



Primary Research and View of The Future

In previous installments of this series on primary research, we have discussed the following:

- [The importance of primary research](#)
- [How to develop customer buying preferences](#)
- [How to develop demographic questions](#)
- [How to develop pricing questions](#)

The last section of each primary research study we typically conduct is called the “View of the Future.” It’s critical to understand the current landscape for each client’s service offerings, but understanding what respondents recognize as key headwinds and tailwinds in the next 5 years is imperative. Because many of our clients are private equity owned, understanding how to rapidly grow and scale their business in a short time frame is critical. Understanding key trends within the marketplace is critical for maximizing value creation within a 3 to 5 year window. Similarly, for clients that are publicly traded companies, remaining on the cutting edge of innovation is imperative, especially in a such a dynamic and fast-changing life sciences market.

When we build this section of primary research, we think of trends as a funnel. First, there are broad societal trends. One such example of a broad societal trend would be the aging population within developed countries. Then, we investigate life sciences specific trends, such as the rise of immuno-oncology in the treatments of various cancers. Finally, we focus on trends that are very specific to our client. For instance, we focus on a specific service line within a contract manufacturer’s suite of offerings.



As most are aware, there is a significant lack of capacity within many CDMOs, specifically with cell and gene therapy space. Our sponsor wanted to confirm this trend with primary research, but more importantly, they wanted to understand what biopharma companies think manufacturing capacity will look like in the next 5 years. Will it still be a challenge? Or will the ‘arms race’ of companies provide a better solution for innovators? (Link to Deerfield article about building a manufacturing plant).

To that end, analyzing the difference between trends is important. Below is another example of how we deliver output regarding key trends:

View of the Future	Now	In 5 Years	% Change
Redacted Trend #1	6.9	8.4	+22%
Redacted Trend #2	5.6	6.6	+18%
Redacted Trend #3	7.0	7.9	+13%
Redacted Trend #4	8.0	8.8	+10%
Redacted Trend #5	8.3	8.5	+2%
Redacted Trend #6	8.6	8.7	+2%

In this example, we’ve rank-ordered the identified trends by percent change. Interestingly, we recognized that the top current trends were strong, but not projected to change much in the coming 5 years. Whereas two trends that were not viewed as favorable currently were expected to change between 18-22% in the next 5 years. It is essential to look at the top current trends, top future trends, and trends that are anticipated to change the most in the next 5 years to gain a clear picture of the marketplace and how to plan for each potential event.

Implementing the View of the Future and understanding opportunities and risks is critical to the strategic recommendations we make to our clients. First, we think of opportunities and risks in Horizon 1, which is the next six months. What are the immediate opportunities that our client can capitalize on now? What risks should they look to mitigate now?

Then, we look to Horizon 2, which is the 6-18 months in the future. Are there large potential opportunities in the marketplace due to strong tailwinds that our clients can leverage in their strategic planning? Are there areas where an investment or a new business could be created to

immediate add value to the core business? Conversely, will there be strong headwinds in their current market and how can they plan for that potential challenge?

Lastly, we look to Horizon 3, which is focused on long-term white space more than 18 months away. Are there any opportunities that are worth investment now that will pay off in the longer term? Have we identified any 'blue oceans' to enter while competition is minimal? Are there longer-term threats to our current core business we need to risk mitigate?

Understanding current marketplace trends and a "View of the Future" not only helps our clients understand how their potential customers are currently thinking about the market, it also helps our clients understand what their potential customers believe will drive market growth or stagnation in the next 5 years. It is a critical tool in the primary research toolbox – one that we incorporate in every primary research study that we launch.

Kineticos is a strategy consulting firm serving the life sciences industry focused on helping our clients improve patient outcomes. The firm is focused on identifying opportunities to drive strategic growth for our clients. Through its practice areas – Biopharmaceutical and Precision Medicine – Kineticos has experience working with companies across the life science ecosystem.

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