

Hangzhou Tigermed Consulting Co., Ltd.
Recognized for

2021

Competitive Strategy Leadership

China Clinical Contract Research

Organization Industry

Excellence in Best Practices



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Tigermed excels in many of the criteria in the clinical contract research organization (CRO) space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

A Perspective of the APAC CRO Market

Frost & Sullivan estimates the Asia-Pacific's (APAC) clinical contract research organization (CRO) market at \$6 billion in 2021, reaching nearly \$11 billion in 2026. APAC is becoming the go-to-option for research and development (R&D) activities, increasing at an above industry average compound annual growth rate (CAGR) of 12% compared to the worldwide CAGR of 9% during the same time.¹ China, Japan, Australia, and South Korea account for most of the region's clinical trials, with phase II trials, 32%, and phase IV trials, 23%, comprising most of the R&D endeavors.² China reportedly leads the APAC market with 57% of the total regional trial activities.³

Over the last several years, government-led initiatives and a prolific biotech funding environment forged a booming local innovator drug industry. At the same time, growing interest from multinational companies (MNCs) and small to mid- overseas pharma and biotech firms further bolster the country's trial activities. Indeed, its vast and highly diverse patient population is key to meeting patient-centric trial requirements, a strategic global imperative to improve drug development success rates and enhance overall profitability. Additionally, higher chronic disease prevalence than in Western countries and urban agglomeration, i.e., 60% urbanization rate,⁴ grant sponsors unique

¹ Post-COVID-19 Trends Disrupt the Global Contract Research Organization (CRO) Market (Frost & Sullivan, May 2021)

² Ibid

³ Ibid

⁴ <https://journals.sagepub.com/doi/full/10.1177/2096608321995294>

access to more patients in greater concentrations faster, enhancing targeted recruitment and accelerating clinical trial timelines.

Chinese CROs have established widespread hospital networks aiding in hassle-free R&D activities, gaining a competitive edge over regional and global participants. The revamped local regulatory framework aligns to international quality standards, improves intellectual property protections, and establishes predictable drug review and approval processes, sustaining a dynamic ecosystem with cross-border collaborations. Moreover, significant cost advantages compared to the United States (US), about 35% to 45% savings,⁵ constitute a potent driving force for the local and international drug development industry.

As the rest of the world struggles with increasing healthcare costs and the industry moves towards precision medicine, China steps up efforts to support high-quality, affordable, accessible, novel drug development activities. Today, the country is a top-five destination for R&D investments worldwide, paving the way for a surge in local outsourcing activities.⁶

“Frost & Sullivan believes Tigermed is well-positioned to drive China’s clinical CRO space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

- Norma Vela-Roch, Best Practices Research Team Leader

Hangzhou-based Tigermed assists local and global clinical development programs through over 8,000 skilled professionals strategically distributed worldwide. Frost & Sullivan previously recognized its comprehensive portfolio and expertise as a full-service CRO and now distinguishes its customer-centric-based foresight and technology developments to advance the Chinese clinical CRO market to the next level.

A Roadmap for Leadership: Customer-centric, Continuous, and Proactive

Tigermed is a service provider, first and foremost, focusing on fulfilling customer needs since its inception. In 2020, the company further strengthened its customer value proposition and commitment to saving patients’ lives. Continuous efforts on globalization and technology and infrastructure investments improve operational efficiencies and pave its digital transformation roadmap.

“As a company, we [Tigermed] expanded globally, invested in technology, and focus on enabling our customers to bring innovative medical products to patients. Always committed to the high standards we must uphold, we cannot compromise quality.”

-Xiaochun Cao, Co-founder and President, Tigermed

Tigermed expanded its operations to a larger geographical scale, i.e., 46 countries and 5 continents, to support Chinese customers increasingly executing trials internationally and overseas, and, in the process, also growing its international customer base. It mainly increased its presence and capabilities in the US (through US-based subsidiary Frontage Holdings), Europe, and Australia, venturing into emerging markets like Latin America and Asia-Pacific.

⁵ Ibid

⁶ *Growth Insights on China’s Pharmaceutical Industry, Forecast to 2025* (Frost & Sullivan, January 2020)

Overseas expansion is an ongoing opportunity. Nonetheless, the pandemic curbs sizeable acquisitions. The company currently focuses on organic expansion, keeping an eye on potential merger and acquisition targets to move on quickly once the pandemic is over. However, it still considers small-scale acquisitions in emerging geographies, including Latin American and Africa, to meet customer demands.

Unwavering Commitment: High Standards and Social Responsibility

“As a leading CRO in the market, we want to grow with our customers and the industry. We have special responsibilities being in the healthcare industry and place a lot of emphasis on our role. We want to contribute to society by bringing more innovative products to market and providing the whole world with quality, more cost-effective options.”

-Xiaochun Cao, Co-founder and President, Tigermed

Tigermed navigates through this complex global clinical trial landscape seamlessly, balancing restrictions brought by the pandemic with stringent regulations and high quality. In the first half of 2021, the company reported managing over 29 multi-regional clinical trials (MRCTs) across North America, Europe, Latin America, and APAC, covering 16 therapeutic areas, including oncology, rare diseases, vaccines, and other unmet needs areas. Rising COVID-19 antiviral drugs, vaccine trials, and advanced treatments such as cellular and gene therapies pose distinct trial design and patient recruitment challenges for less experienced providers, particularly amidst the pandemic, disrupting more than 1,200 clinical trials globally.⁷

Tigermed has actively engaged in COVID-19-related trials (Remdesivir) since February 2020, becoming the first clinical CRO in the world to participate in such efforts. It subsequently participated in coronavirus therapy and vaccine trials, including the CanSino vector vaccine. It is the first China-initiated phase III vaccine clinical study covering multiple continents, including Asia, Europe, and Latin America.

A Foot in the Present and an Eye on the Future

“Tigermed’s in-house proprietary database comprises data collected from its patient recruitment team and over 500 clinical trials across therapeutic areas, a unique market-leading feature providing a substantial competitive advantage as it readies for its next developmental stage.”

- Norma Vela-Roch, Best Practices Research Team Leader

Historically, Tigermed’s team visited hospitals to recruit and monitor patients. Due to the outbreak, the company directed substantial investments in underlying technologies and infrastructures, including cloud-based systems and a decentralized digital platform. It now leverages cutting-edge technology and capabilities to facilitate patient recruitment and remote monitoring. The decentralized platform allows gathering information supporting real-world evidence (RWE) studies.

Publicly listed in Hong Kong in 2020, Tigermed plans to spend 15% to 20% of the raised money in furthering in-house technology advancements, mainly data analytics, to

⁷ <https://www.pharmaceutical-technology.com/surveys/covid-19-pandemic-disrupted-more-than-1200-clinical-trials-data/>

support decentralized clinical trials, RWE, and other data-driven strategies. The company anticipates capitalizing on relationships built over the past 15 to 18 years, providing quality services to biotech and biopharma. Next-generation techniques, coupled with the collected data through hundreds of studies, strengthen existing capacities, broaden its offerings, and position it at the forefront of the Chinese clinical CRO's next evolution.

“We can desensitize the data after some time upon trial completion, freeing us to leverage advanced data analytics to improve service efficiencies. For instance, we can increase monitoring adeptness, provide better access and more cost-effective tools for patient recruitment, and enhance our decentralized platform to support virtual trials. Many other companies have to get data from hospitals, posing a high regulatory hurdle for them.”

-Hao Wu, Co-President, Tigermed

Tigermed envisions gradually transferring from a relatively labor-intensive model to a data powerhouse, anticipating clinical CRO market trends. Its in-house proprietary database comprises data collected from its patient recruitment team and over 500 clinical trials across therapeutic areas, a unique market-leading feature providing a substantial competitive advantage as it readies for its next developmental stage. The company works closely with regulators to implement a governing framework incorporating technological breakthroughs. By participating in this industry-government ongoing discussion, Tigermed ensures the strictest compliance with the relevant laws and requirements as the regulatory environment matures.

Reportedly the largest clinical CRO in China, it is prepared to exploit emerging data-driven opportunities once regulations are up to par with new technologies. Its sterling reputation among foreign customers and local emerging biotech companies and its continued evolution foresight support robust growth. Despite the pandemic, Tigermed reported revenues of nearly ¥ 3.2 billion in 2020, a 13.9% increase from 2019.⁸ In the first half of 2021, the company notes over 45% year-over-year for its clinical trial solutions.⁹ It projects an optimistic outlook based on high R&D spending and increasing outsourcing penetration, with its technology investments backing its preferred vendor status.

Frost & Sullivan believes the company is well-positioned to drive China's clinical CRO space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

⁸ <https://www.tigermed.net/wp-content/uploads/2021/04/EN-2020-Annual.pdf>

⁹ <https://www.tigermed.net/tigermed-reports-2021-interim-results-with-strong-financial-growth/>

Conclusion

China's outsourcing industry is positioning for exceptional growth, given the pharmaceutical (pharma) industry's shift towards enhancing patient centricity in clinical trials to drive precision medicine. With pharma's focus on diversity, its vast and highly diverse patient population, higher chronic disease prevalence than in Western countries, local regulatory framework aligning to international quality standards, and significant cost advantages make it a go-to option for research and development activities.

Tigermed's local expertise and established hospital network provide a competitive edge over regional and global participants. Its sterling reputation for innovation and commitment to quality and cost-efficiency, linked with social responsibility, further strengthens its strategic partner status. The company directed substantial investments in underlying technologies and infrastructures to leverage next-generation techniques, enhancing existing capacities, broadening its offerings, and positioning it at the forefront of the Chinese clinical contract research organization market's (CRO) next evolution.

With its strong overall performance, Tigermed earns Frost & Sullivan's 2021 China Competitive Strategy Leadership Award in the clinical contract research organization industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

