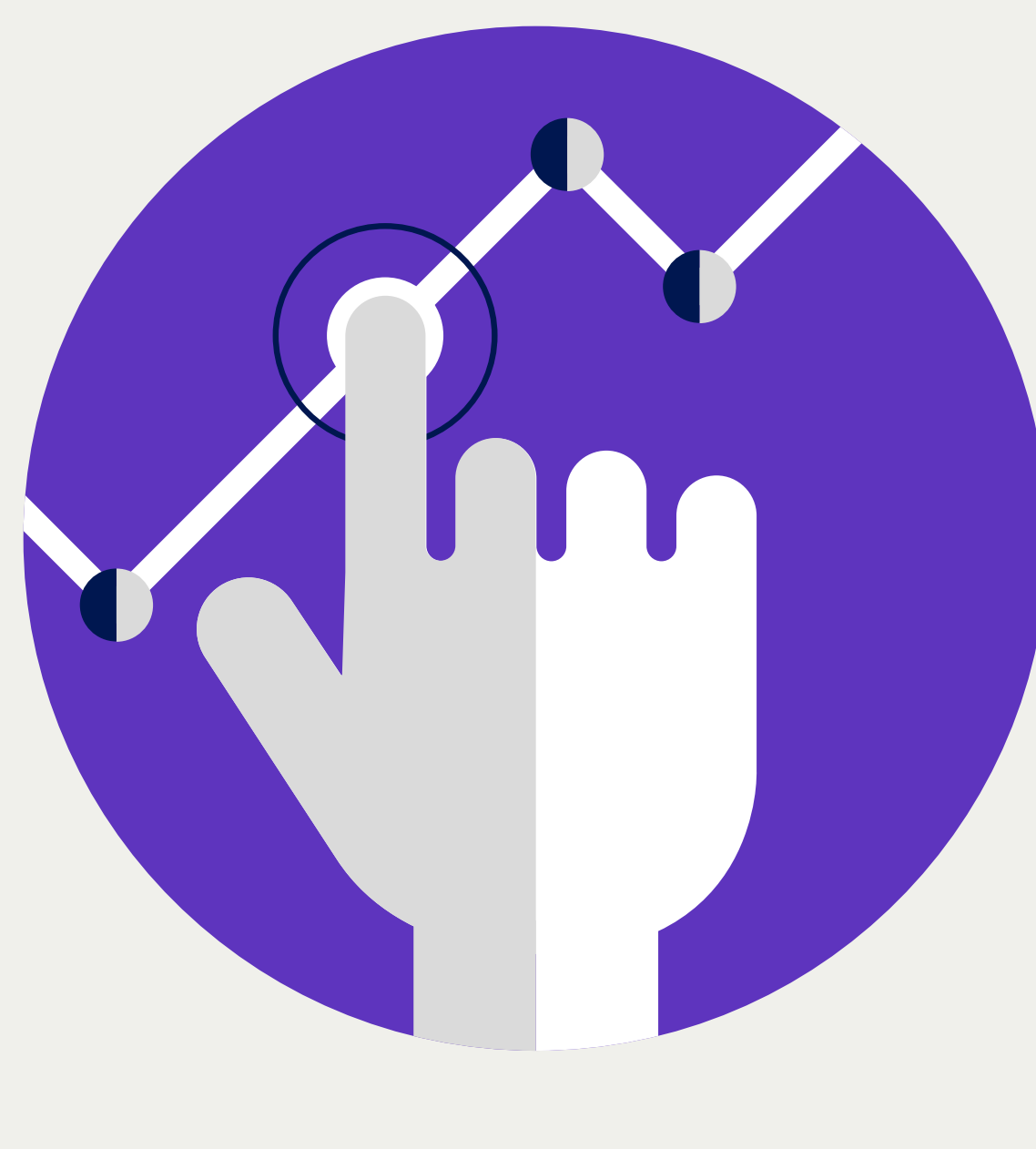


Pharmaceutical deal-making trends in digital health

How digital innovation is disrupting the pharma and tech industries and where they are placing bets.



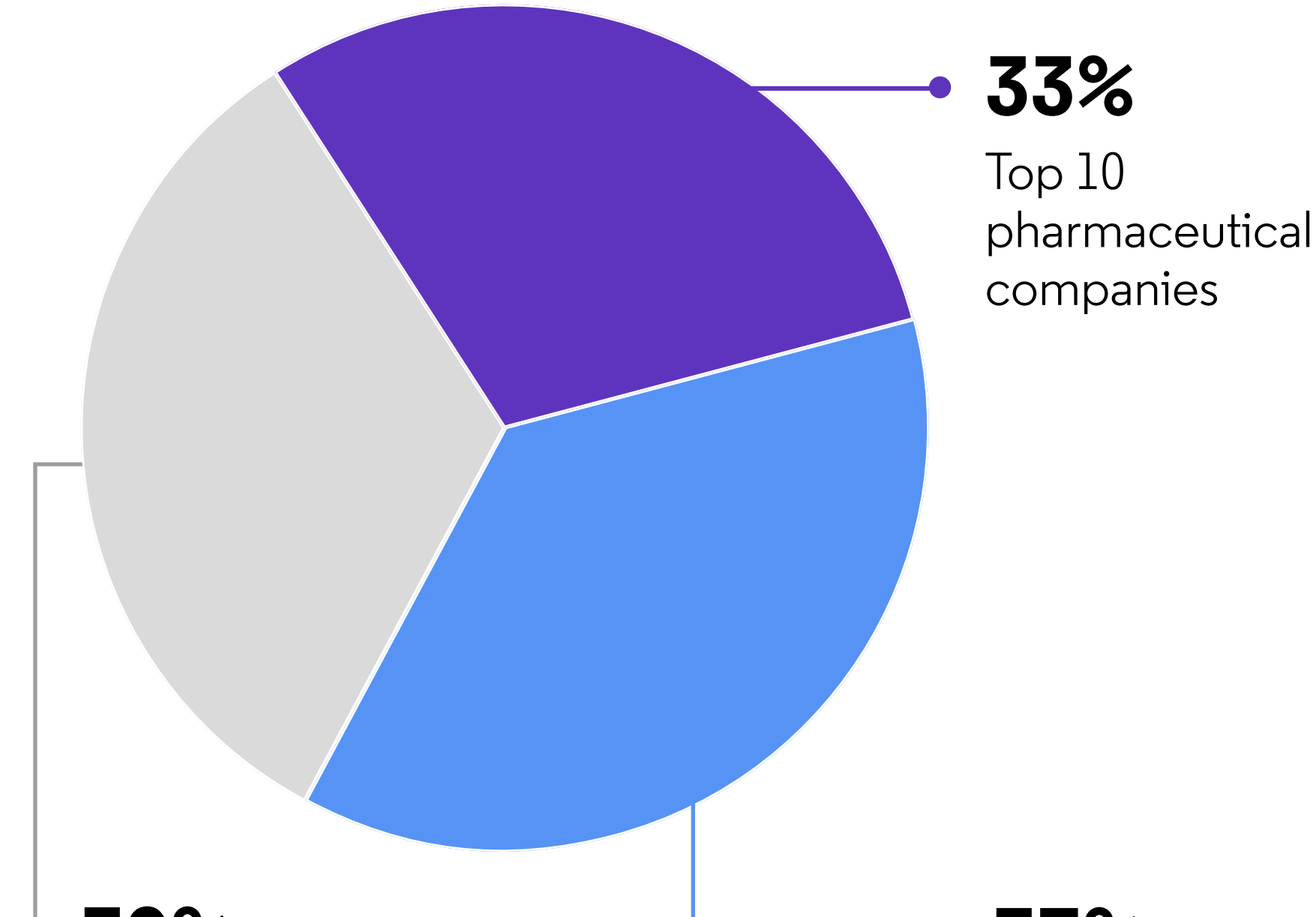
Digital health advancements are disrupting business development activities within the pharmaceutical industry.

Top pharma companies are taking advantage of the digital age as evidenced by the recent increase in the number and value of digital health deals.

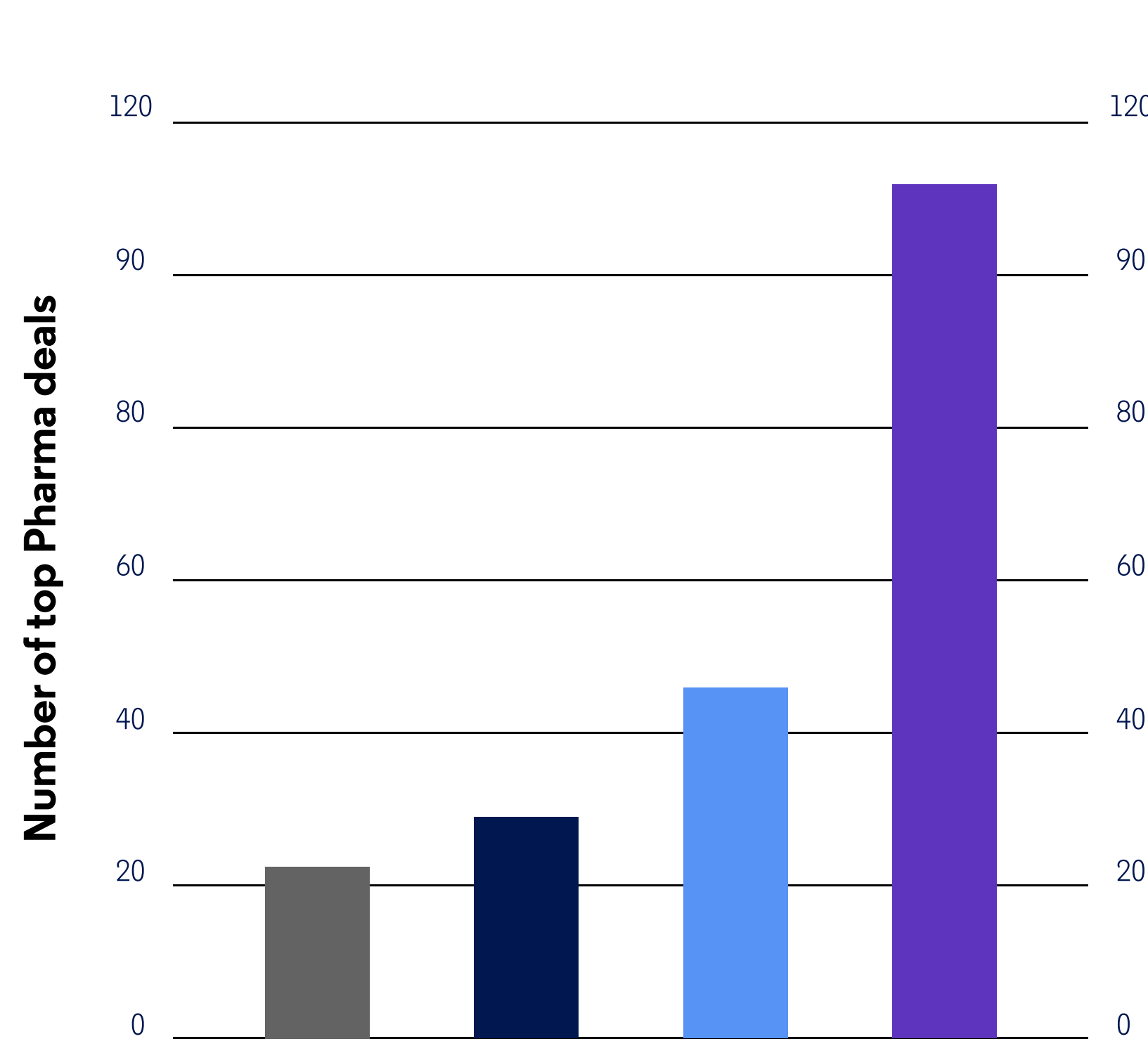
Let's take a look at how collaborations between pharma and digital health companies have evolved over the past four years.

Which industry is leading the way in digital integration?

Each sector dominates approximately one third of the digital health deal space globally.



Sources: Cortellis, Forbes, Fortune



Source: Cortellis Digital Health Intelligence

Digital health deal activity is building rapidly

Pharma deal activity in the digital health space increased by 243% from 2018 to 2019 – a clear indicator that Pharma sees significant value in partnering with digital health companies.

2018
Median start date for all digital health deals

2019
Median start date for all pharma deals

Top pharma companies are increasingly interested in digital health.*

* All deals occurred in 2019

\$302M

Otsuka and Click

Develop and commercialize digital therapy for major depressive disorder (license)

\$300M

GSK and 23andMe

Discover drug targets (license and equity option)

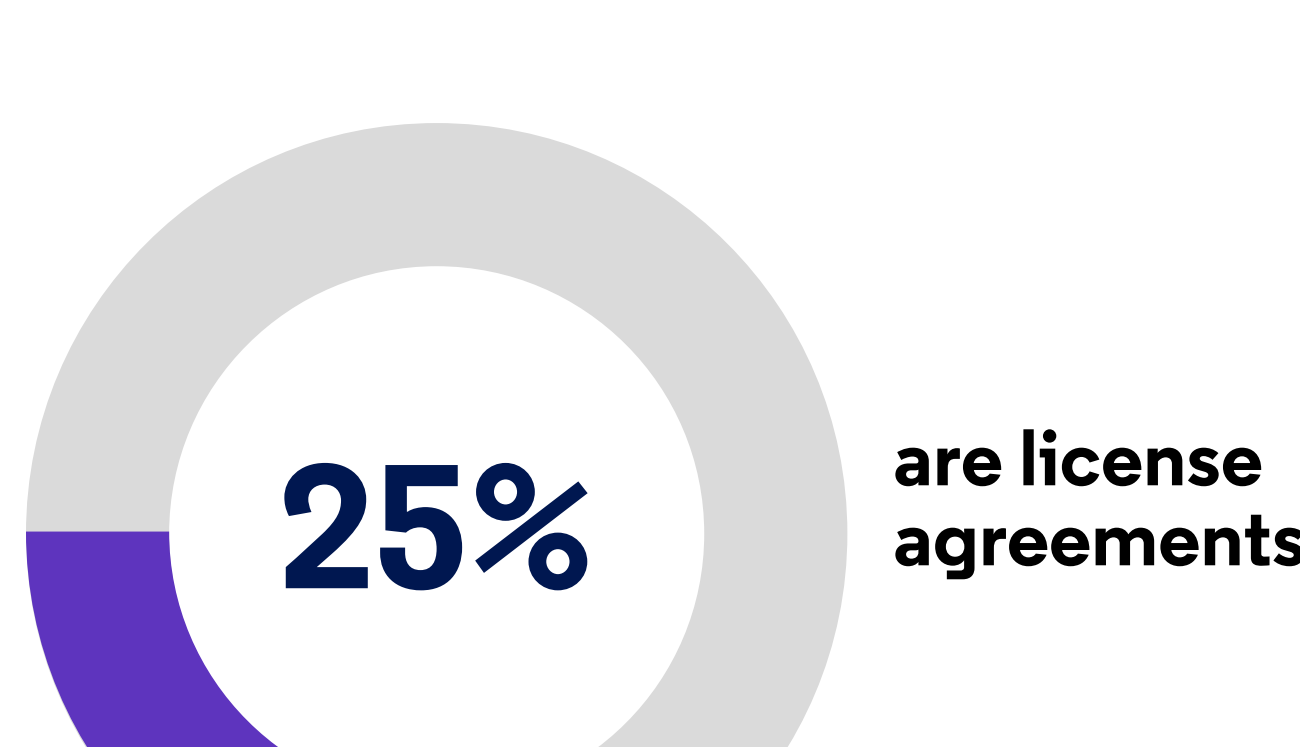
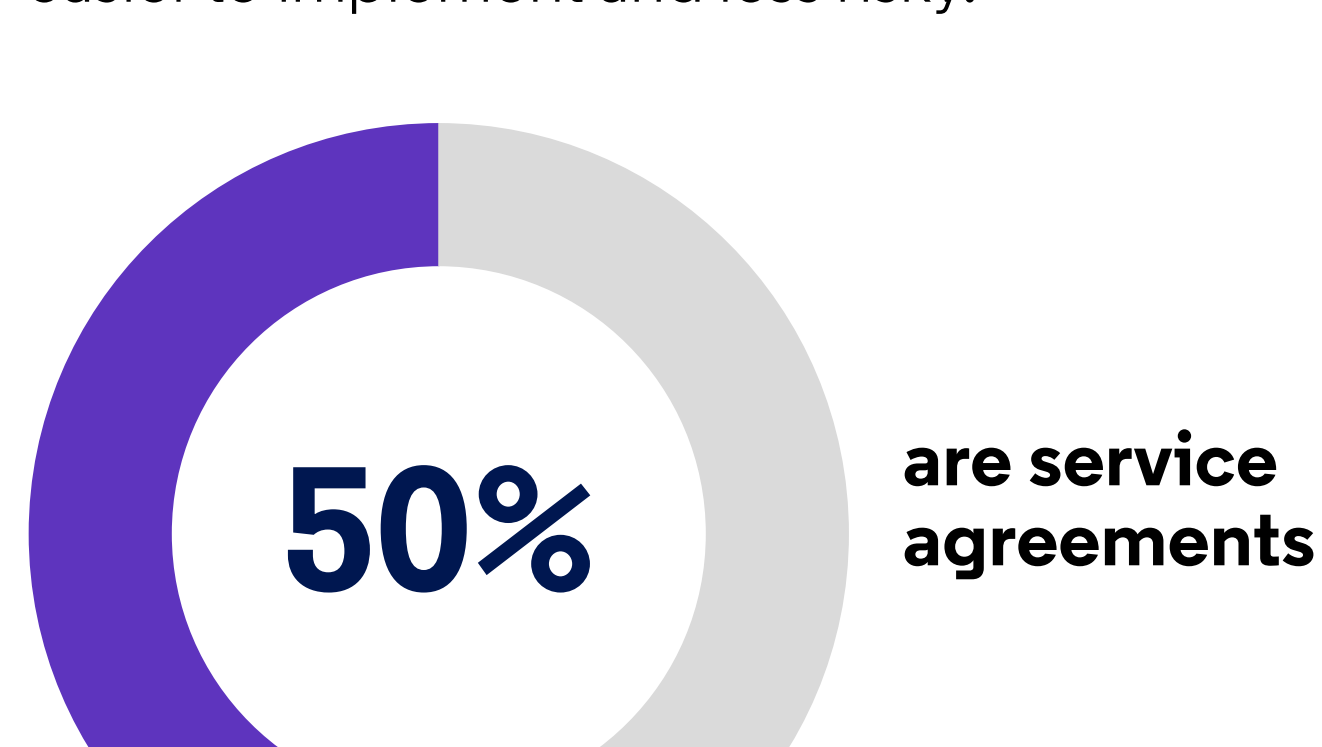
\$15M up front

Astellas and WellDoc

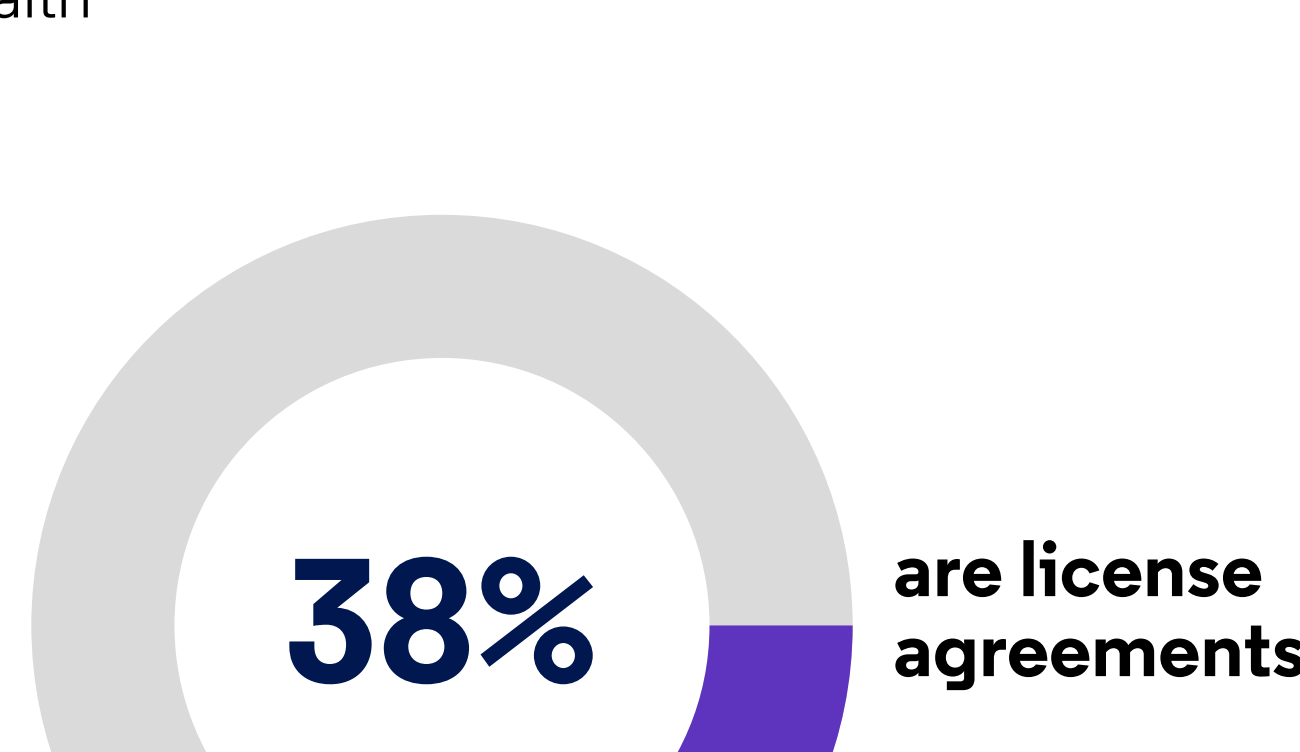
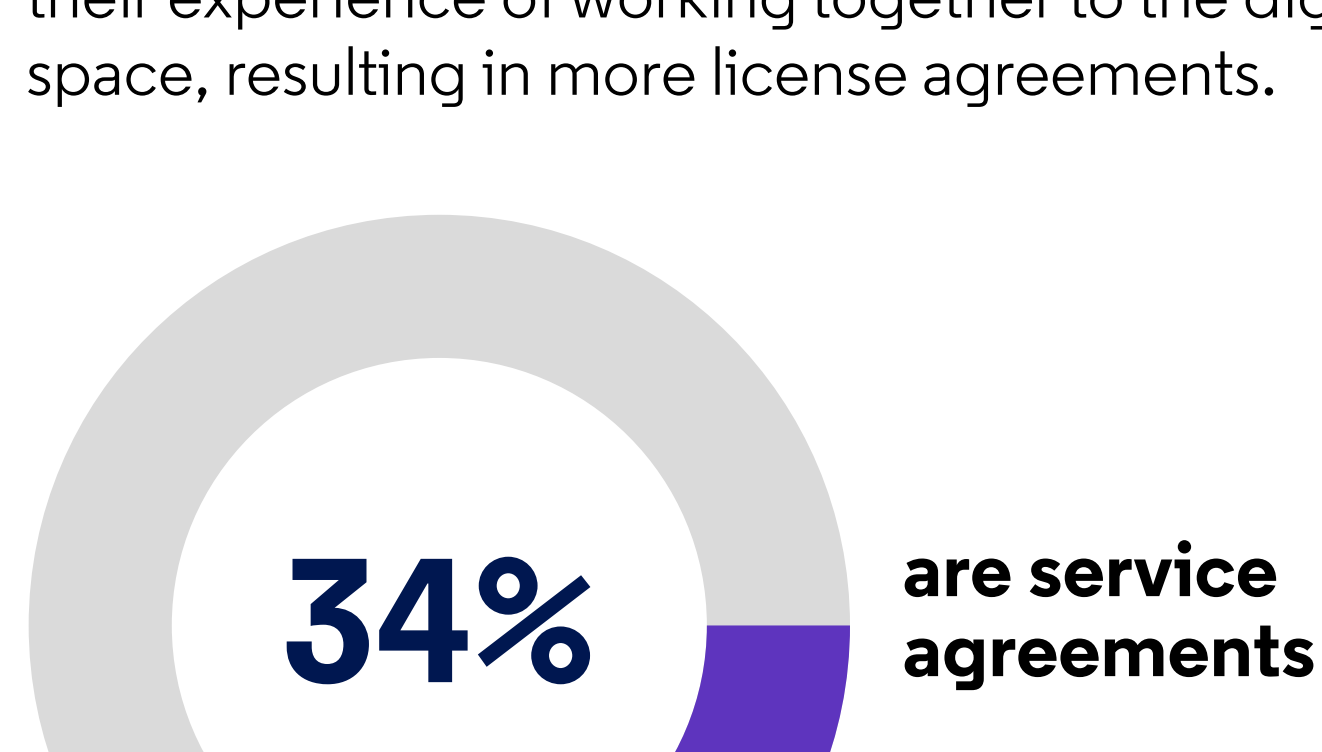
Develop and commercialize WellDoc's BlueStar for diabetes

Digital health has emerged as a low-risk way for pharma to collaborate.

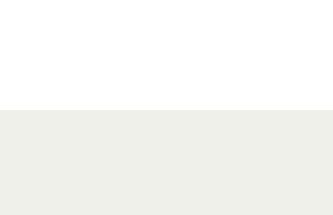
In digital health deals, service agreements, rather than licenses, are more likely. A fee-for-service structure is easier to implement and less risky.



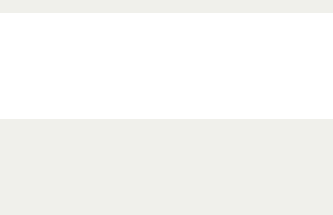
However, the top 25 pharma companies are applying their experience of working together to the digital health space, resulting in more license agreements.



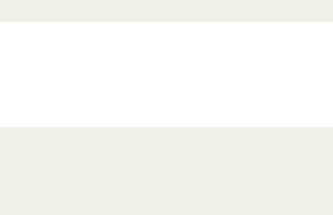
What does the future hold?



Digital health deals will increase across the pharma industry, while big technology and medical device companies will infiltrate the health market.



There will be a more targeted approach to digital asset development, with pharma and digital health companies working together from inception.



Patient uptake for digital health services and remote treatment will remain an obstacle to generating a return on investment, unless we see changes in incentives and regulatory policies.

To get a deeper understanding of the impact of digital health in the pharma deal-making space, watch the on-demand webinar. **"Pharma deal-making trends in digital health."**

Understand the digital health landscape and negotiate your best possible deal with **Cortellis Digital Health Intelligence.**

Visit our website to learn more clarivate.com/digitalhealth