

## Social media is becoming a game changer: Canadian life science companies must get off the sidelines

As growing pressures continue to squeeze the global health care system, payers in many markets – governments, insurance companies, consumers – are increasing their focus on health outcomes to guide their buying choices. At the same time, game-changing technological advances are coming of age. Digital data and electronic health records, new mobile technologies and social media platforms for sharing information are driving a new, outcome-centric health care industry like nothing seen before.

The intersection of these two significant trends represents a monumental shift in thinking that presents a unique opportunity for the life science industry and Canadian businesses in particular. If Canadian life science companies position themselves effectively now, they will be poised to play a major role on the global stage in the years ahead.

In a move towards what Ernst & Young calls “Pharma 3.0,” our research shows pharma investment in smart phone apps, educational websites, social media platforms, wireless devices and other programs is up 78% from last year alone. The industry will capitalize on these new methods to offer services that improve overall health outcomes through disease management, co-ordinated care, and an expansion across different stages of care.

But technological investment alone is not enough to secure a stake in the future of the industry. In Pharma 3.0, the winners will be companies who approach innovation with creativity and openness.

Today, innovation is not just about the product. Innovation is about how life science companies do business, with whom they do business, and how they mobilize their resources in this patient-empowered, data driven, outcome-focused environment.

The road to long-term success is never easy, or simple. Tackling these four challenges will take a strong commitment from a number of stakeholders – including industry associations, pharma companies and other companies operating in the life sciences sector as well as the government. But encountering these challenges head-on is a critical first step towards empowering the Canadian life science industry to not only thrive here and abroad, but to change the face of modern medicine for patients everywhere. That’s a powerful proposition. Is Canada up to the task?

Canadian companies that adjust their perspective now have the greatest chance of gaining significant ground in what’s fast becoming a competitive market. It starts by focusing on four critical areas:

1. **Getting the policies right:** Now is the time to establish domestic policies that will encourage both innovation and the generation of new jobs. We need policies that actually promote and advance innovation.
2. **Aligning Canada with the rest of the world:** Strong Canadian regulations around innovation and operations are crucial. But those regulations must be better aligned with those of other developed markets (from Europe to the United States).
3. **Empowering Canadian R&D:** The industry needs strong brand managers and an influx of capital to take advantage of this nation’s vast scientific resources.
4. **Protecting intellectual property:** A strong, stable and competitive intellectual property regime is paramount to the industry’s success.

*By Paul Karamanoukian, Ernst & Young’s Canadian life sciences practice leader*

