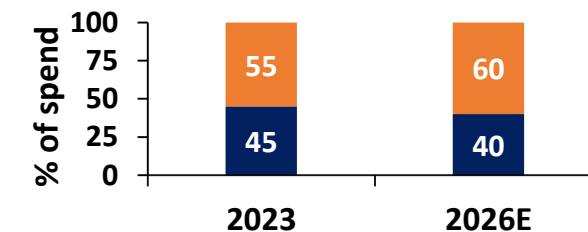
■ Small Molecules & New Modalities ■ Cell & Gene Therapy ■ Biologic



- New modalities include oligo, peptides, PROTACS, microbiomes, oncolytic virus
- Biologics include antibodies/proteins

Biopharma Spending on MedComms*

■ Internal ■ Outsourced

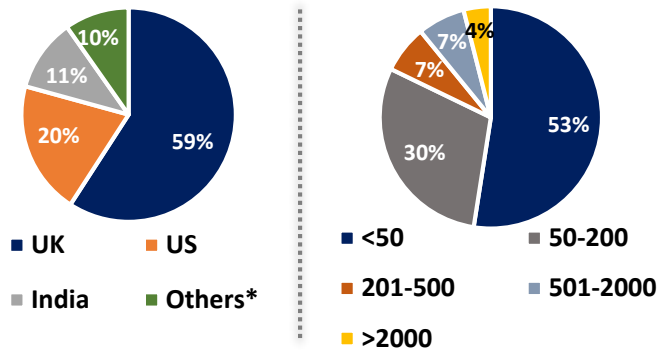


Source: Pharmaprojects, Jan 2023; * Based on a L.E.K. Commercial Pharmaceutical Services survey, Secondary Research, MP analysis

MedComms outsourcing market is highly fragmented

The landscape comprises of ~170 companies across UK, USA, and India

MedComms cos segmentation By Geography & Team size



- The UK harbors the majority of MedComms agencies due to its regulatory and language advantages
- Over half the companies are smaller firms with fewer than 50 employees
 - Long-standing relationship with a few pharma/biotech/med device companies
 - Expand their clientele through references

The MedComms market comprises of companies ranging from small-scale, specialized operations to scaled multifunction service providers

Niche firms
Offering specific services



- High level of expertise in niche MedComms services - commercial, medical, and scientific aspects

Full-scope Contract Commercialization Organizations (CCOs)



- End-to-end commercialization offerings including commercial strategy, communications, market access, product launch and post-launch activities

Full-scope Contract Research Organization (CROs)



- Clinical research services along with medical writing, communication and market access capabilities

Large holding companies
With smaller communication agencies



- Global advertising and communications services groups with MedComms capabilities

Source: * Others include EU, Canada, Russia, Australia and China; Secondary Research, MP analysis

MedComms now reflects broader changes in healthcare and technology



PAST: 1990-2010
In-person-driven solutions



PRESENT: 2010 onwards
Technology-driven solutions



Growing complexity of scientific data

- Less complex
- Small molecule comprised of ~85% FDA approvals
- Biologics just entering the market - 6 FDA approvals in 2010

- Increasing complexity due to scientific innovations
- Shift towards specialized modalities - mRNA, cell & gene therapy, ADCs, etc
- Significant contribution of biologics in new approvals



Globalization & RWE

- Pharma hired MedComms agencies on a project-to-project basis
- Focused, siloed asset development approach

- Pharma expanding to emerging markets - China, Japan, Brazil, and India considering cultural nuances and local regulations
- Big data and wearable devices enhance research for content creation



Raising awareness among multiple stakeholders

- Primarily focused on drug promotion with physicians

- Higher demand for patient-centric materials
- Tailored communication offered to physicians, HCPs, and KOLs



Expanding communication channels

- Traditional marketing strategies - print ads and sales reps

- Use of digital media - mobile communications, online platforms, content marketing
- Advanced analytics and automation to develop targeted strategies focused on customer behavior

Patient-centricity and demand for awareness have been the key driving forces for the evolution and growth of MedComms space

Source: Secondary Research, MP analysis

Growing demand for MedComms expertise has led to increasing M&As

Specialized services, strong client relationships, and a high-quality team have been the key drivers of M&A

Trends in MedComms M&A



Acquirers are implementing long-term buy-and-build strategies

- Red Nucleus, Fingerprint, and Ashfield have acquired multiple companies specializing in different therapy areas over the last 5 years to scale up and diversify services



Adoption of digital engagement

- AI-powered platforms and tech expertise are key differentiators in developing omnichannel strategies for various stakeholders



PEs are leveraging MedComms to enter into outsourced pharma services

- Increasing investments to capitalize on growth drivers and consolidate fragmented outsourced markets - Bioscript (Sovereign Capital), Cognite (Vespa Capital), Lucid Group (ICG), etc.

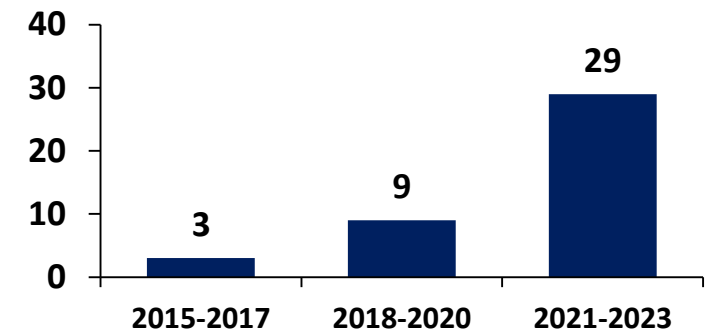


CROs and tech-focused companies are expanding in the MedComms space

- Precision Group (CRO) acquired Makara Health to expand its footprint in the UK
- Accenture (tech company) acquired ConcentricLife for its expertise in rare diseases, healthcare, and wellness

Source: Secondary Research, MP analysis

Number of Transactions



Acquirers consider organizations with \geq \$4 Mn in consistent revenue with good profitability



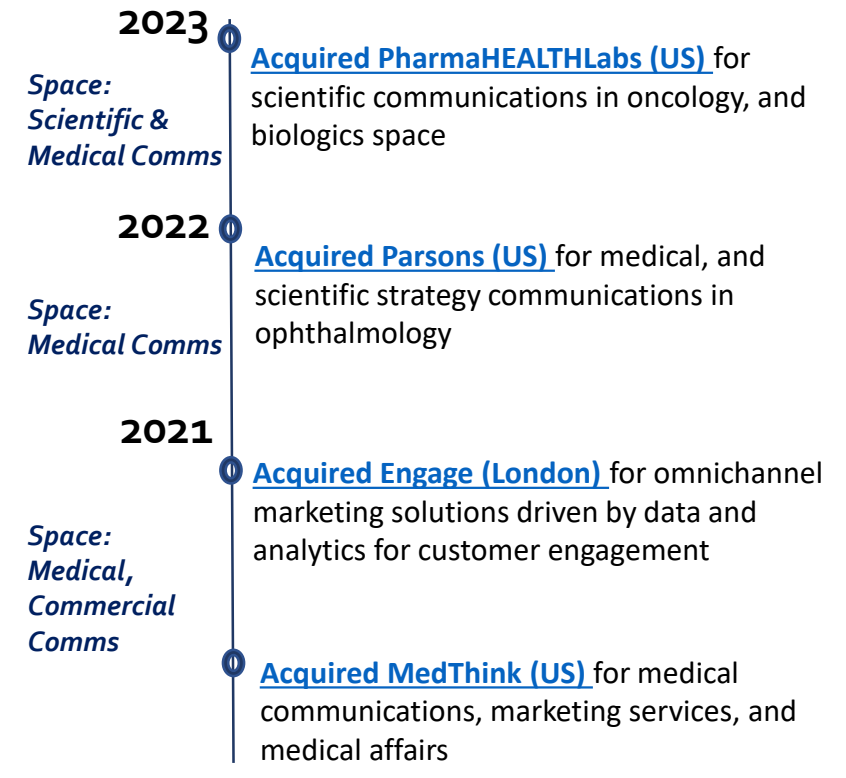
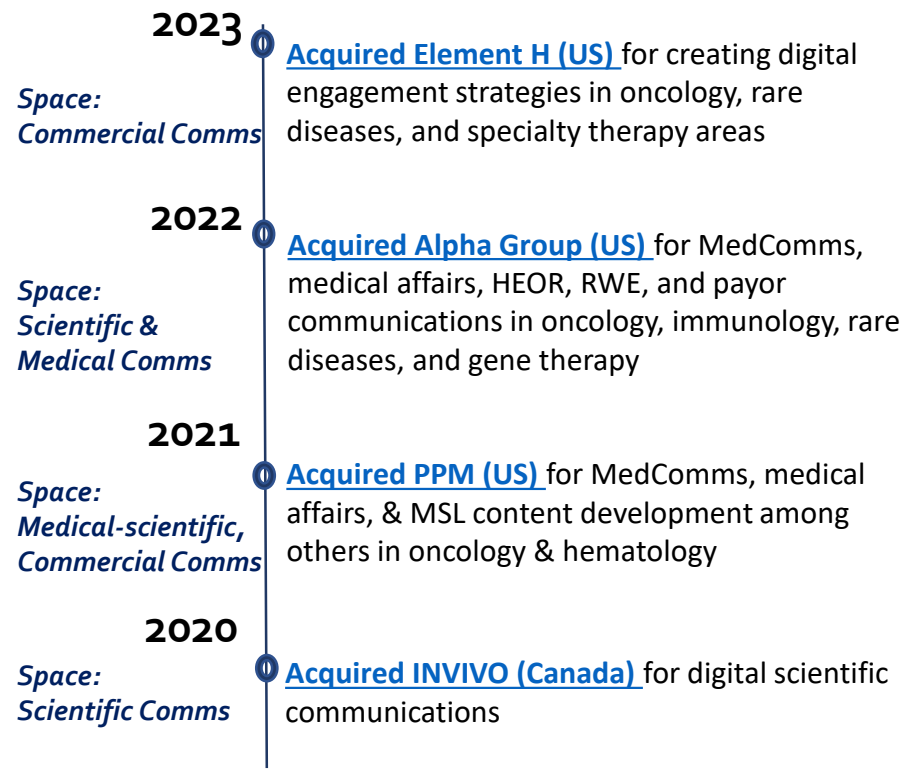
The majority of the transactions are PE-backed

CCOs are undertaking strategic initiatives to consolidate and diversify

Companies are building an end-to-end suite of commercial capabilities

CCOs are undertaking multi-prong strategic initiatives to:

- ✓ Ensure comprehensive and fully integrated MedComms services focused on medical, scientific, and commercial expertise
- ✓ Build niche expertise in complex therapies
- ✓ Integrate content with interactive digital solutions driving target engagement
- ✓ Add localized expertise through geographic expansion



Source: Company news, Secondary Research, MP analysis

Proactive integration of data with technology to drive growth

CCOs and MedComms agencies are focusing on digital solutions to drive target engagement and commercial success through M&A



Feb 2024, Real Chemistry (CCO) acquired Avant Healthcare (MedComms) for delivering **medical information and omnichannel marketing strategies** targeted to HCPs



Oct 2023, HWP (MedComms) acquired Hybrid (tech platform) integrating **animations, VR, and gamification** with their medical and educational content



Sep 2023, Prime Global (MedComms) acquired Earthware (healthcare agency) for **brand development, omnichannel strategy and planning** for HCPs and patients



Open Health (CCO) acquired 2 healthcare agencies

- **July 2022**, acquired the CM group for its MedComms platform focused on **scientific, commercialization, and analytical software services**
- **Sep 2021**, acquired ARK for its expertise in **omnichannel campaigns**



Dec 2021, Eversana (CCO) acquired Intouch Group (healthcare agency) for its **commercialization services platform - medical communications, medical affairs, and omnichannel marketing**

Source: Company news, Secondary Research, MP analysis

MedComms space is attracting PE investments

The strategic importance of MedComms, increased spending on outsourced communications and the fragmented market have resulted in PE-led acquisitions



PE firms consolidating multiple businesses



Ashfield
MedComms
Inizio Medical

HUNTSWORTH

WATERLAND



- In [June 2022](#), Ashfield and Huntsworth merged to launch Inizio
- In [Jun 2021](#), CD&R acquired UDG Healthcare (parent Co of Ashfield MedComms) for \$3.9 Bn for healthcare communications, advisory, and commercial services
 - [In May 2020](#), CD&R acquired Huntsworth for ~ \$730 Mn for its expertise in medical affairs, marketing, and market access
 - In [May 2020](#), Waterland acquired IMC Group (renamed to SCIRIS in Dec 2022)
 - SCIRIS is the collection of 6 organizations acquired between 2020 and 2024
 - Porterhouse: Scientific comms, omnichannel strategies
 - Pulsar Health & Wedgewood: Marketing campaigns
 - Indigo: Medical writing
 - Source Health Economics: HEOR
 - Fusion: Medical animation

Source: Company news, Secondary Research, MP analysis



PE firms are investing in tech-enabled offerings

KNOX-LANE



- In [Feb 2023](#), Knox Lane invested in Spectrum
- Spectrum offers tech-enabled scientific expertise, strategy, marketing, and clinical trial recruitment among others

Vespa Capital



- In [Mar 2022](#), Vespa Capital invested in Cognite
- Cognite offers digital expertise in strategy, scientific, and patient-centric communication



- In [Nov 2020](#), GHO Capital acquired a majority stake in Envision Pharma from Ardian PE firm
- Envision Pharma offers tech-enabled medical and scientific communications, medical affairs, and strategy services

Recent M&A deals

Increasing quantum of deals reflects the expansion of service offerings, geographic diversification, and digital transformation

Date	Acquirer	Location	Size	Core Expertise	Acquiree	Location	Size	Acquired/partnership for
Apr 2024	Cactus Life Sciences	US	~90	Scientific and medical communications	nspm and eluSCIdate	Switzerland	~60	Strategic, commercial, and creative communications, medical writing, focus on rare diseases; Expanded reach in the EU, UK, and Japan
Apr 2024	LCW Medical Communications	UK	~25	Medical and commercial communications	MediConf	UK	~10	Medical education and clinical training capabilities targeted to HCP
Dec 2023	Prime Global	UK	~550	Scientific & medical communications, evidence and access, brand, marketing, strategic consultancy	Aventine	US	NA	US-focused market access and payor communications
Nov 2023	Spectrum Science	US	~450	Scientific & strategic communications, patient advocacy, omnichannel marketing, clinical trial recruitment	CrowdPharm & Hot Iron Health	US	~70	Strategic, commercial & creative solutions
Nov 2023	Accenture	Ireland	~740,000	Tech-focused services/industry agnostic	ConcentricLife	US	~300	Creative solutions in rare diseases, health, & wellness space
Sep 2023	Citrus Health	US	NA	Scientific & commercial communications, market access	MedLogix	US	NA	Scientific, medical, and strategic communications
Apr 2023	Precision Medicine Group	US	~600	Full-scope CRO with commercial and marketing communications, regulatory affairs, payor insights	Makara Health	UK	~70	Creative solutions for medical education and patient communications in the EU

Source: Company reports, Secondary research, MP analysis

MP Group can catalyze your MedComms initiative

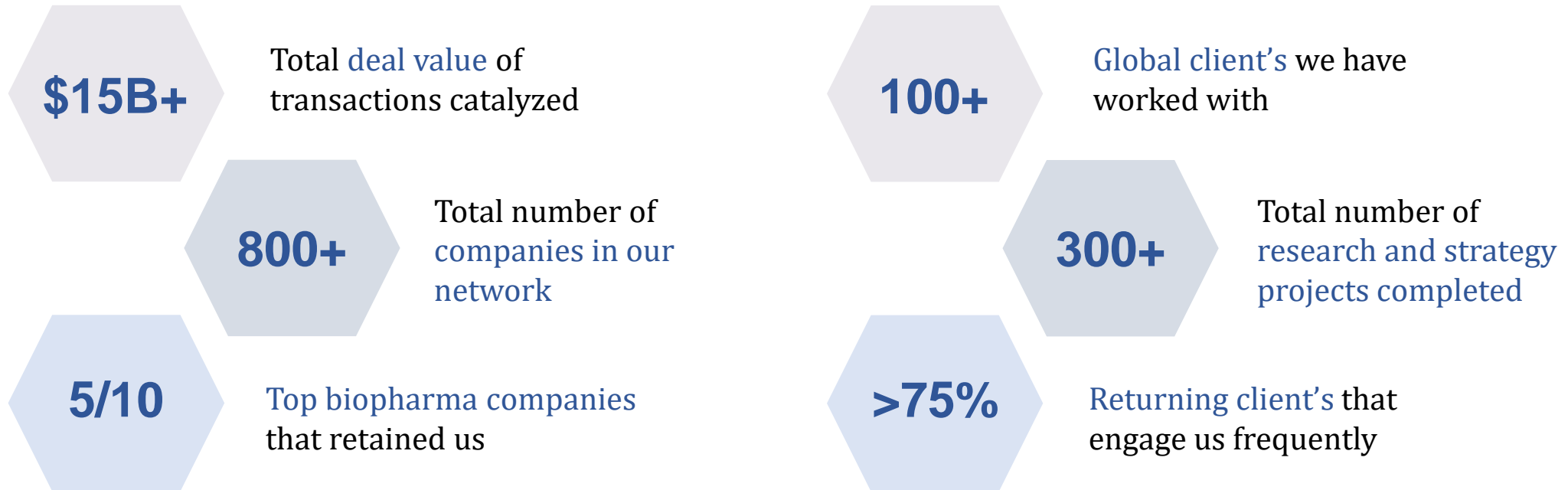
MP team with over 3 decades of diverse global biopharma experience and a deep understanding of the MedComms space can help catalyze your journey and support your strategic initiatives

MP Team will be happy to be an extension of the management team and support the following:

- Catalyze the growth and expansion strategy of your organization for long-term success
- Comprehensive and customized landscaping to identify specific potential opportunities
- Identify global opportunities offering robust solutions with creative technologies
- Leverage MP's global network to identify potential below-the-radar opportunities for partnering or investment, unique to the vision of the company
- Support due diligence efforts of the target being considered for investment or acquisition

TRUSTED ADVISORS FOR OVER 35 YEARS

MP Advisors and Mehta Partners, together known as MP Group, is a leading strategic and financial advisory group facilitating strategic partnerships and empowering corporate development



Bringing a globally integrated perspective as preferred advisors to many of the top biopharma companies and investor groups across USA, Europe, Japan and India

TRUSTED ADVISORS FOR OVER 35 YEARS

M&A | Licensing | Partnerships/Joint GTM | Due diligence | Portfolio strategy | Market entry | Research and competitive landscape

Select projects in the space

HEOR Platform	Medical Writing	MedComms	HEOR
Acquisition (buy-side)	Acquisition (buy-side)	Acquisition (buy-side)	Strategic Advisory
HEOR services boutique	Regulatory writing services	MedComms services – Geography Expansion	Geography Expansion
On-going	On-going	Undisclosed	2 strategic partnerships
2024	2023	2022	2021

Deep understanding of the landscape and markets translated into reports (hyperlinked):



[A global outlook on medical writing](#)



[Overview on artificial intelligence and medical writing](#)



[Global Health Economics and Outcomes Research Services Landscape](#)



[An outlook on the promise of digital health in transforming healthcare delivery](#)

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