Omnichannel transformation:
Where's the industry at?

Maturometer™ 2024

FULL REPORT



PRECISION AQ™

Welcome

A warm welcome to this year's edition of our annual Maturometer report.

For 16 years, the Maturometer report has provided invaluable insights into the evolving digital landscape of the life sciences industry. Over this period, we've tracked the industry's digital transformation, offering a clear picture of how companies are adapting and progressing on their journey towards omnichannel maturity.

Now more than ever, this report serves as a crucial benchmark, capturing both the strides the industry has made and the hurdles it still faces in adapting to an increasingly digital and interconnected world. From satisfaction levels to budget allocations, global-to-local (in)efficiencies to Cx, plus the growing influence of emerging technologies like AI, this year's Maturometer highlights the key dimensions shaping pharma's future. As the industry continues to evolve, these insights will help guide organizations as they strive for greater digital maturity and relevance.

We offer our thanks to everyone who took the time to share their valuable insights by completing this year's survey. We hope you enjoy reading the report… and that it provides some inspiration for your own progress towards customer engagement excellence!

Ruud Kooi
Precision AQ
MD Omnichannel Solutions



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Executive summary

Our latest Maturometer survey on the state of digital transformation in the biopharma sector reveals a concerning landscape, signified by a decrease in this year's Omnichannel Maturity Index – the result of declining performance scores in each of the four key dimensions needed for successful change. At the same time, overall internal satisfaction levels remain low – with particularly poor results from Medical and Sales departments – while share of budget allocated to digital initiatives has dropped from last year's all-time high.

In this report we examine a number of factors that might be contributing to the current situation:

- **Budgetary disparities between headquarters and local offices**, highlighting the need for better alignment and collaboration between these entities.
- Pharma **failing to utilize available HCP insights** to inform their engagement strategies; not enough companies are benchmarking, and those that are, are not always doing it effectively.
- The **weak link between digital efforts and ROI** is potentially worsened by a KPI framework that predominantly measures "reach" while neglecting KPIs focused on conversion.
- **Decline in knowledge levels**, as the rapid pace of change is possibly outstripping the ability of many to keep up.
- Strong focus on technologies (including AI) despite **not having more foundational capabilities in place**.

The good news is that, while there are challenges ahead, they can be overcome – and some pharma organizations are already leading the way (and reaping the benefits). In particular, this year's respondents are keen to embrace more co-creation and cross-country measurement, particularly through the development of shared dashboards that can bridge the gap between global and local teams. By approaching digital transformation thoughtfully and sustainably, and by investing the right time and resources, success is entirely achievable. This journey will not happen overnight, but with realistic goals and a strong commitment, a brighter future for the industry is within reach.

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Profile of respondents



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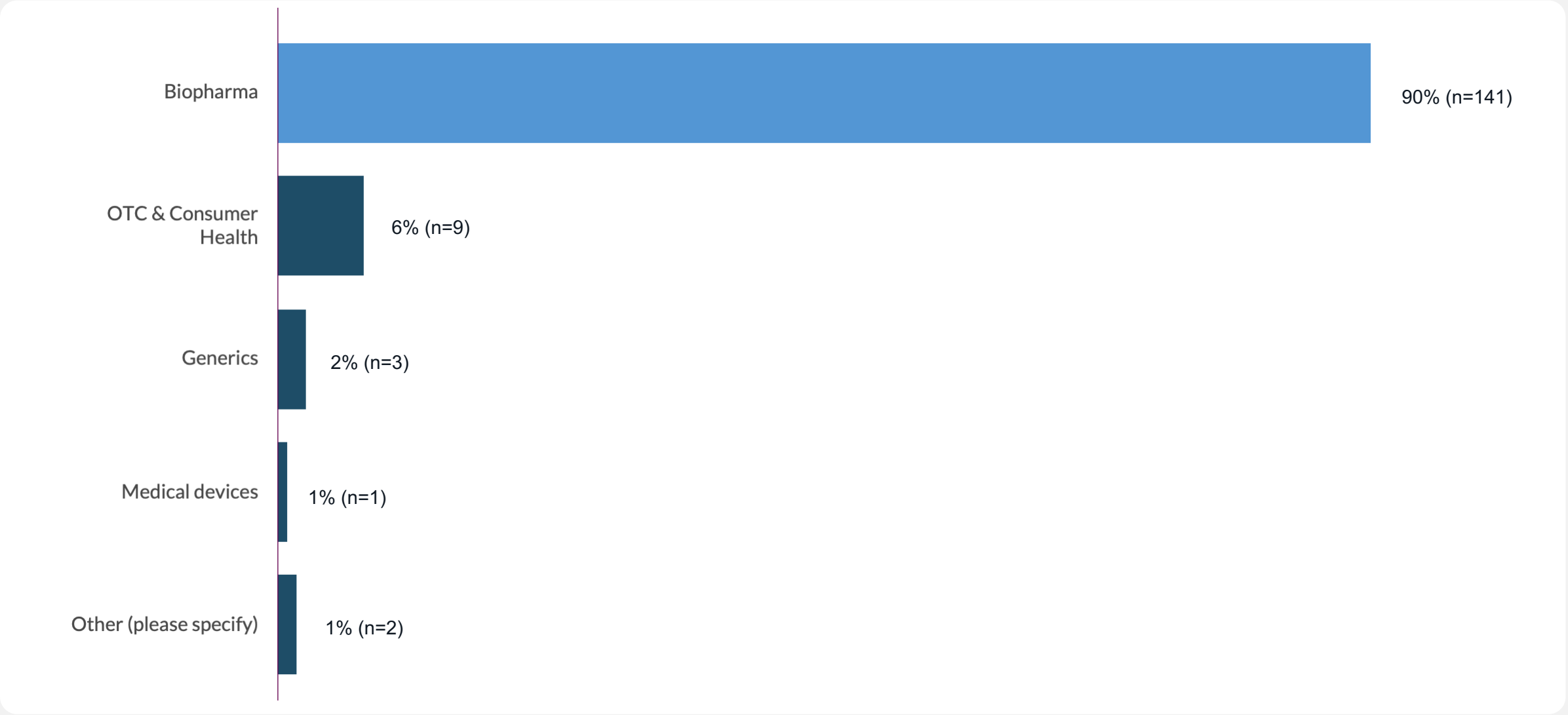
The report focuses on biopharma participants



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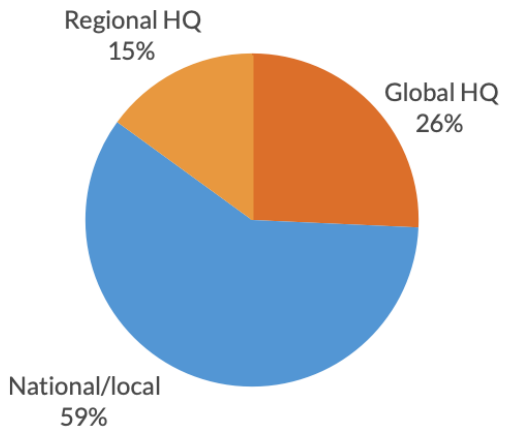
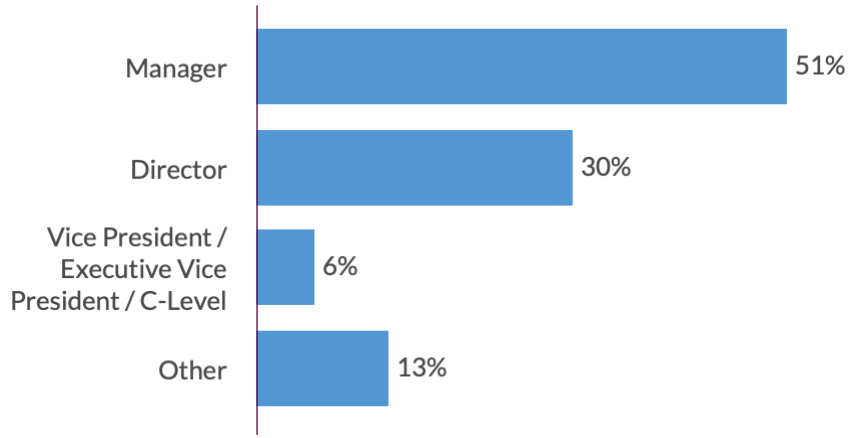
Profile of EU Biopharma respondents (n=141)

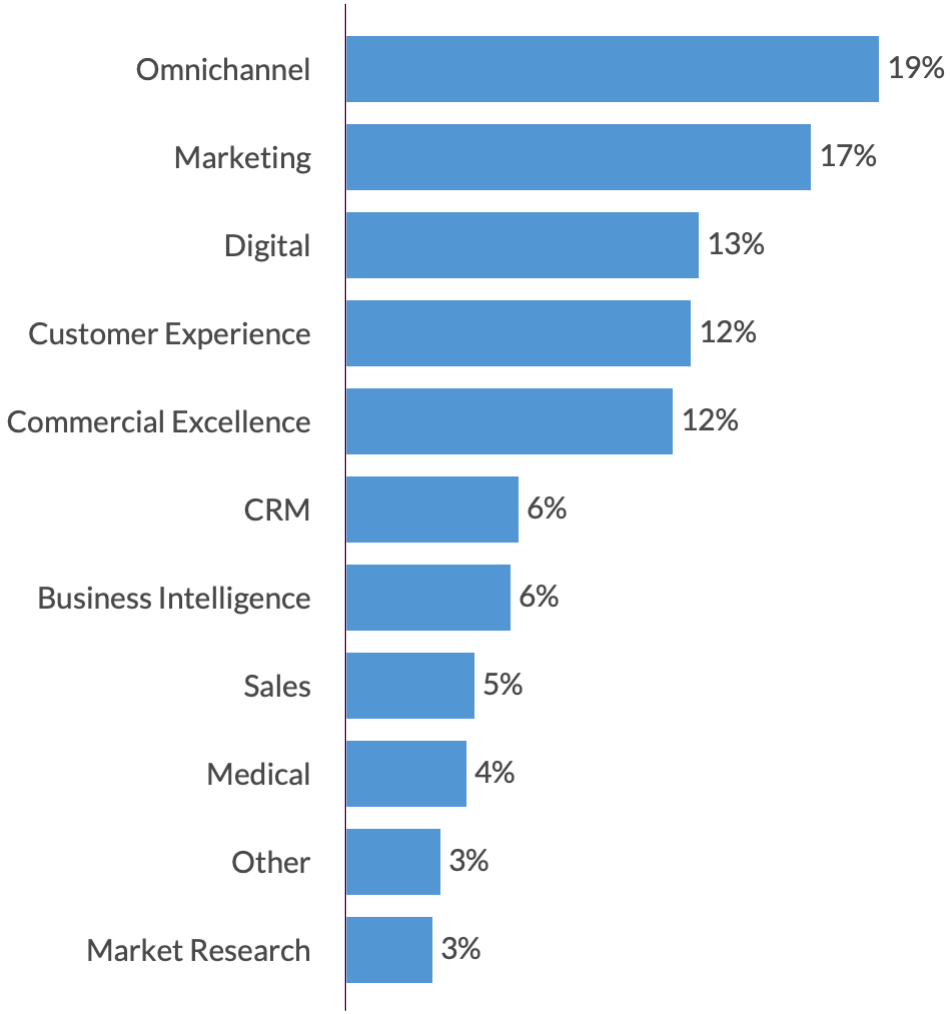
Main geographic scope



Position



Function



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The Precision AQ Omnichannel Maturity Index



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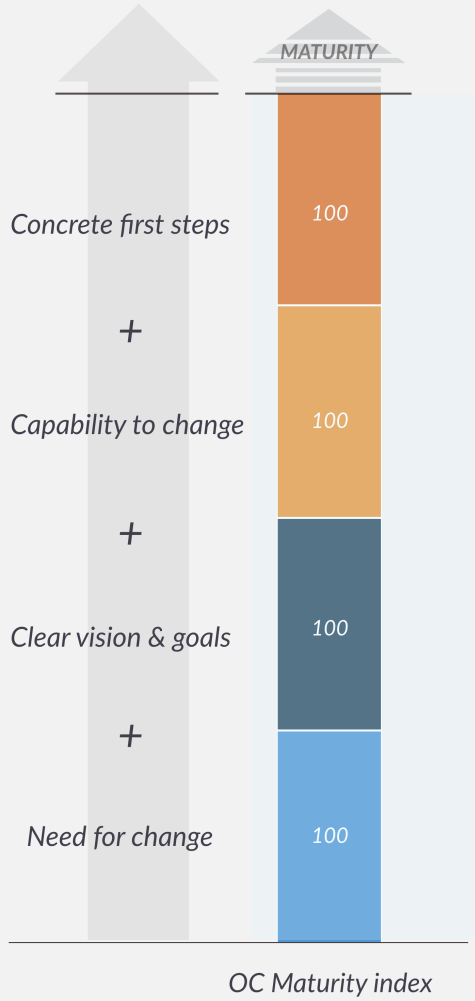
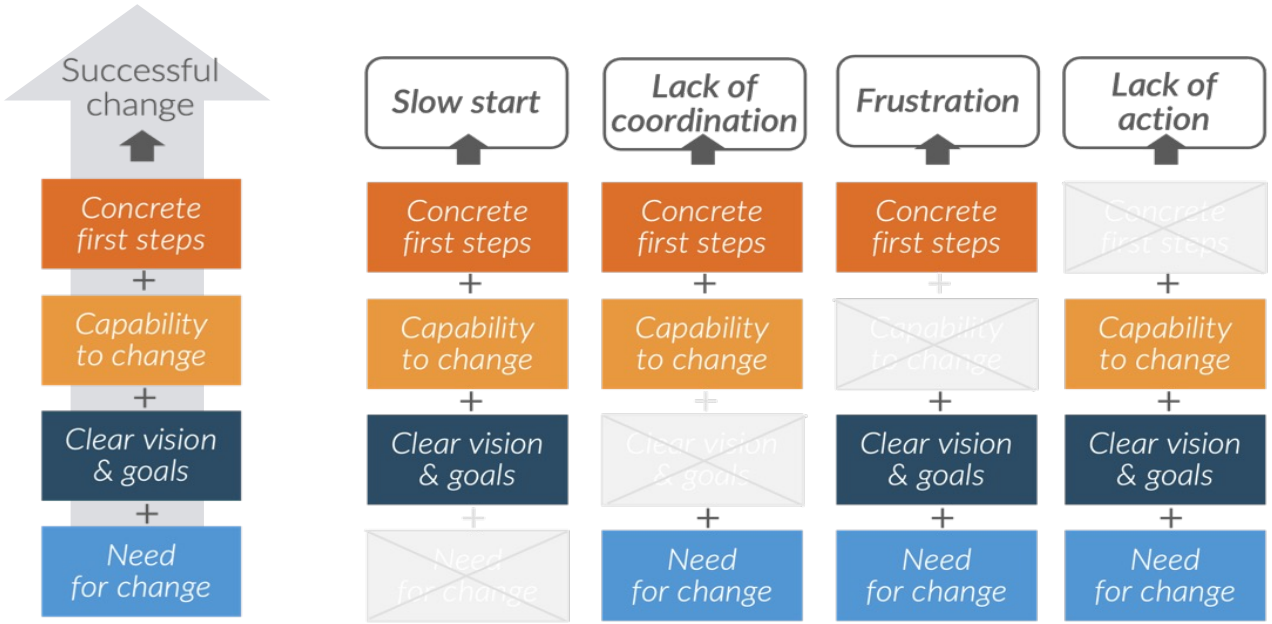
The OC Maturity Index



The Gleicher model for change

Gleicher states there are four key drivers or dimensions for successful change, and they all need to be present in order to ensure robust and lasting change. Even if only one of the four is missing, the result will be subpar.



Inspired by Dannemiller's variation of the Gleicher formula (Source: Dannemiller and Jacobs, Changing the way organizations change. A revolution of common sense. Journal of Applied Behavioural Science (1992))

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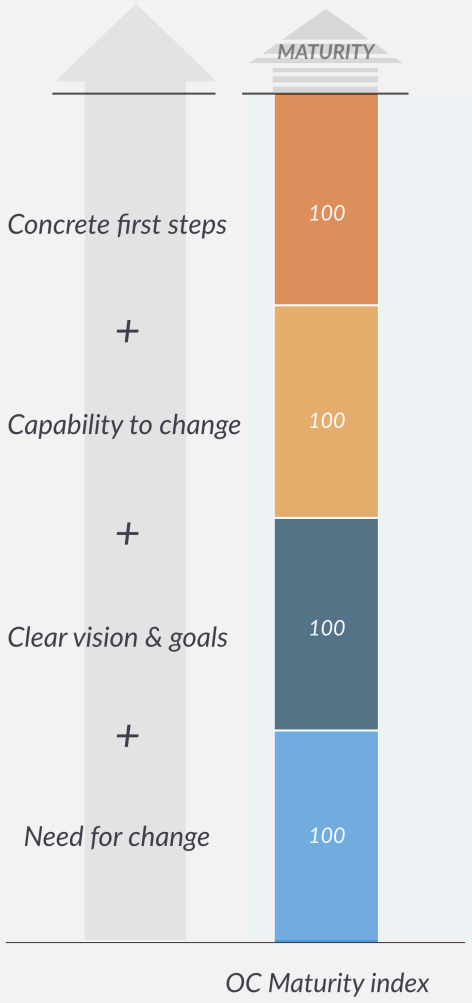
The OC Maturity Index



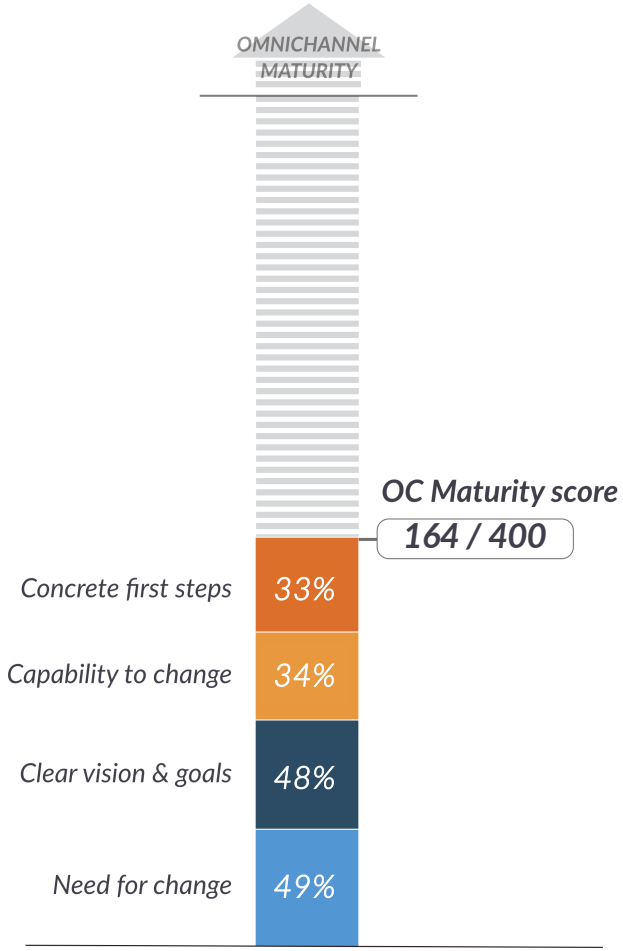
The Precision AQ **OC Maturity Index*** gives an overall picture of the performance across four key dimensions.

Within each of the four dimensions, respondents are asked to assess their company's performance across a number of individual drivers. Those who give a 'positive' or 'extremely positive' response contribute to the overall score for each dimension out of a maximum possible 100 points.

Combining these four dimension scores reflects the industry's total maturity level, quantified with a maximum aggregate score of 400.

It's important to note that no one dimension holds more significance than the others – each should be accorded equal importance. *(see previous page)*

**Inspired by Dannemiller's variation of the Gleicher formula (Source: Dannemiller and Jacobs, Changing the way organizations change. A revolution of common sense. Journal of Applied Behavioural Science (1992))*



"How is my company doing in this area"

PERFORMANCE, *EU Biopharma, 2024 (n=141)*

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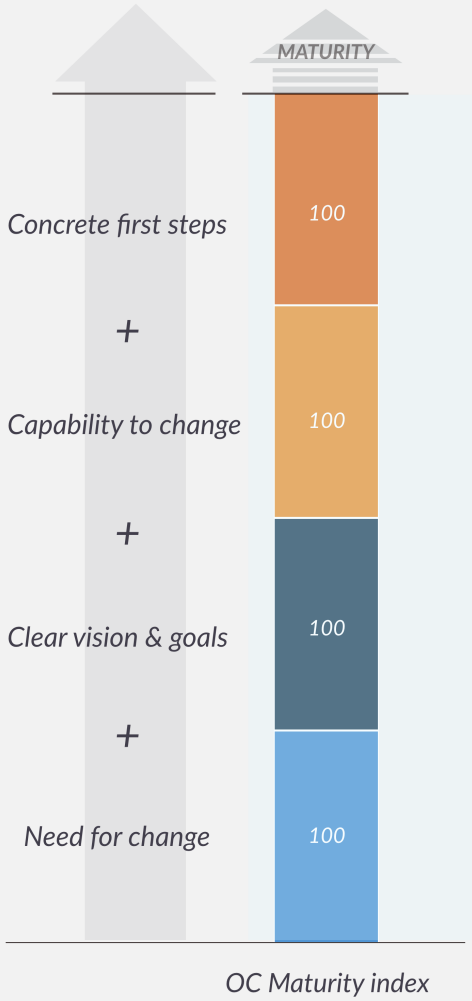
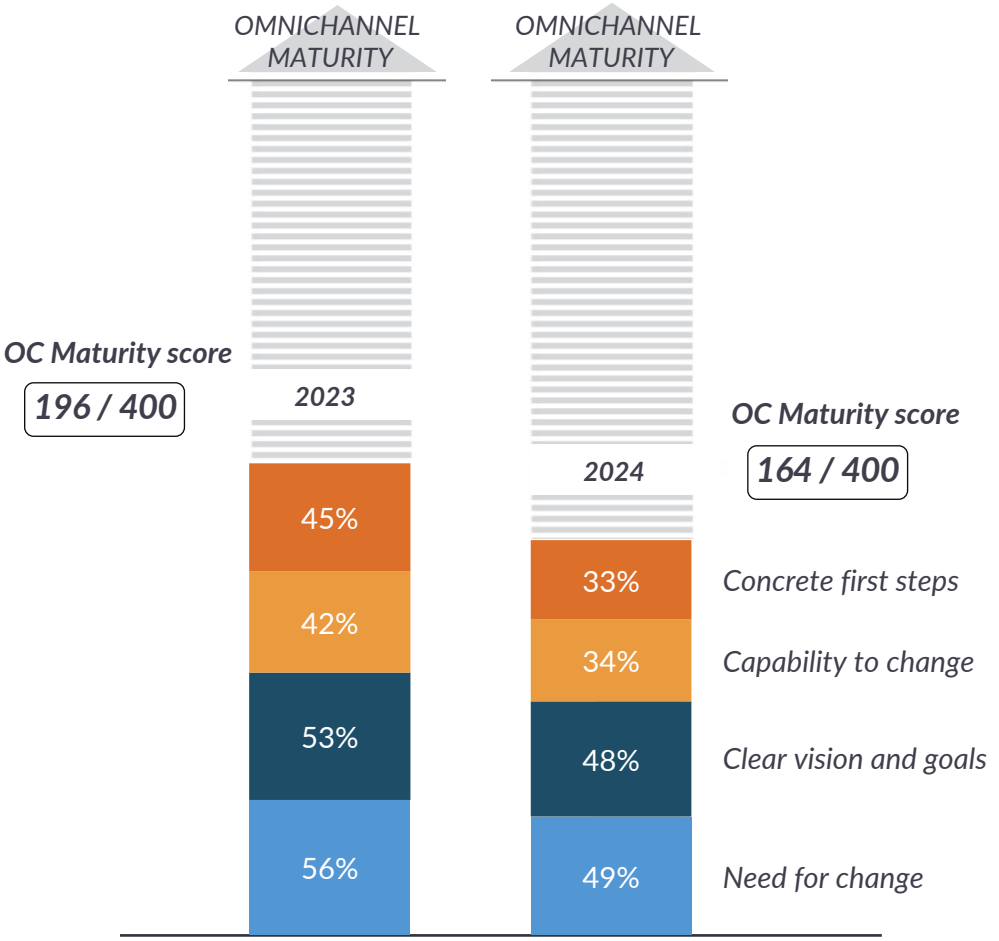
OC Maturity levels in the industry have declined across all dimensions vs last year



When comparing this year's score to last year's, we see a decrease in the overall maturity index, driven by declines across all four dimensions, with the most significant drop in 'concrete first steps.'

In this report, we take a closer look at each dimension, offering insights into why progress has stalled and providing recommendations on how the industry can regain momentum in its digital transformation journey.



PERFORMANCE, *EU Biopharma, 2024 (n=141) – 2023 (n=217)*

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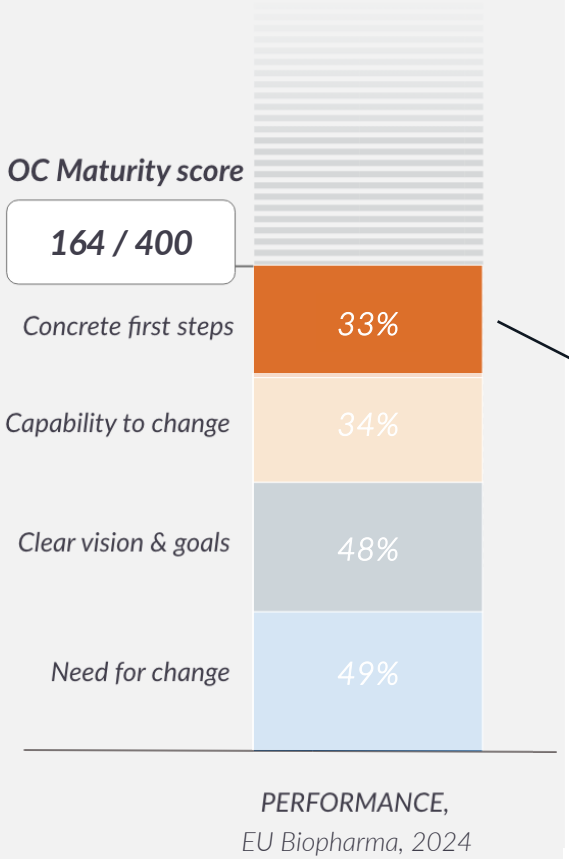
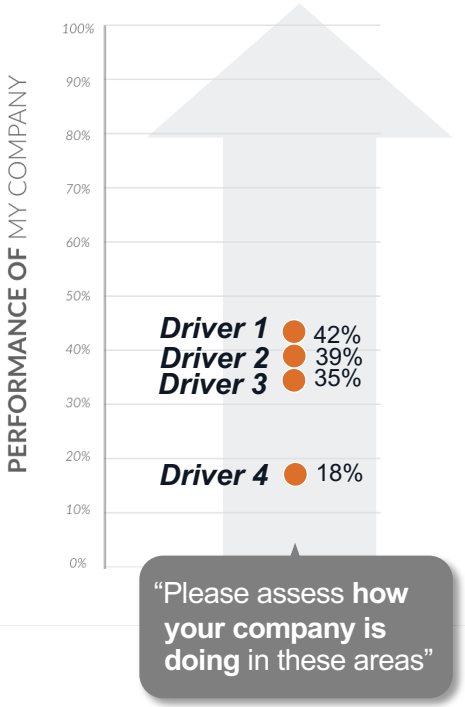
The OC Maturity Index



Performance drivers and enablers

Within each dimension (in this example, "*concrete first steps*"), respondents are asked to assess their company's performance for a number of individual drivers.

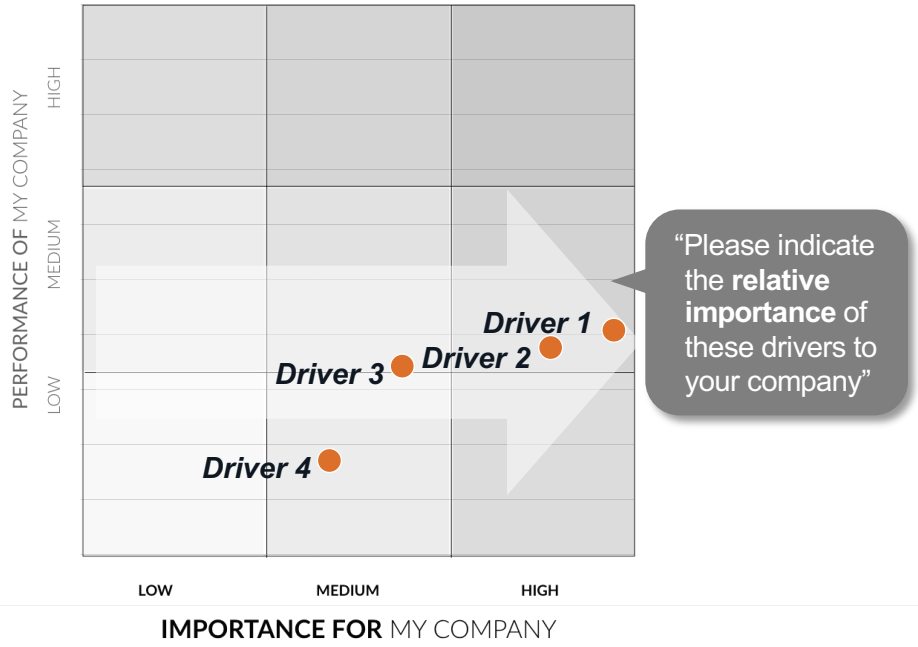
The performance score for each particular driver is the portion of respondents who gave a 'positive' or 'extremely positive' response. All drivers are then averaged to give the overall score for that dimension.



Performance meets importance

We also asked the respondents to assess the relative importance of all drivers within each dimension.

When you map both performance and importance you can see that what the industry finds important is not necessarily where it is performing well.



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Dimension 1

The need for change



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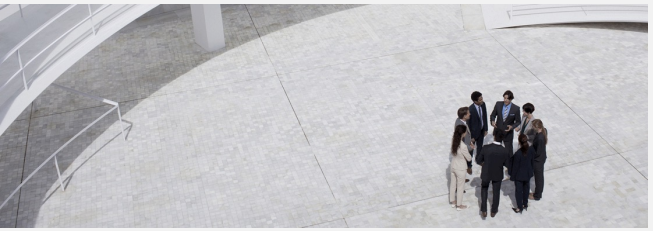
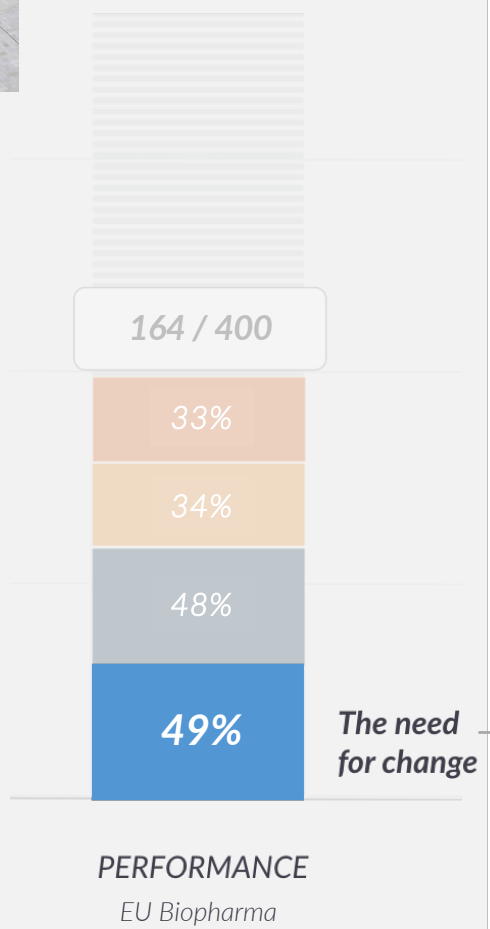
1. NEED FOR CHANGE

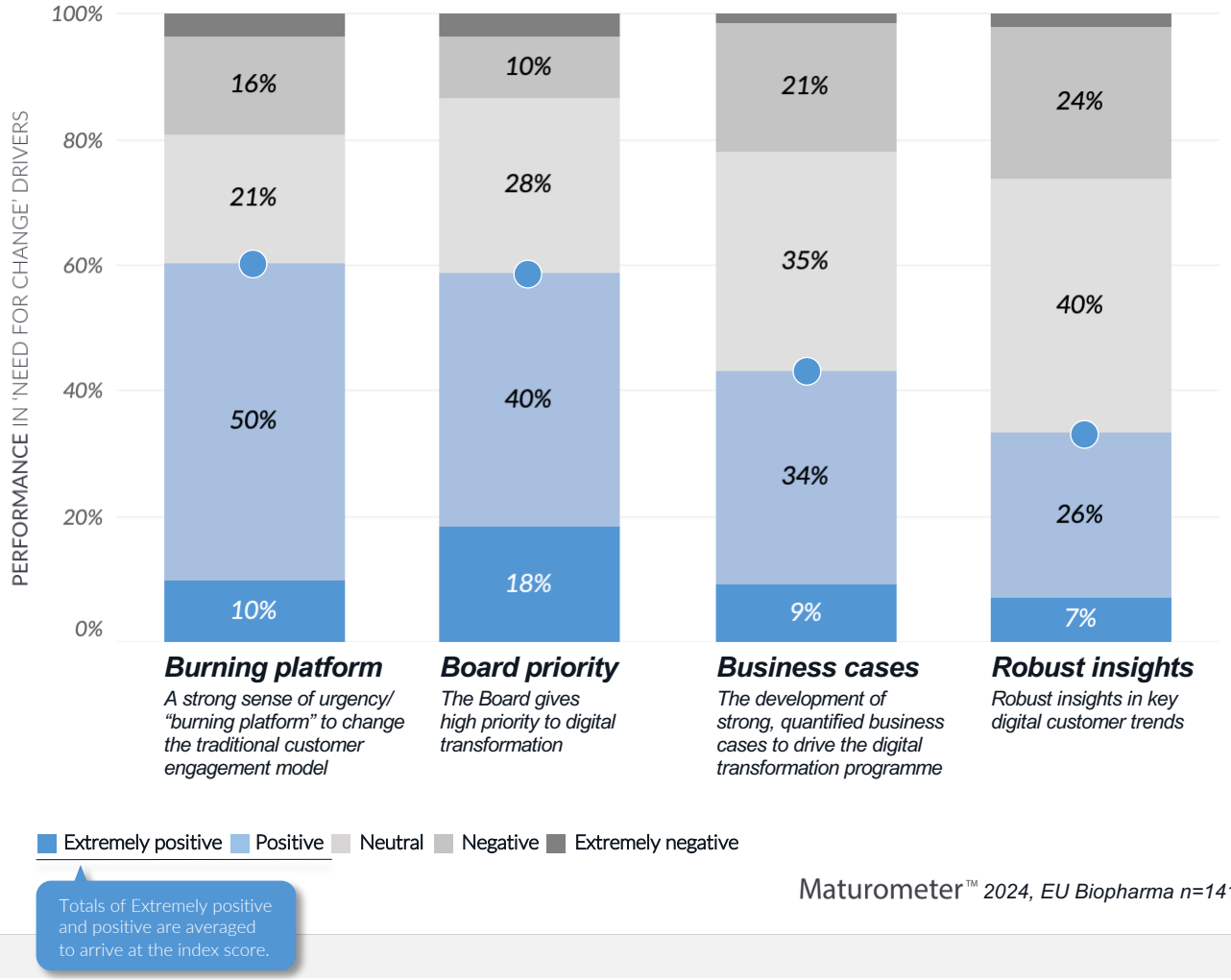


The industry is (surprisingly) underleveraging customer insights and business cases

Although there is a clear urgency to improve the traditional customer engagement model, the industry is struggling to build strong business cases and effectively use customer insights to drive the needed transformation.



*HOW DO YOU ASSESS YOUR COMPANY'S PERFORMANCE ON THESE **'NEED FOR CHANGE'** DRIVERS?*



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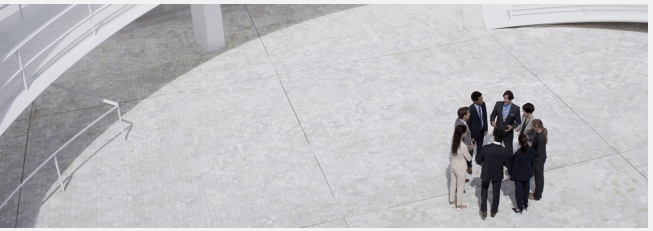
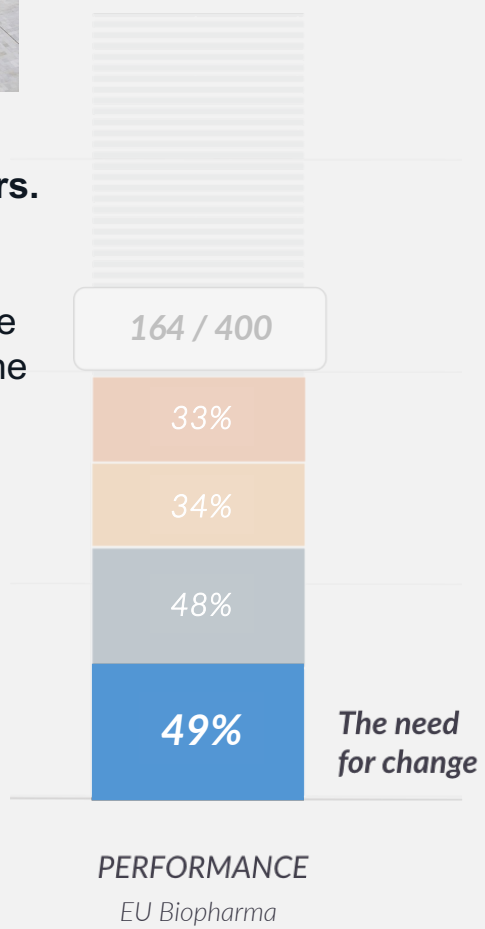
1. NEED FOR CHANGE



The industry recognizes the importance of all change drivers.

While EU biopharma recognizes the need for change, performance has not improved, especially in the area of ‘Robust insights.’



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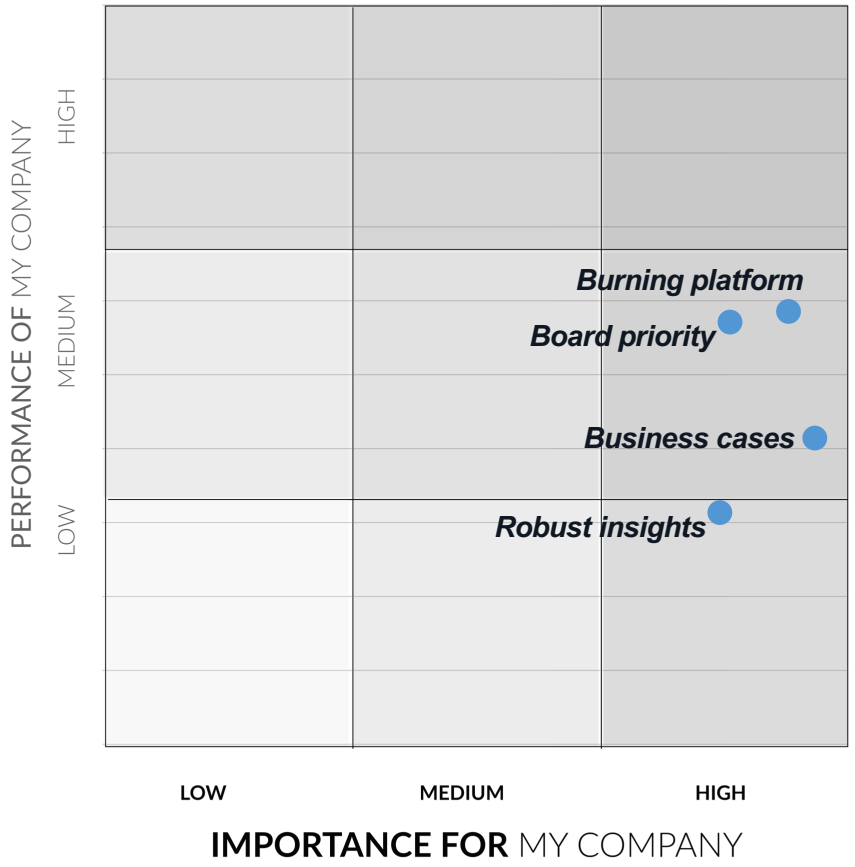

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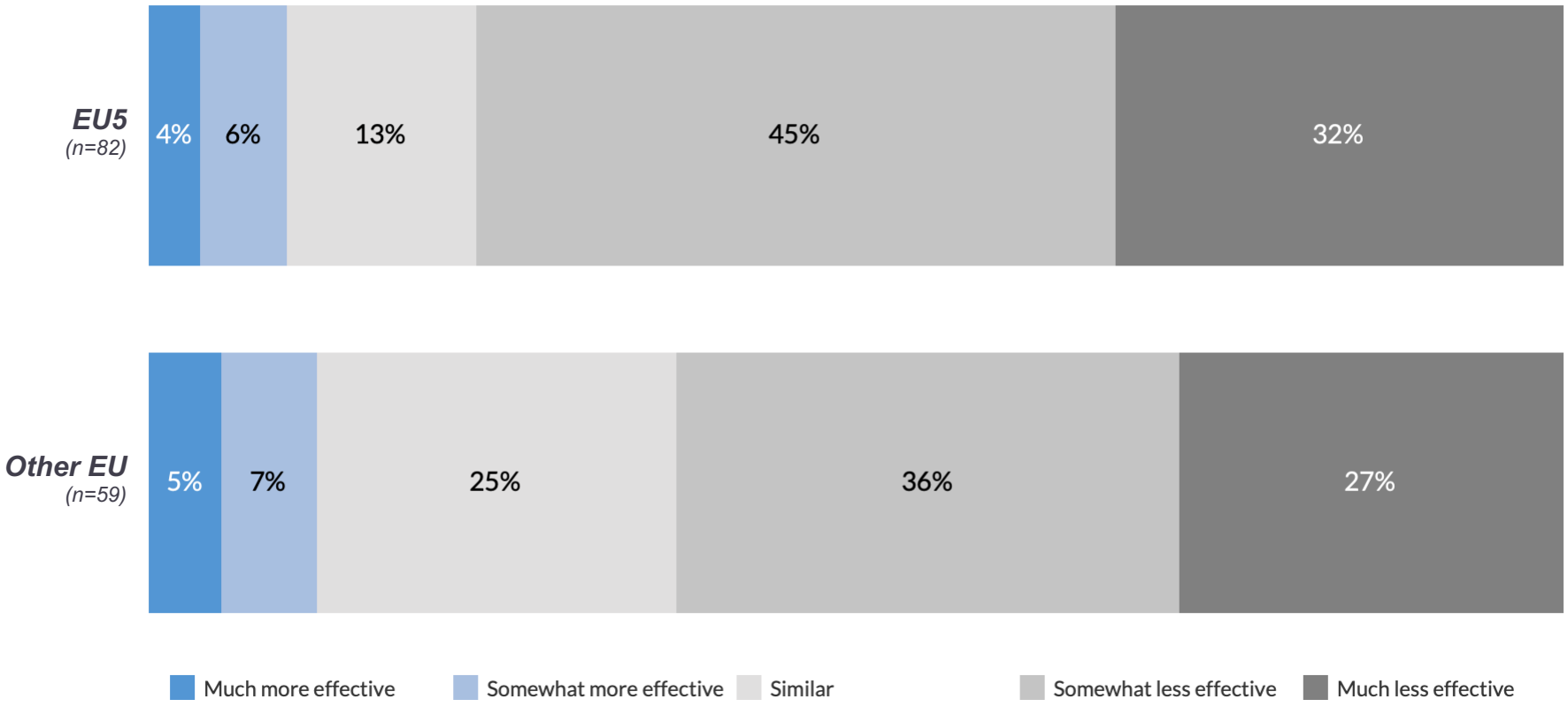
Pharma's omnichannel engagement model is seen as less effective vs other B2B industries

Pharma's current omnichannel engagement efforts are perceived as lagging behind other B2B industries.

How effective do you think the current omnichannel engagement model in the life sciences industry is vs other B2B industries?



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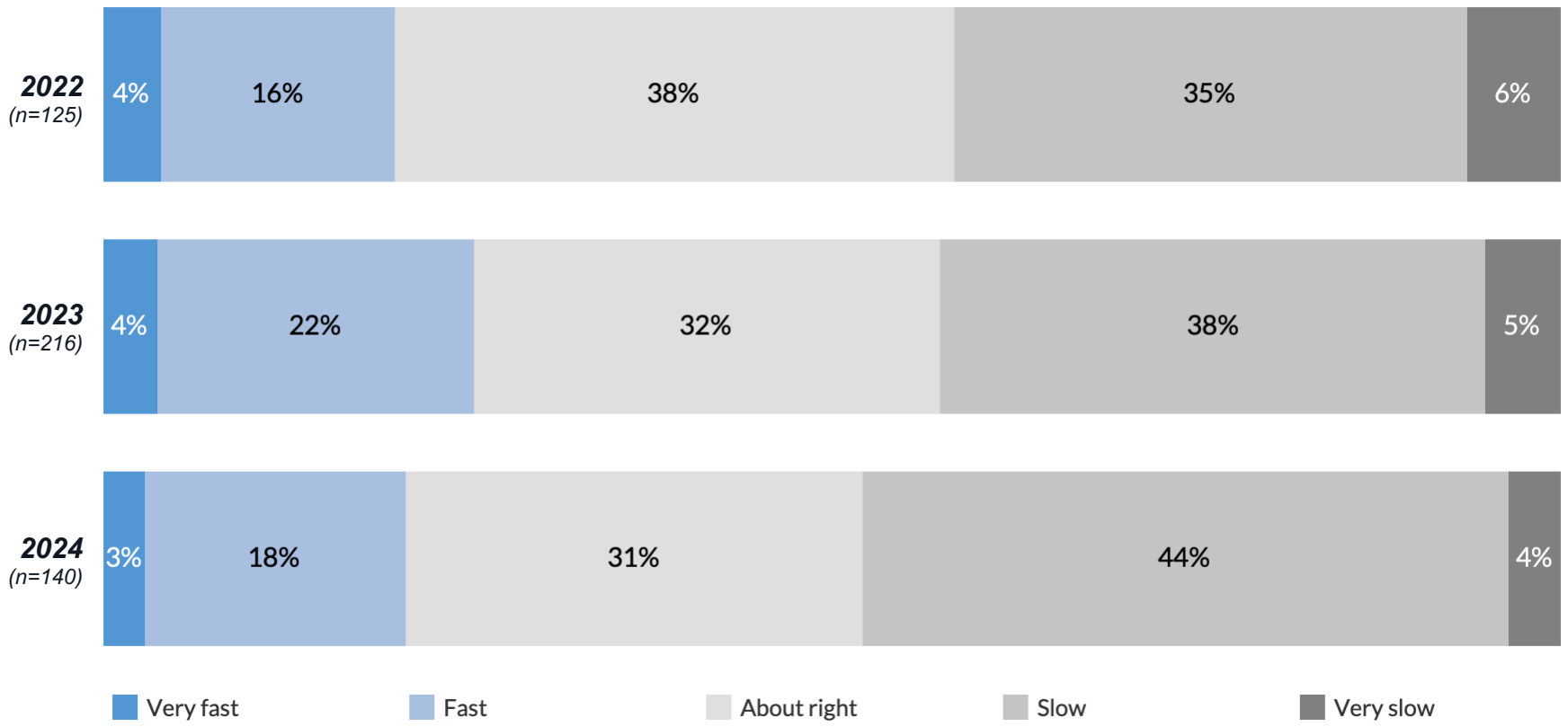
Despite a burning platform for omnichannel, the digital transformation pace is slowing down

Many respondents feel that pharma's progress towards digital transformation is slowing down and needs to accelerate.

How would you rate the pace of implementation of digital transformation in your organization?



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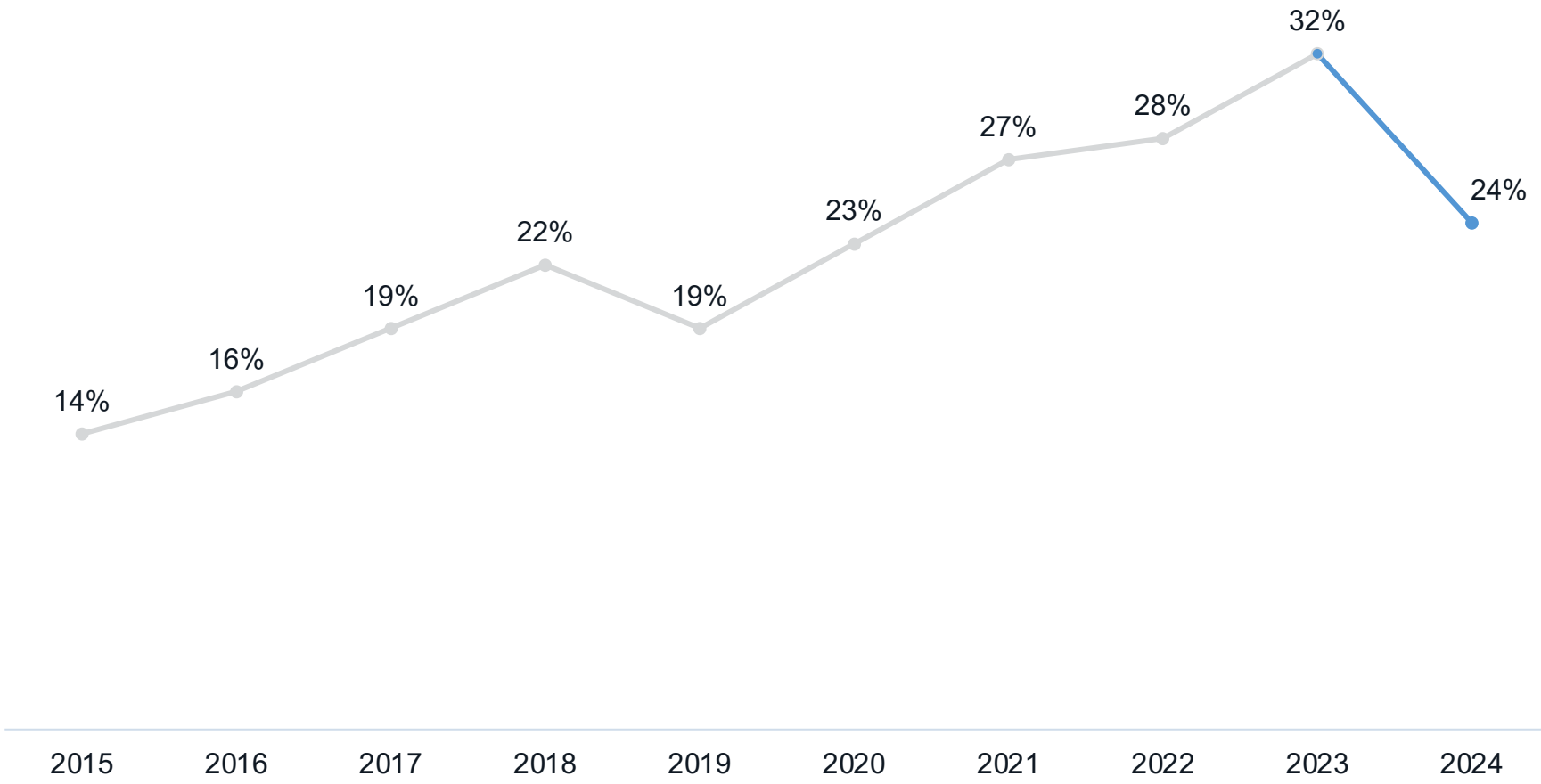
Digital budgets have declined, returning to 2020 levels

Alongside the decline in the overall maturity score, digital budgets have fallen back to 2020 levels after years of growth. This drop has widened the gap between pharma and B2B, with B2B estimated to allocate about 56% of its total budget to digital efforts (Gartner, 2022).

Which percentage of your marketing budget is allocated to digital initiatives this year?



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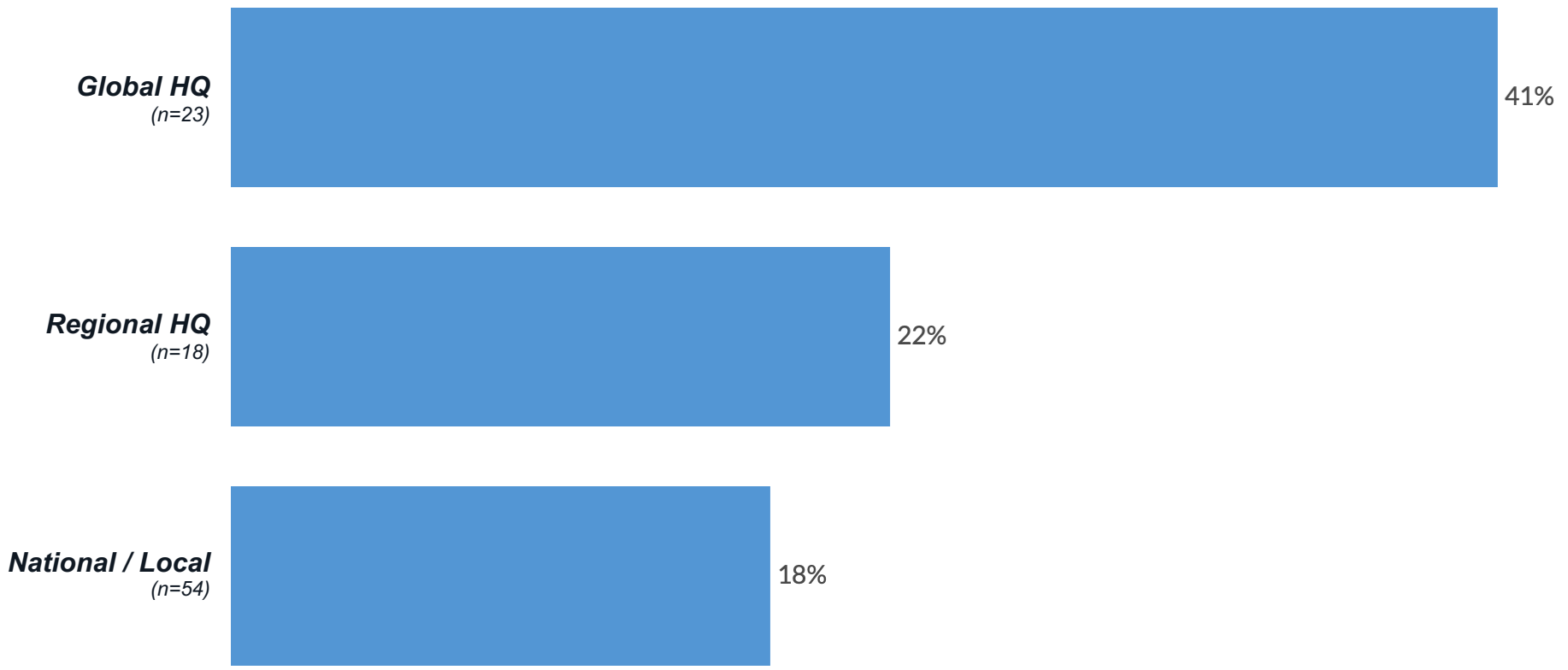
Global HQ allocates more than twice the percentage of their budget to digital vs local teams

The biggest digital spending continues to occur at the Global/Regional level. Over the past few years, regional HQ budgets have shown a gradual decline, while global budgets have remained stable. And while national budgets have had their ups and downs, their digital spend is traditionally lower than HQ.

Which percentage of your marketing budget is allocated to digital initiatives this year?



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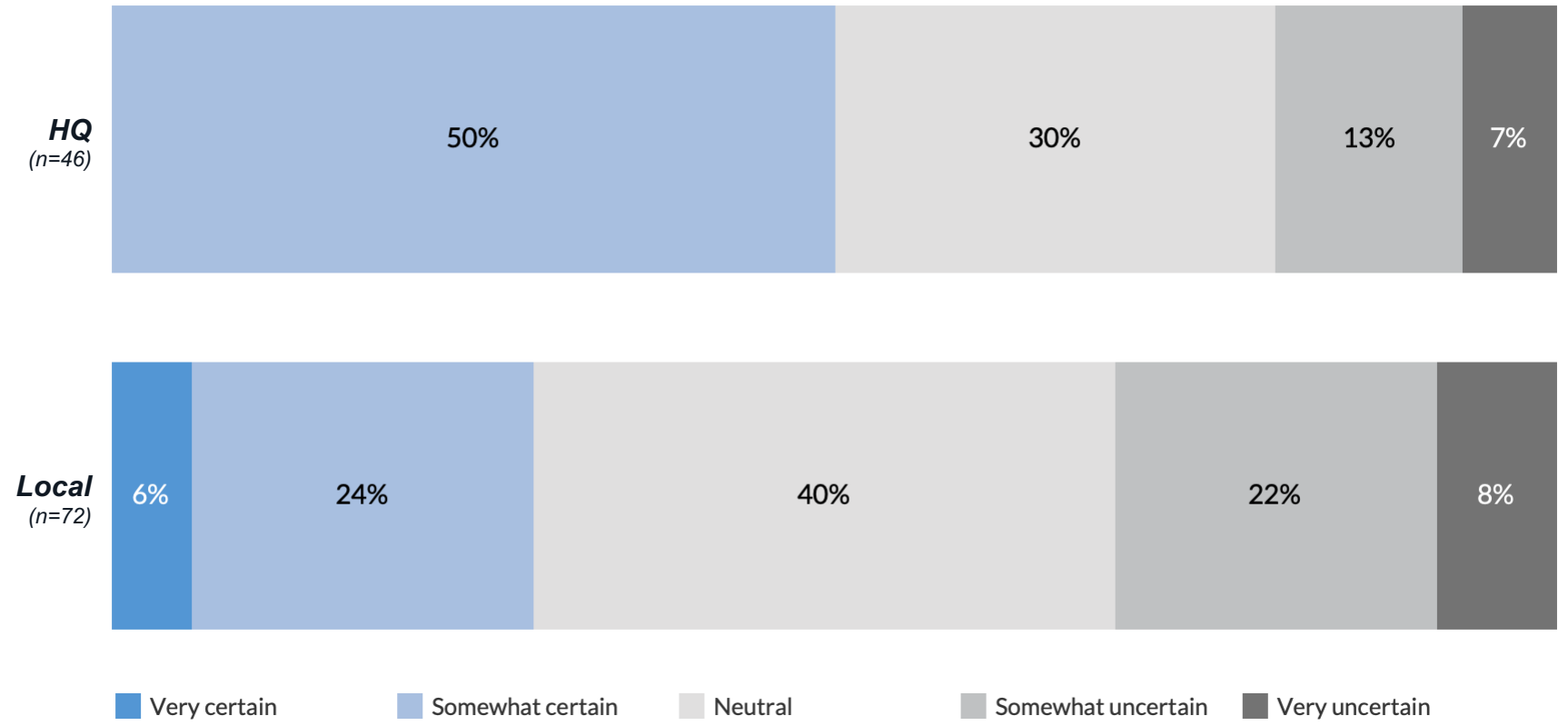
HQ decision-makers are more confident in their omnichannel investments than local staff

Decision-makers at HQ level are generally more confident about omnichannel investments, though none are "very certain". In contrast, those at the local level, who are more directly involved and likely have a clearer view of gaps, tend to be less confident.

How certain are you that your omnichannel investments and measurements are optimal?



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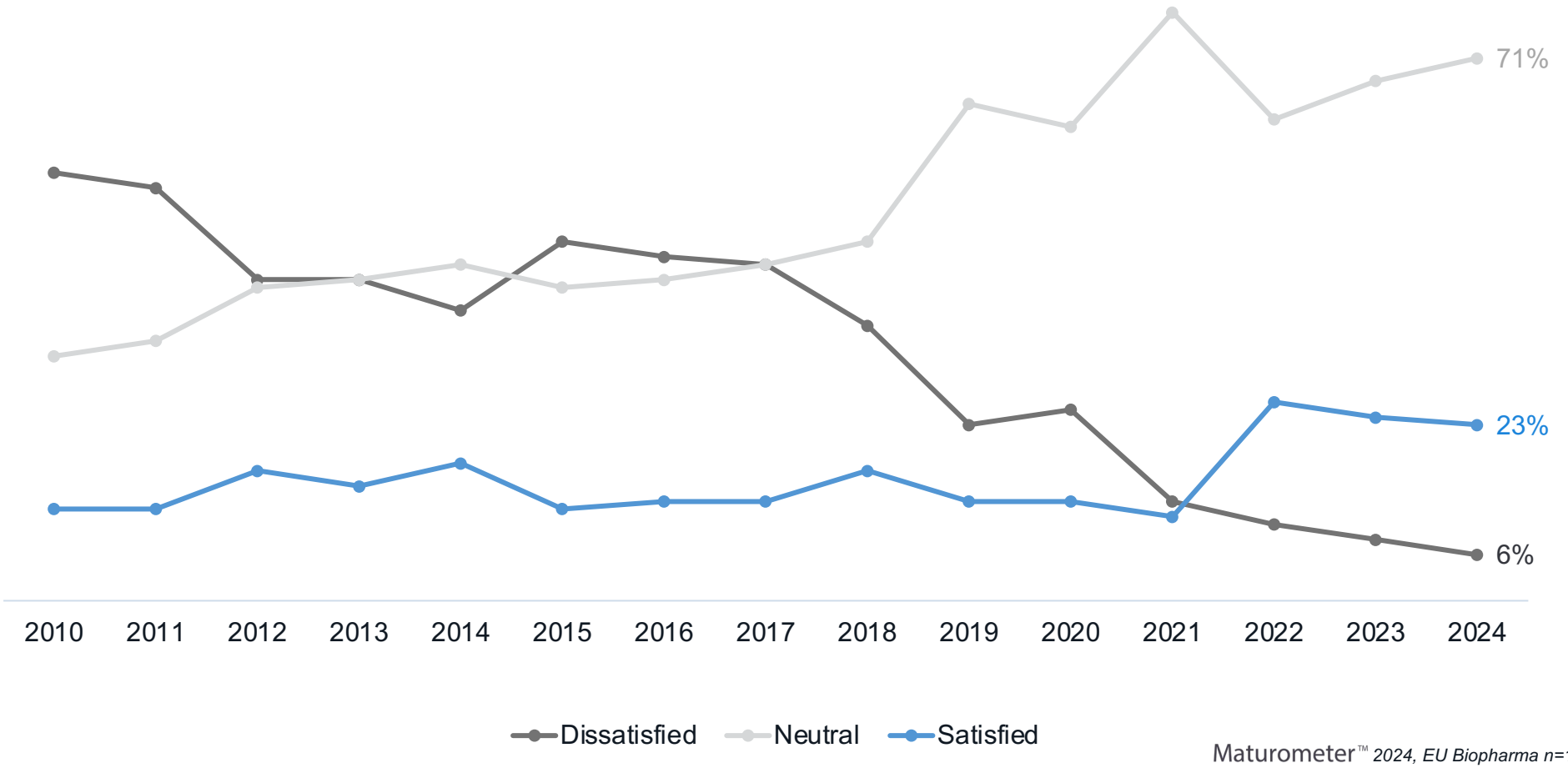
Though few are dissatisfied, 71% of staff are neutral (not satisfied) with omnichannel efforts

Although the proportion of ‘dissatisfied’ respondents is decreasing, we’re not seeing much movement into the ‘satisfied’ category, which remains stable but low at 23%. Instead, the ‘neutral’ segment is growing. Can we identify what’s preventing the neutrals from becoming satisfied?

How satisfied are you with your current digital/omnichannel activities?



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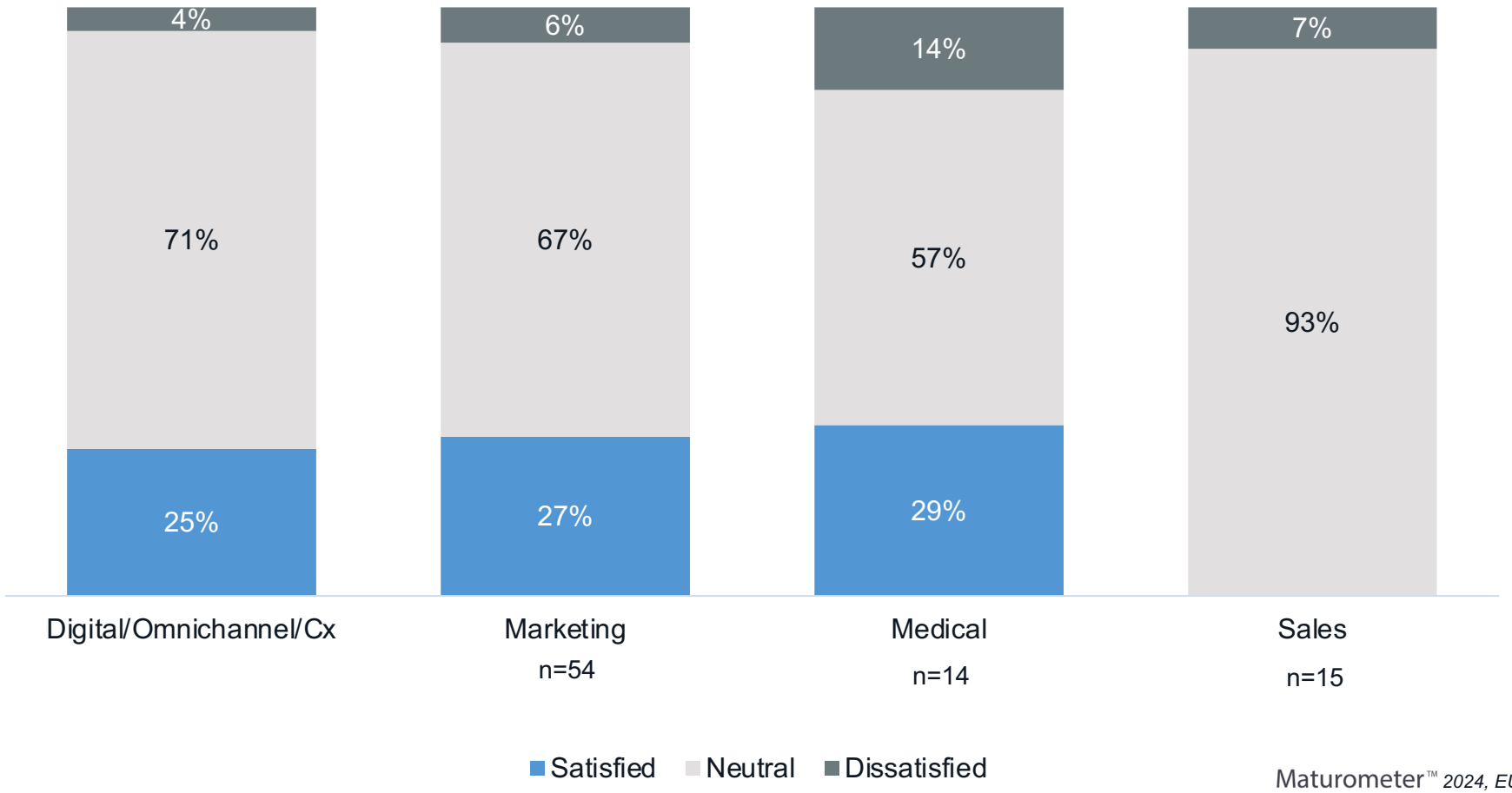
Overall pharma satisfaction hides considerable variation between different functions

The difference in satisfaction between functions is striking, with medical and sales departments reporting notably lower levels of contentment. These teams should work together smoothly, but many still operate in isolation. How can we make sure medical and sales aren't left behind?

How satisfied are you with your current digital/ omnichannel activities?



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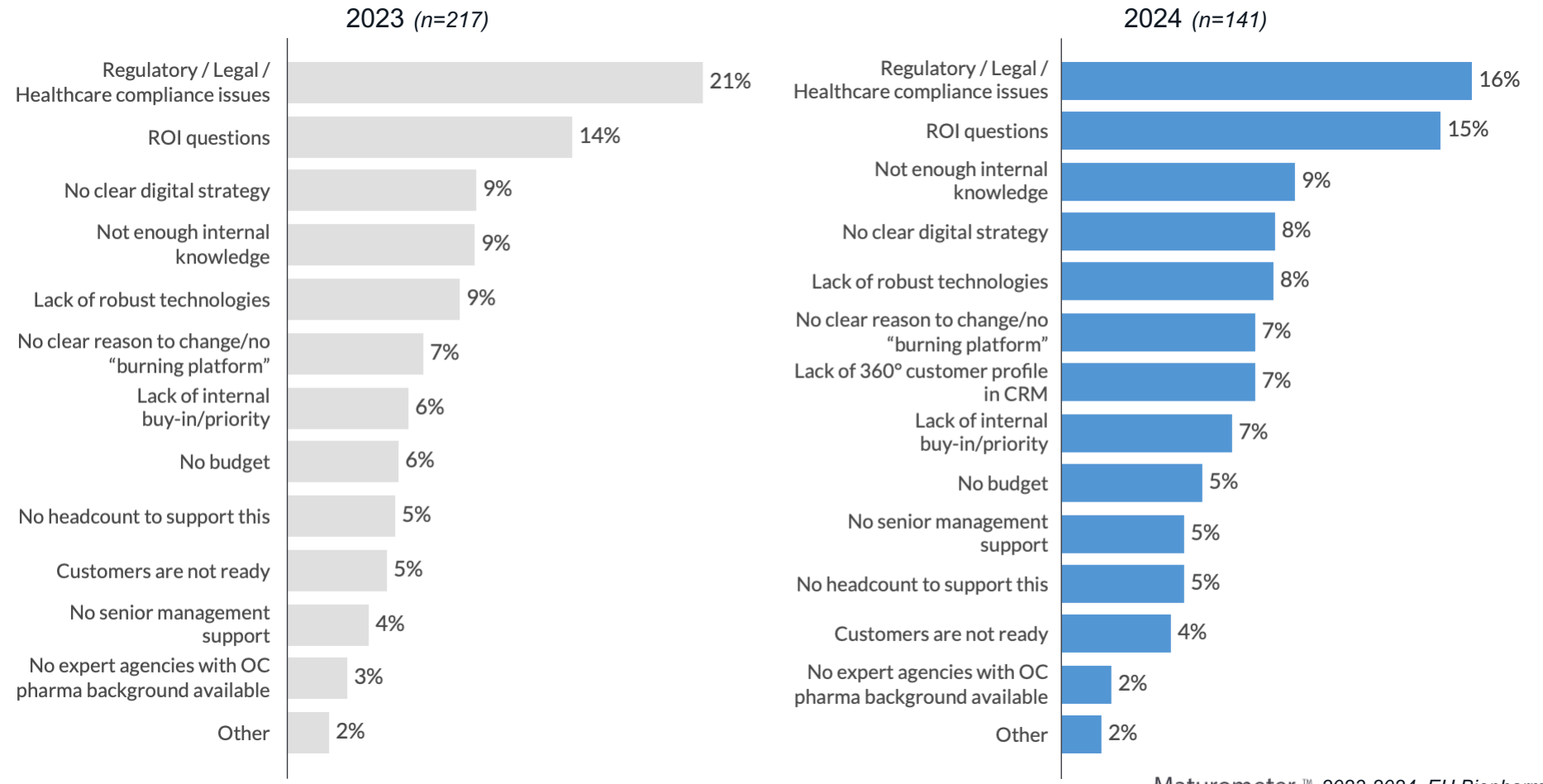
MLR remains an important barrier for digital, with ROI uncertainties running a close second

MLR* issues and uncertainties around ROI continue to be an important obstruction for digital success. Concerns over ROI, in particular, affect the ability to justify budget increases, so it's crucial for companies to have confidence and knowledge regarding the appropriate metrics for digital initiatives.

Meanwhile, lack of internal knowledge, technologies and strategy consistently fill out the top 5 bottlenecks, presenting opportunities for pharma to make use of better strategic planning, tracking and upskilling.

** MLR: Medical, legal and regulatory*

What are potential bottlenecks for digital in your organization?



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Dimension 2

Vision & goals



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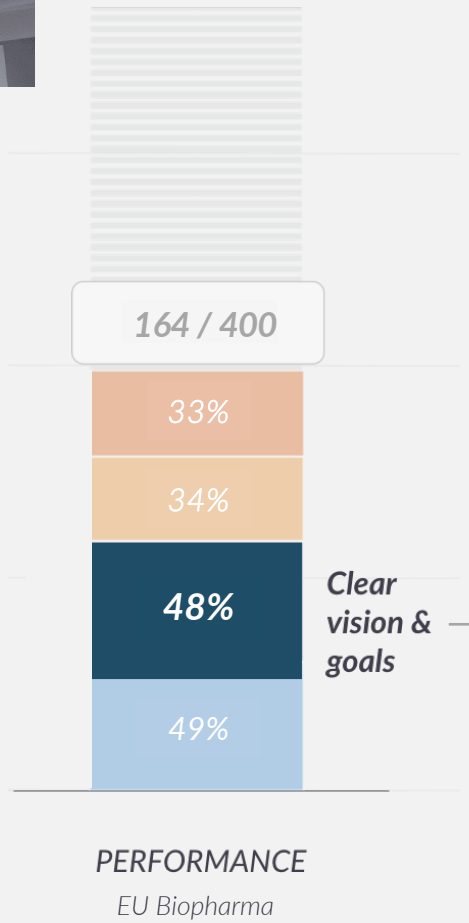
2. CLEAR VISION & GOALS

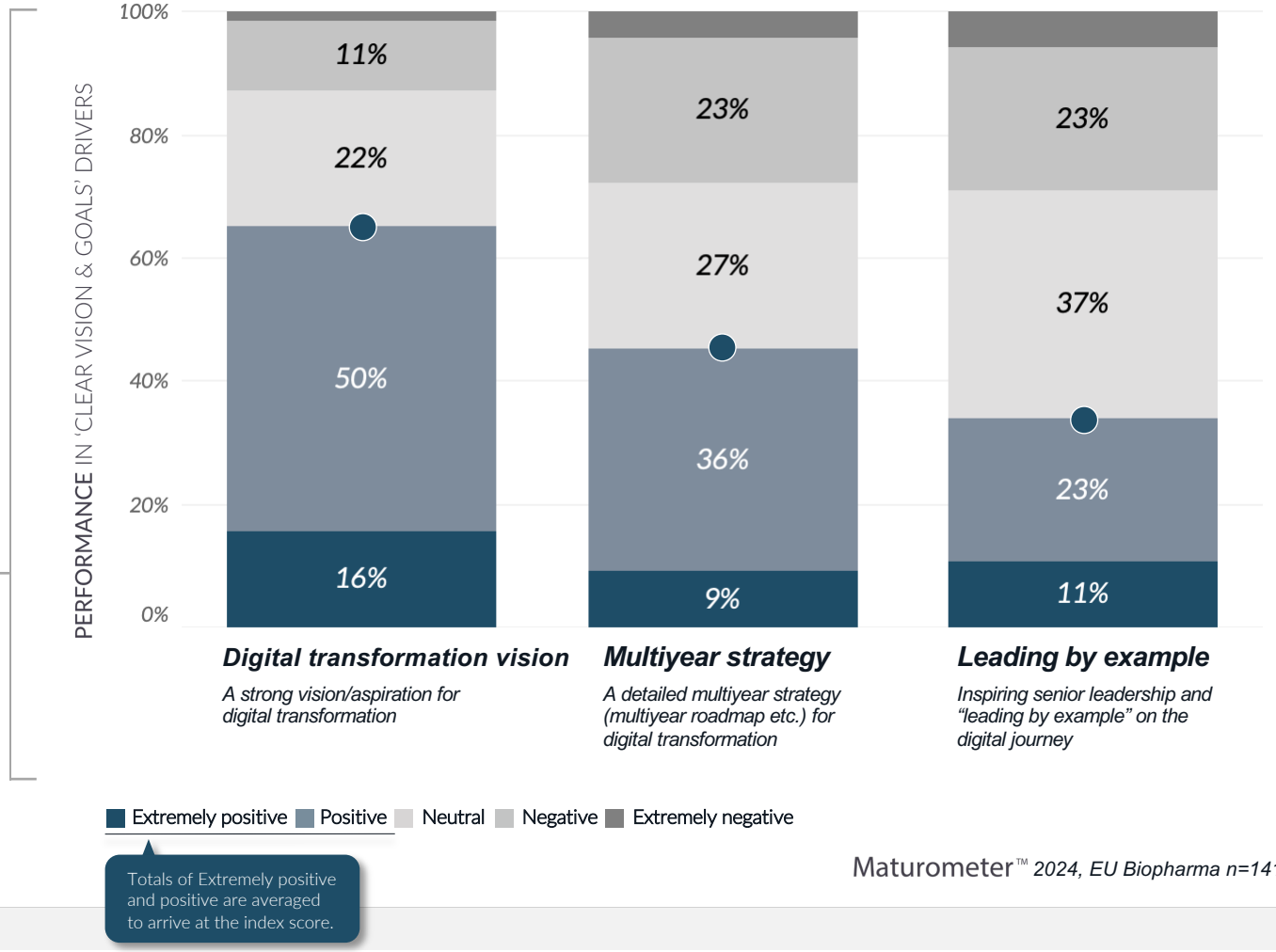


Despite a strong vision for transformation, there's a need for inspiration from senior leadership and a clear strategy

The industry has a clear idea of "where it wants to be" in 2–3 years (vision); however, they are struggling to formulate a plan on "how to get there" (strategy).



*HOW DO YOU ASSESS YOUR COMPANY'S PERFORMANCE ON THESE **'CLEAR VISION & GOALS'** DRIVERS?*



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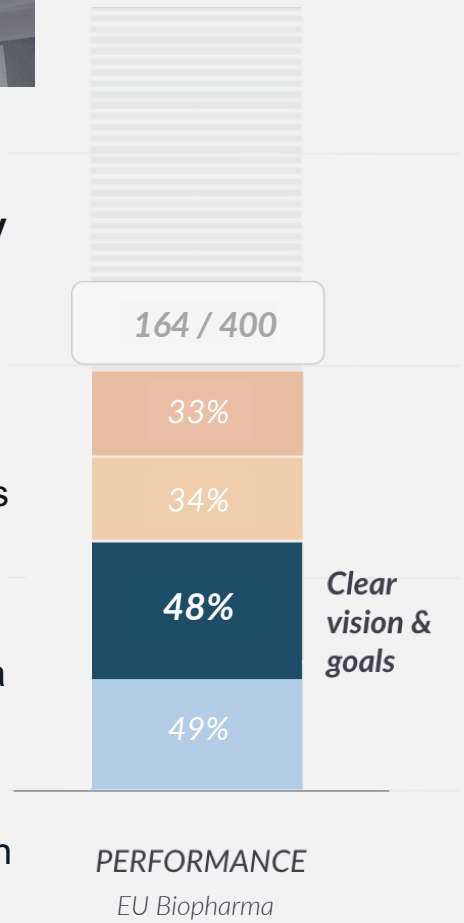
2. CLEAR VISION & GOALS

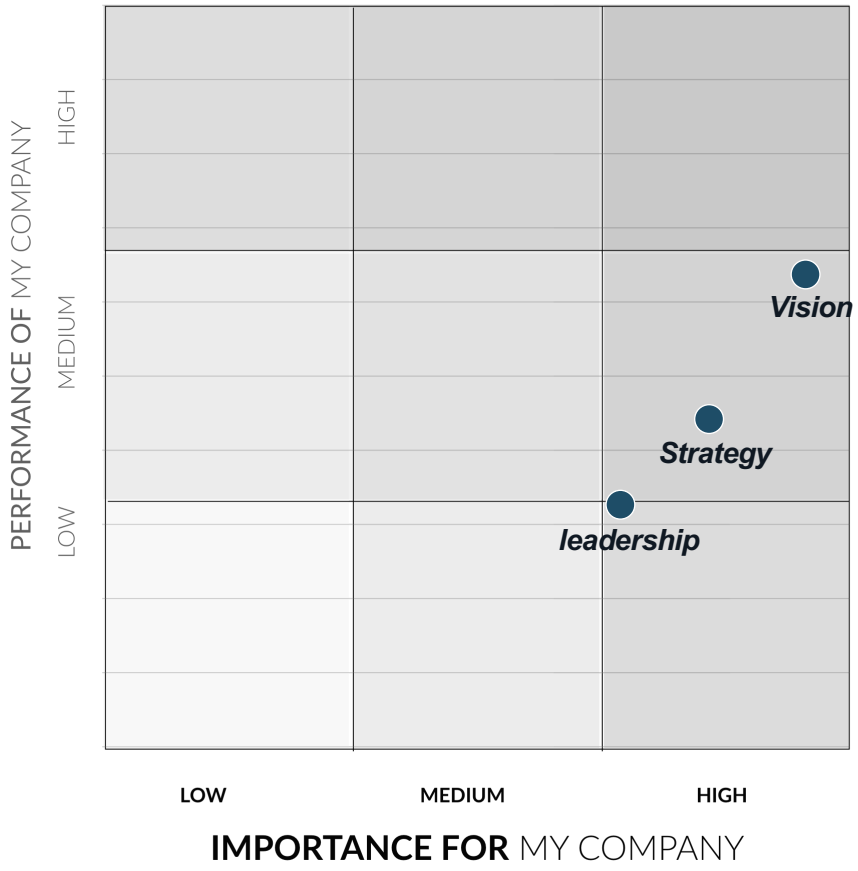


Most respondents feel their company has a clear vision… but "a vision without a strategy remains an illusion"? (Lee Bolman)

All three 'vision & goals' drivers were scored as high-importance-medium performance. The results demonstrate a direct relationship between what they regard as important and how well they are performing. It makes sense that a greater emphasis on inspiration from senior leadership and a clear strategy might help drive improved performance in-line with vision here.



*HOW DO YOU ASSESS THE RELATIVE IMPORTANCE OF THESE **'CLEAR VISION & GOALS'** DRIVERS?*



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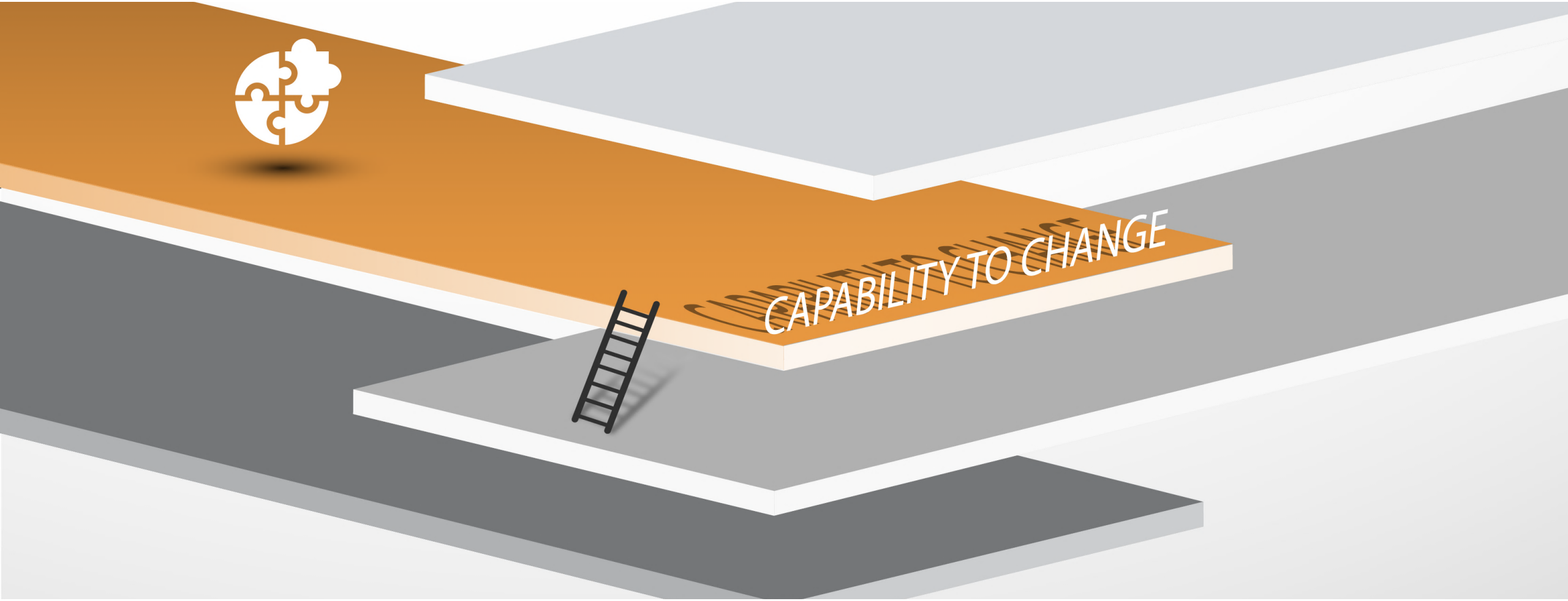
Dimension 3

Capability to change



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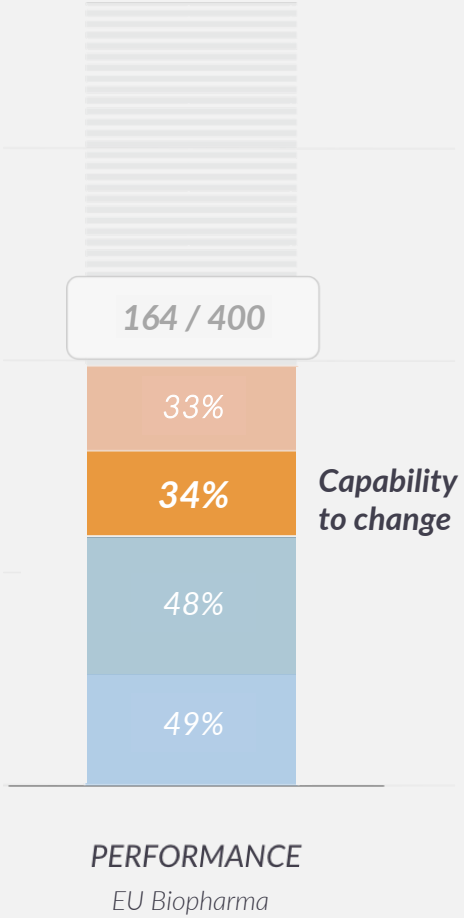
3. CAPABILITY TO CHANGE

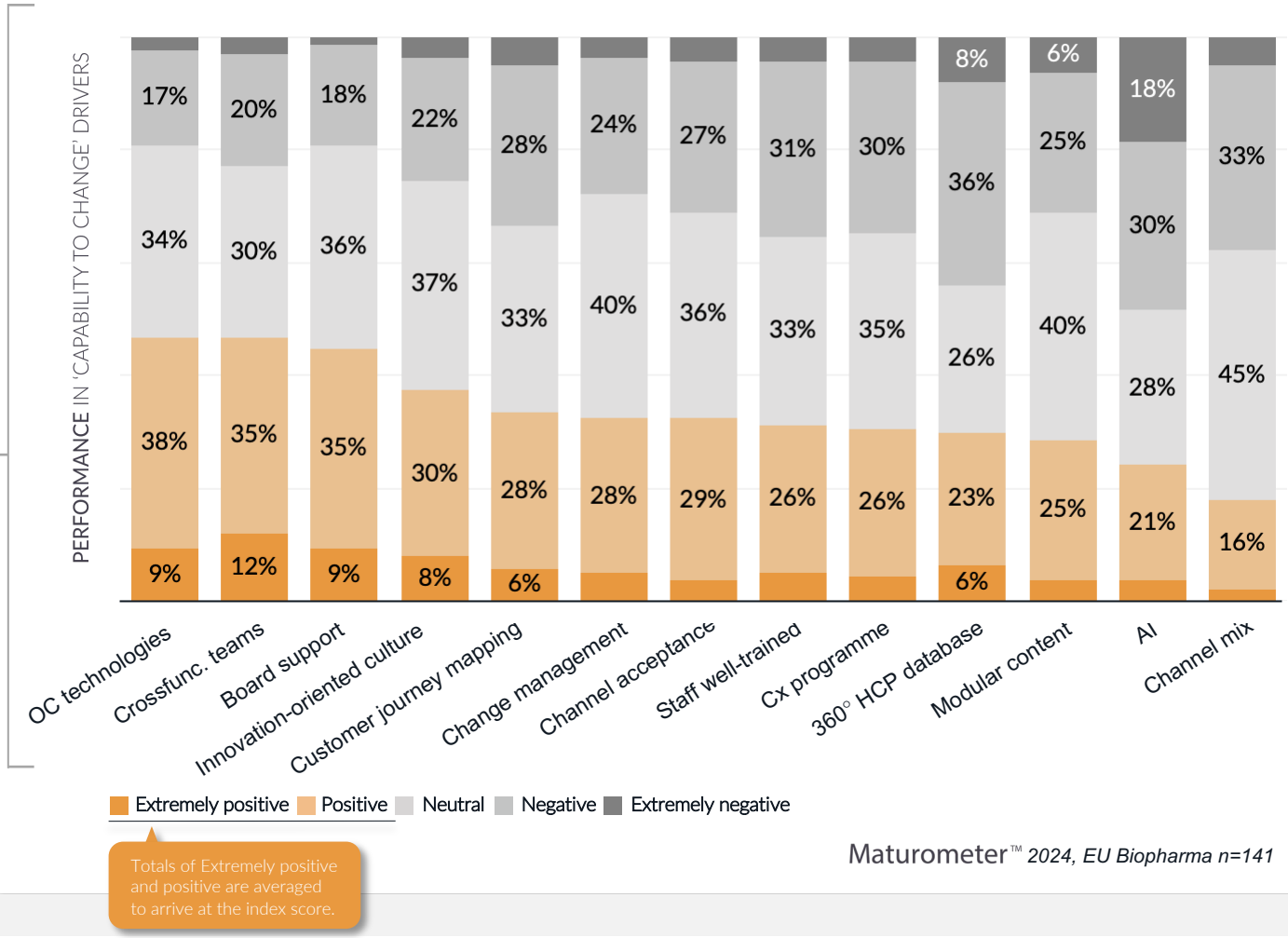


Technologies, cross-functional teams and board support show promise, but cannot outweigh weaknesses in foundational areas.

These foundational areas (channel mix, 360° data, training level and Cx) really need to be effectively addressed and performing well before focusing on improving technologies (and AI).



*HOW DO YOU ASSESS YOUR COMPANY'S PERFORMANCE IN THESE **'CAPABILITY TO CHANGE'** DRIVERS?*



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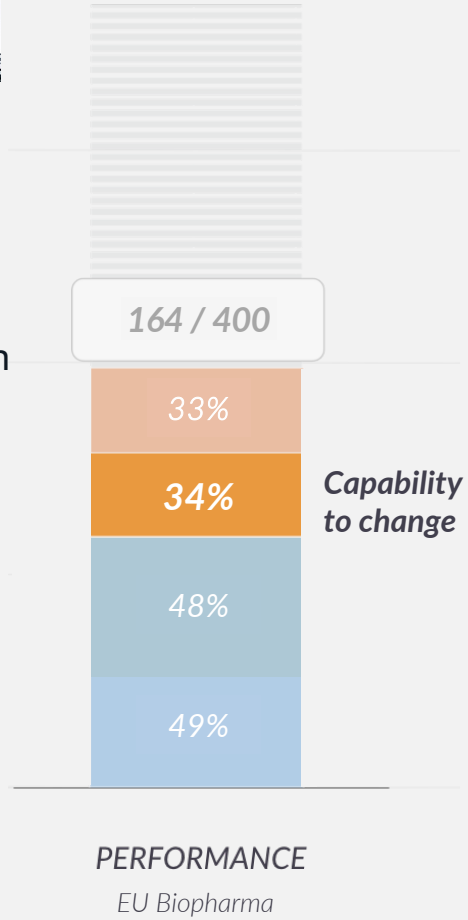
3. CAPABILITY TO CHANGE

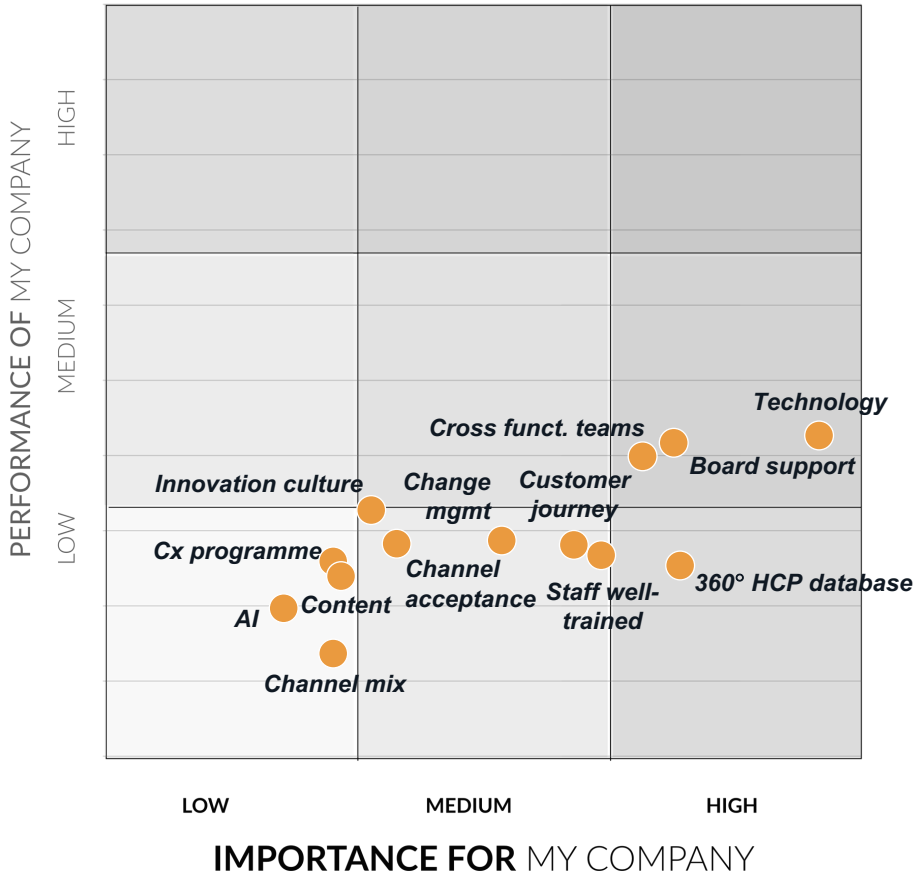


Is 'Capability to change' being hindered by selective (over)investment in some enablers over others?

Biopharma continues to focus on technology while seemingly neglecting some of the basics, such as channel mix, customer experience, and training.



HOW DO YOU ASSESS THE RELATIVE IMPORTANCE OF THESE ***'CAPABILITY TO CHANGE'*** *ENABLERS?*



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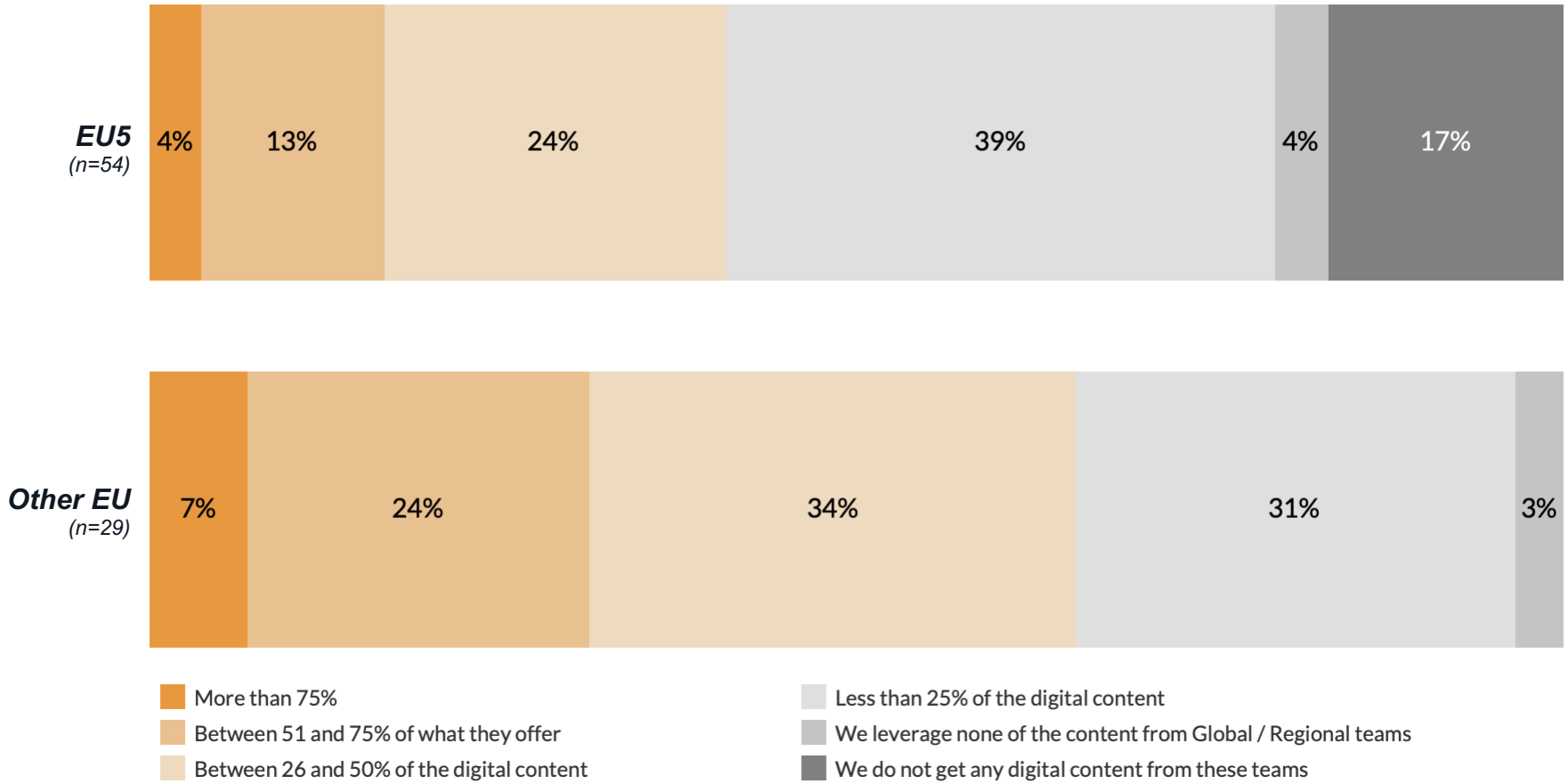
Unsurprisingly, smaller European markets rely more heavily on HQ-generated content

Non-EU5 countries continue to rely more heavily on HQ-generated content compared to EU5 countries. However, how much of the materials produced by HQ are tailored for these smaller European markets? There might be a disconnect between who the content is created for and who is actually using it.

To what extent do you leverage digital content from the Global/Regional teams?



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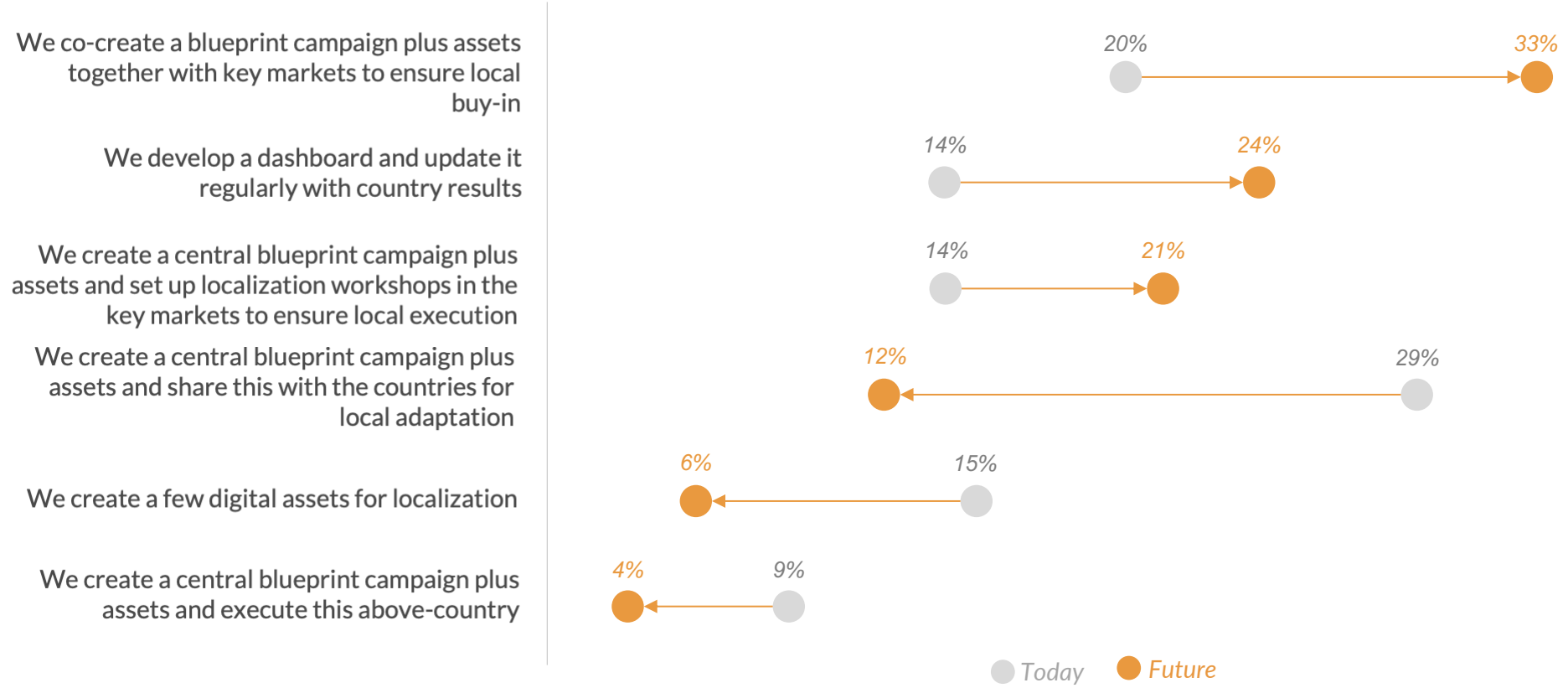
3. CAPABILITY TO CHANGE **HQs plan to shift to co-created campaigns and improve local performance measurement**

Today's reality is that many of the campaign blueprints and assets are still created centrally. However, moving forward, HQs plan to shift from centrally-created campaigns and assets to greater co-creation with key markets to ensure better global-to-local buy-in.

Respondents also expressed a desire to improve performance measurement across markets. To achieve this, they will need: 1) an external party to consistently measure (across countries) key attitudinal KPIs with HCPs at the brand level, and/or 2) reliable interaction data that is stored and interpreted consistently across brands, teams and countries.

How do you involve key local markets in your digital planning?



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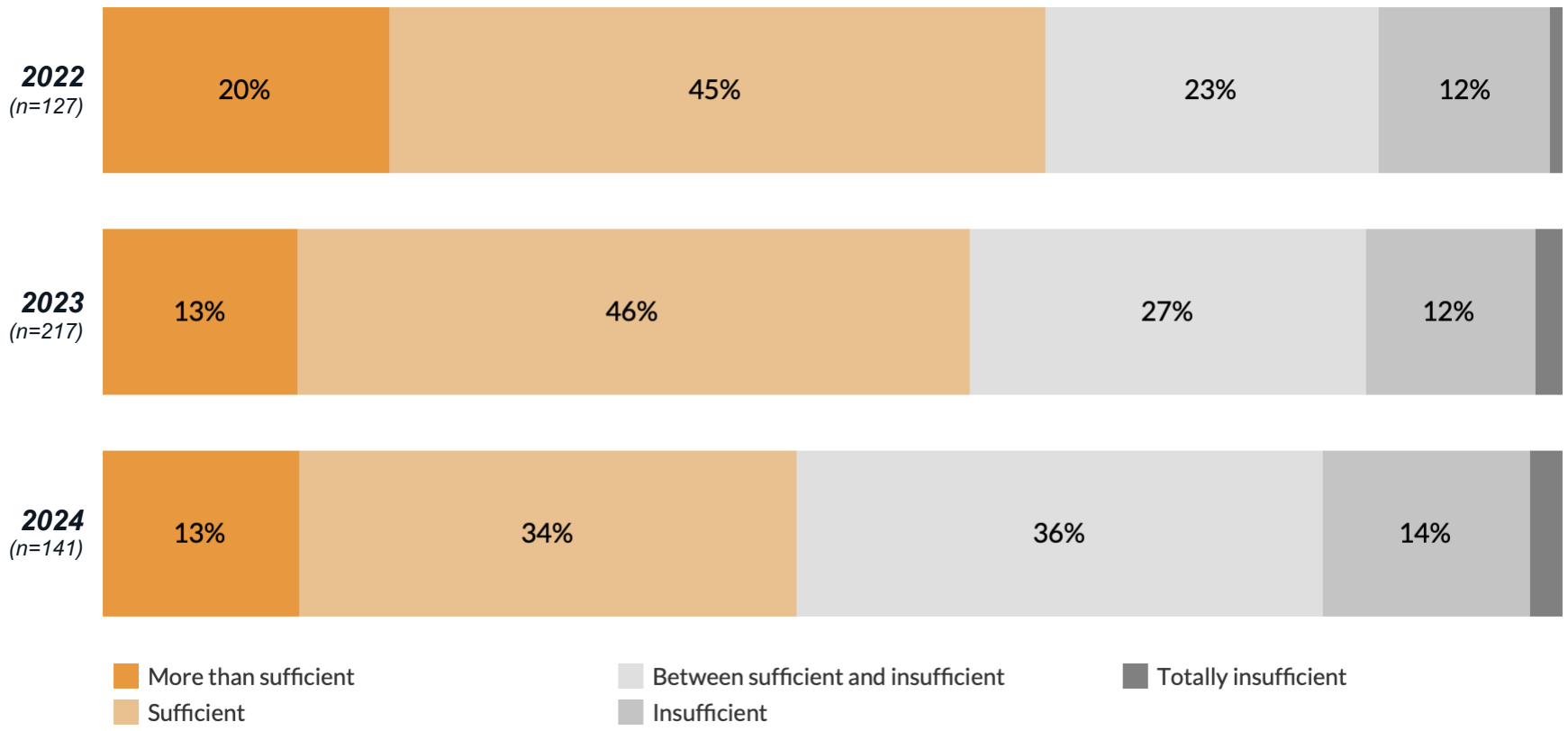
3. CAPABILITY TO CHANGE **Digital knowledge levels are going down for a third year in a row**

The industry states that digital knowledge levels are going down. In a fast-moving world, are digital opportunities increasing faster than teams can keep pace with? Could more effective upskilling help here?

Do you feel that you have sufficient knowledge of all opportunities offered by digital for your business activities



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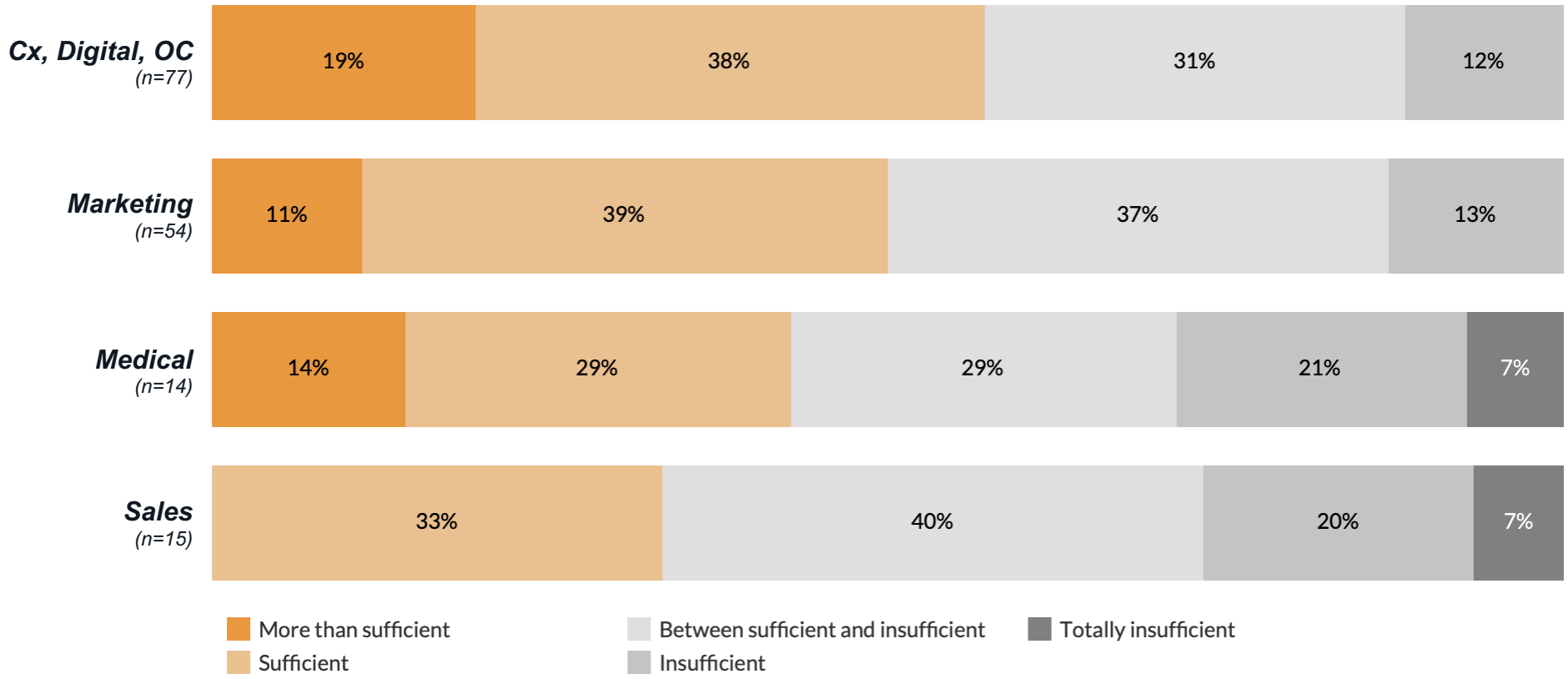
3. CAPABILITY TO CHANGE **Sales and medical teams have lower digital knowledge levels vs marketing and OC teams**

Drilling down further reveals uneven knowledge distribution between the different functions. To collaborate successfully in a cross-functional setting, it's imperative everyone has a similar and sufficient knowledge level (and mindset).

Do you feel that you have sufficient knowledge of all opportunities offered by digital for your business activities



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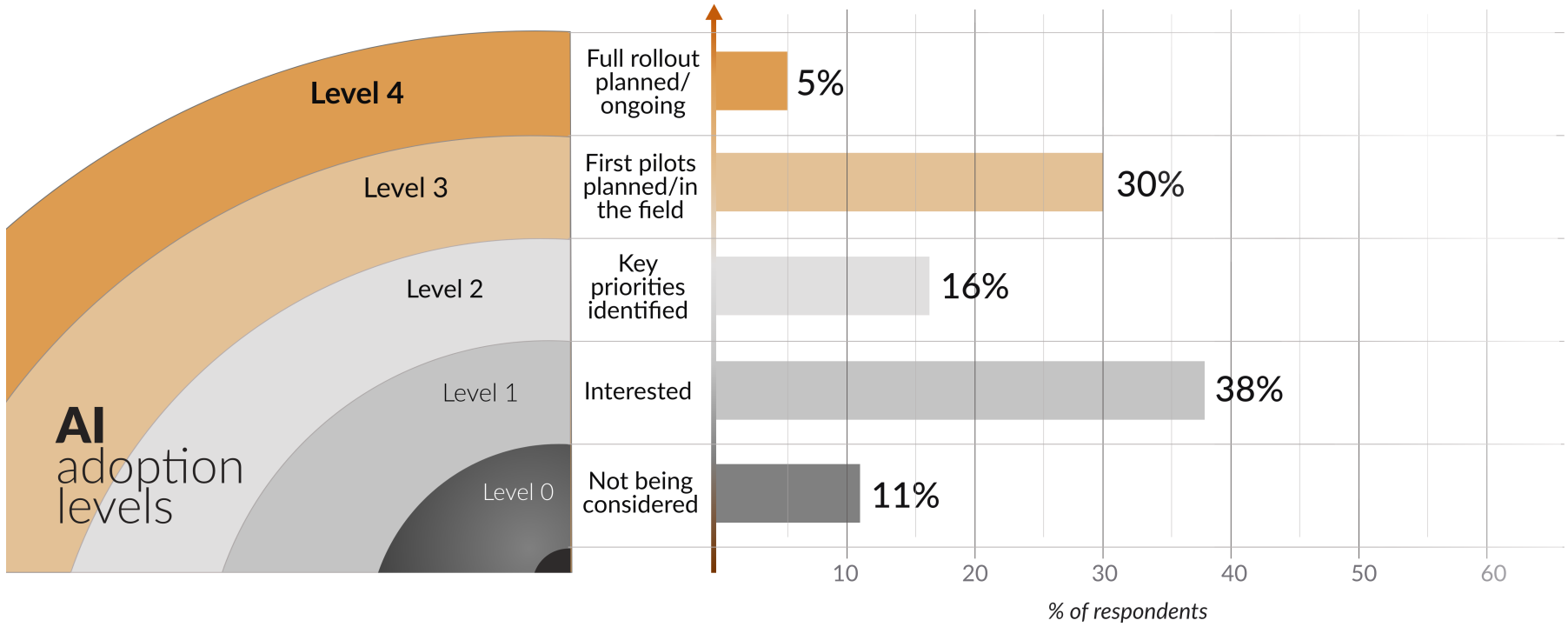
There is significant interest in AI, but its effective implementation remains challenging

AI is a hot topic in many industries, and pharma is no exception. There is strong interest in incorporating AI into customer engagement efforts. But it's still early days for most companies…

Are they finding it challenging to turn their AI ambitions into reality because the basics—particularly data quality and organization—are not yet in place?

What's the current level of adoption of AI in your company's customer engagement efforts?



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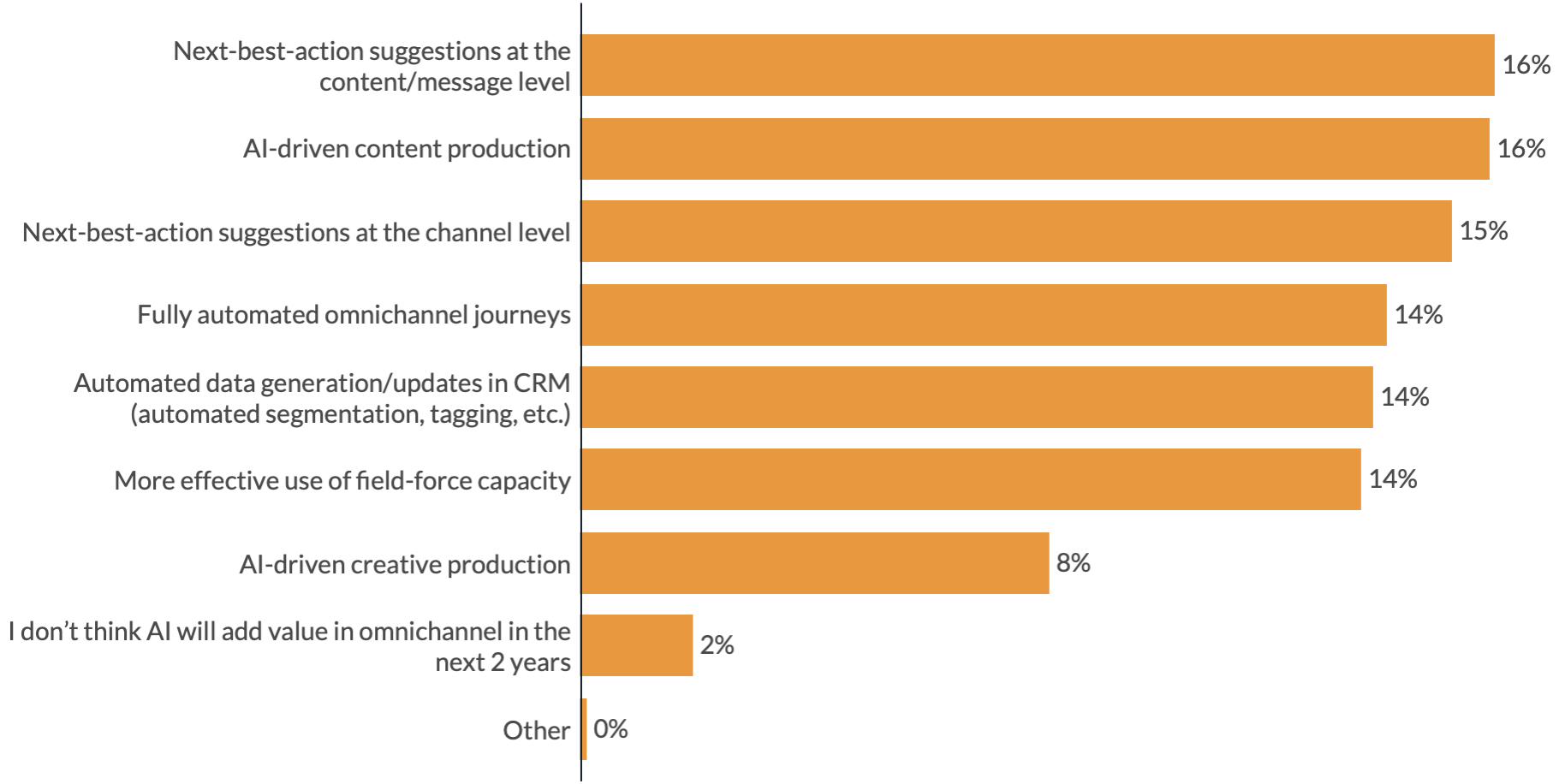
3. CAPABILITY TO CHANGE **98% believe AI will add value, but there is no clear idea of *where* it will impact yet**

While 98% of respondents believe AI will add value to omnichannel customer engagement in the next 2 years, the wide range of responses suggests that most companies are still exploring exactly how AI might benefit their business. Pharma should be cautious not to fall victim to the ‘shiny object syndrome’.

What AI solutions will have the biggest value in the omnichannel space in the next 2 years?



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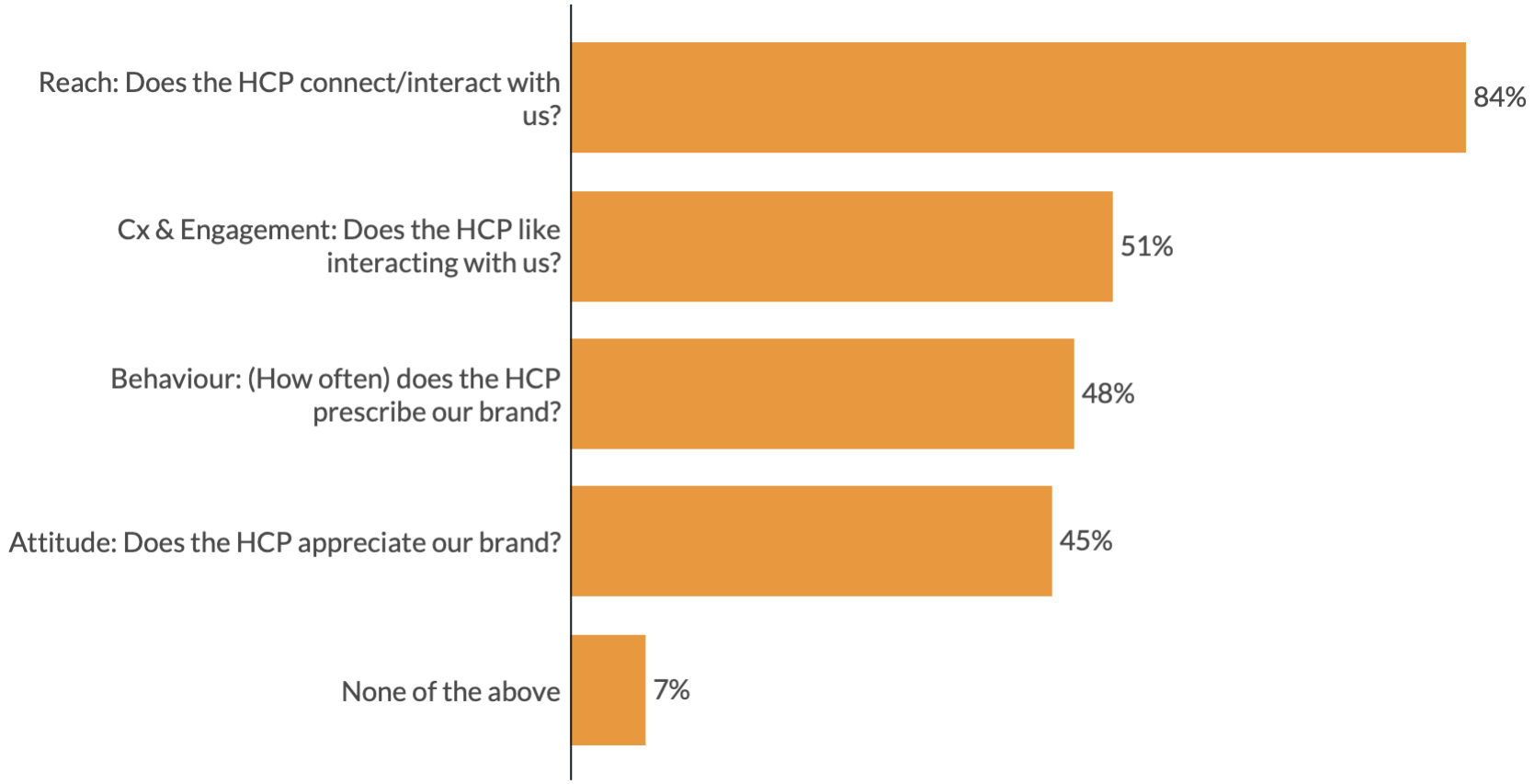
3. CAPABILITY TO CHANGE **Pharma must connect ‘reach’ with conversion KPIs (attitude/behaviour) to measure true ROI**

When it comes to impact measurement (remember those ROI concerns seen earlier?), pharma is still very much focused on operational reach metrics (channel interaction levels). To gain a more comprehensive view of success, pharma needs to connect reach with outcome-oriented KPIs that can indicate attitudinal/behavioral conversion.

Which of the following items can you track at the individual level throughout the launch cycle?



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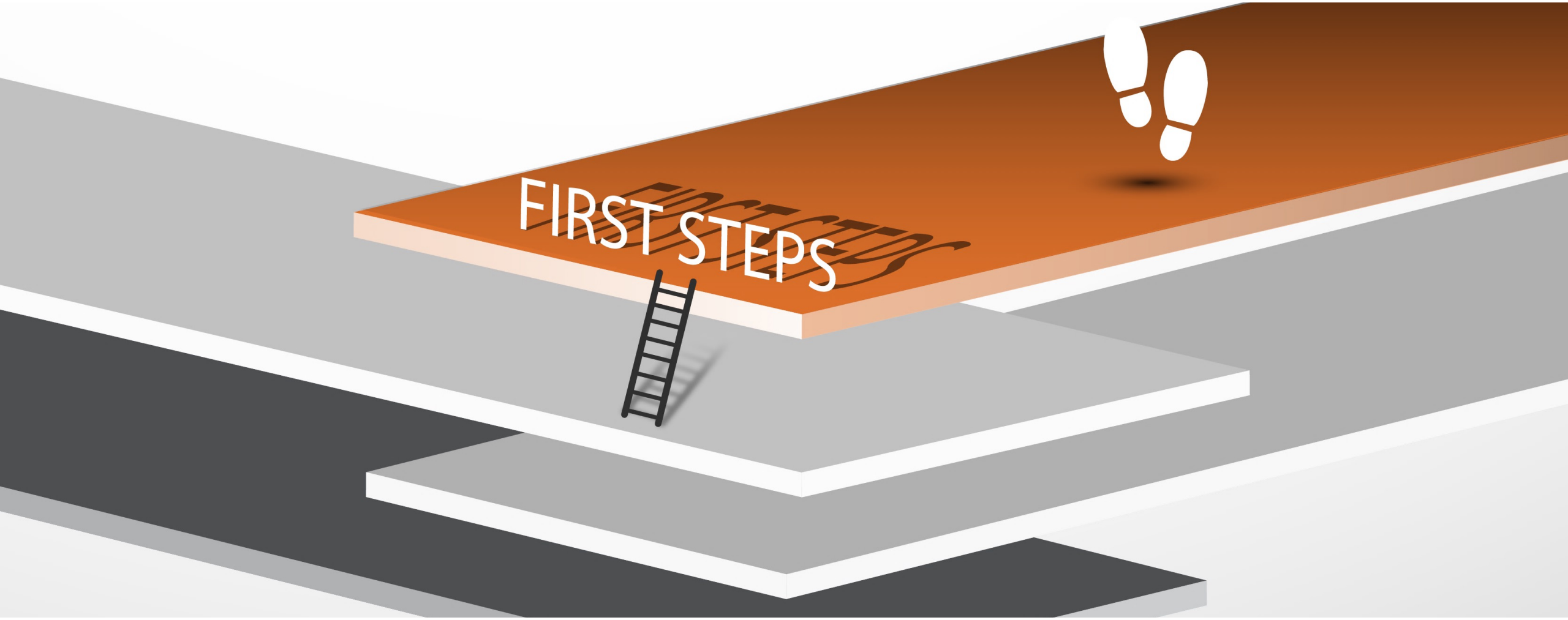
Dimension 4

First steps



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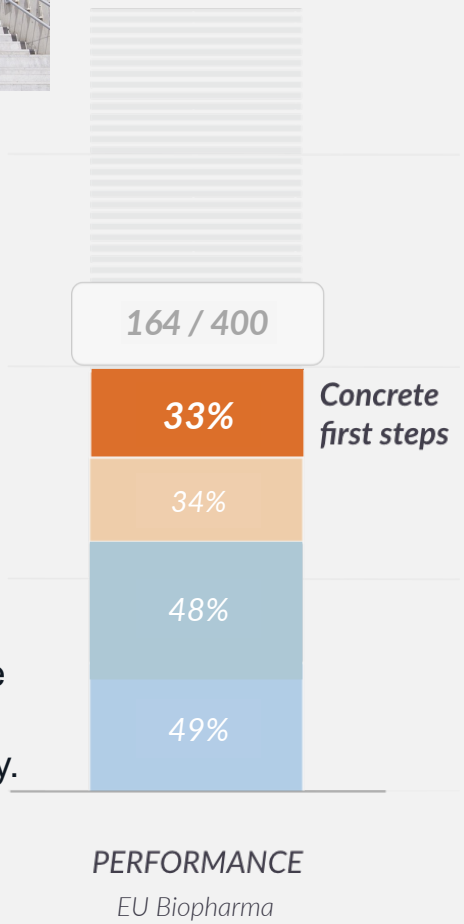
4. CONCRETE FIRST STEPS



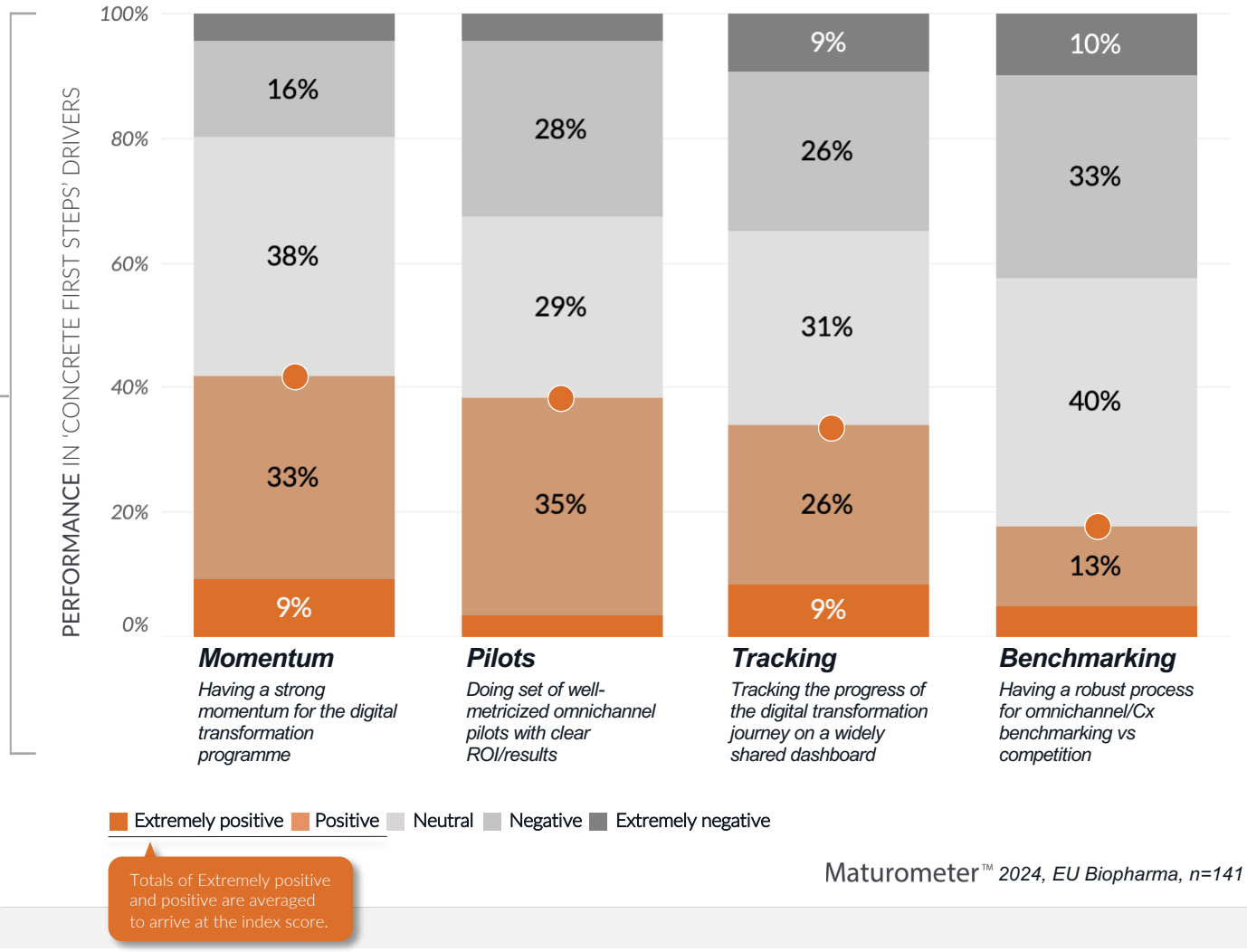
The industry is struggling to translate its efforts into concrete first steps.

With ROI being a key hurdle, it is crucial to track and (externally) benchmark your performance. This approach enables teams to demonstrate success and make quick adjustments as needed.

Demonstrating success will motivate other teams and provide a foundation for successfully scaling the transformation journey.



*HOW DO YOU ASSESS YOUR COMPANY'S PERFORMANCE ON THESE **'CONCRETE FIRST STEP'** DRIVERS?*



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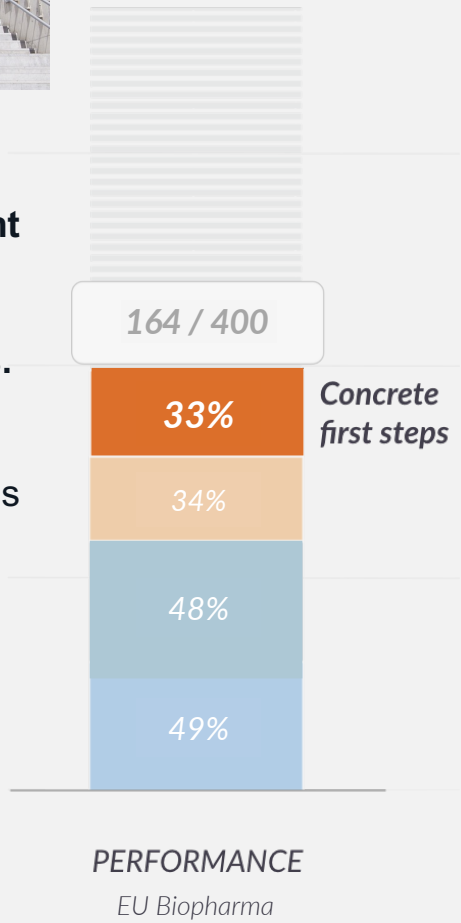
4. CONCRETE FIRST STEPS

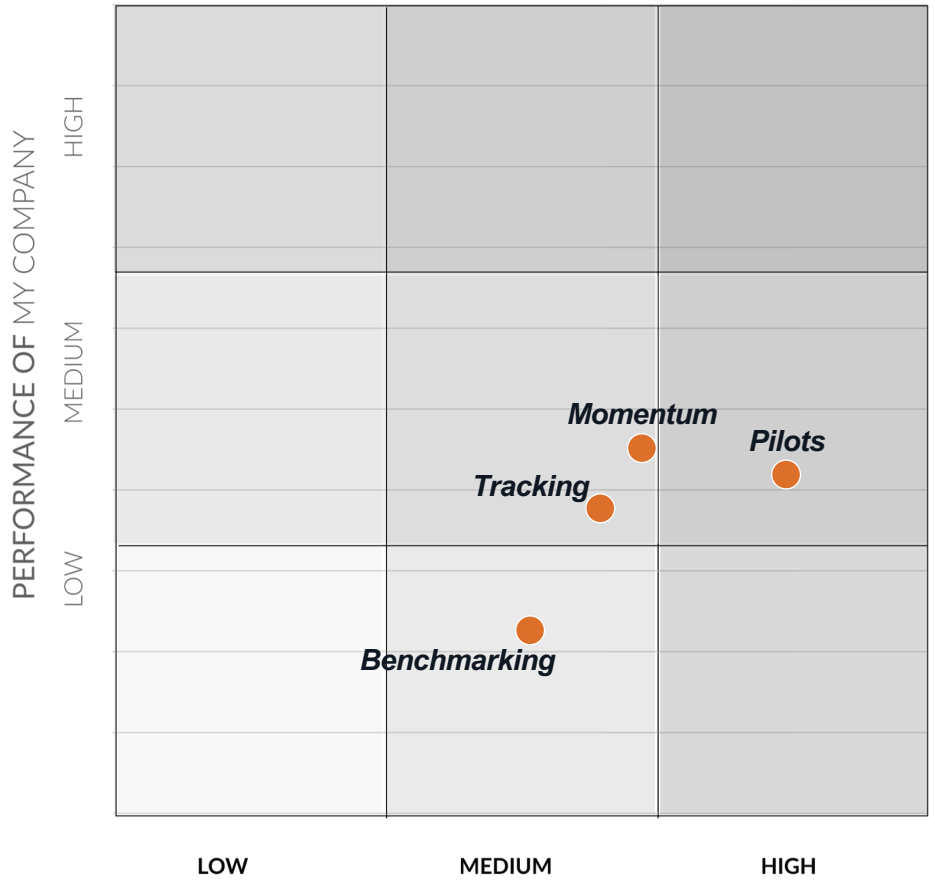


The industry indicates that the importance of concrete first step drivers varies, which might explain why there is still progress needed in terms of performing well on these items.

Most notably, tracking and benchmarking are considered less important, which aligns with the ongoing ROI concerns as a key bottleneck for omnichannel.



*HOW DO YOU ASSESS THE IMPORTANCE OF THESE **'FIRST STEPS'** DRIVERS?*



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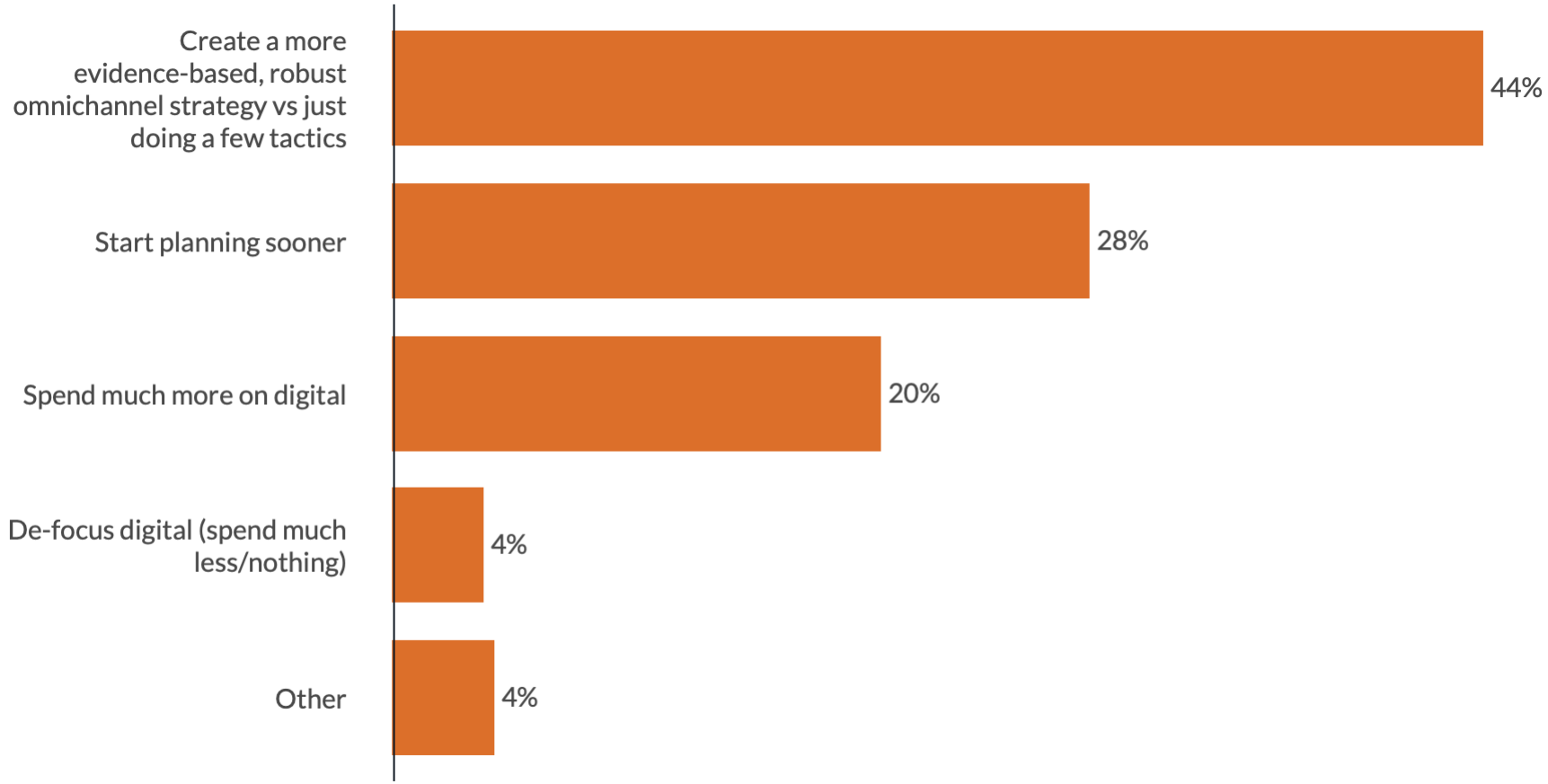
Pharma plans to be more evidence-based and start planning earlier for new OC campaigns

Almost half of respondents plan to adopt a more evidence-based strategic view rather than focusing on tactics, while nearly a third want to start the planning process earlier. To succeed, companies need to establish the right knowledge and experience levels, leverage robust insights, and effectively track what works and what doesn't.

What do you plan to do differently for your next omnichannel campaign (if you did one before)?



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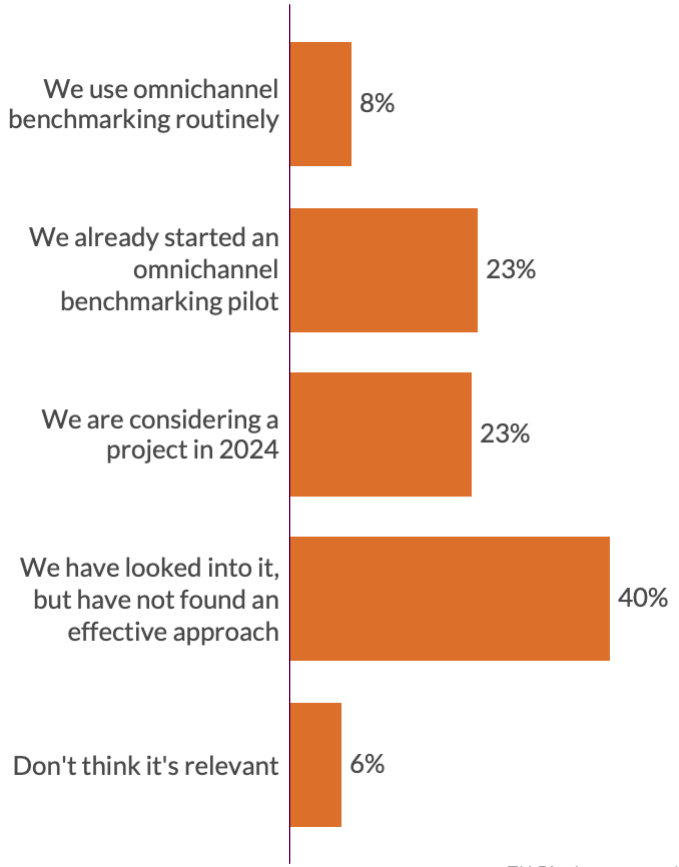
Few respondents benchmark, and benchmarking satisfaction is low due to focus on internal metrics

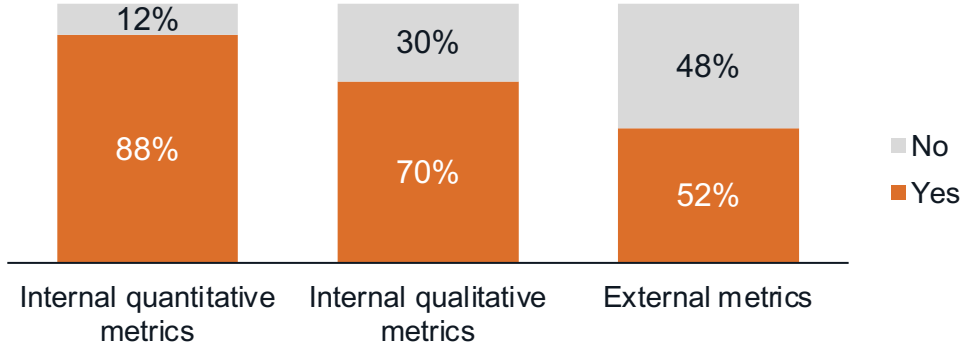
69% of respondents are not actively benchmarking, and of those who do, only about half are satisfied. This corresponds with too much focus on internal metrics and a lack of essential external insights.

How important is benchmarking as a driver for omnichannel excellence for you?



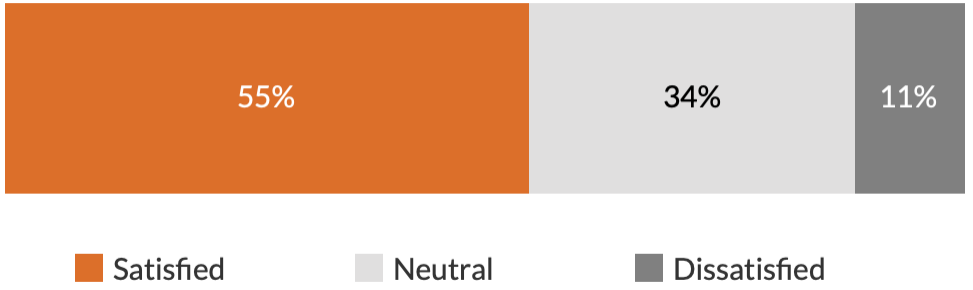
EU Biopharma – n=141

Which omnichannel benchmarking parameters are you considering?



EU Biopharma – n=129

How satisfied are you with your current omnichannel benchmarking activities?



EU Biopharma – n=44

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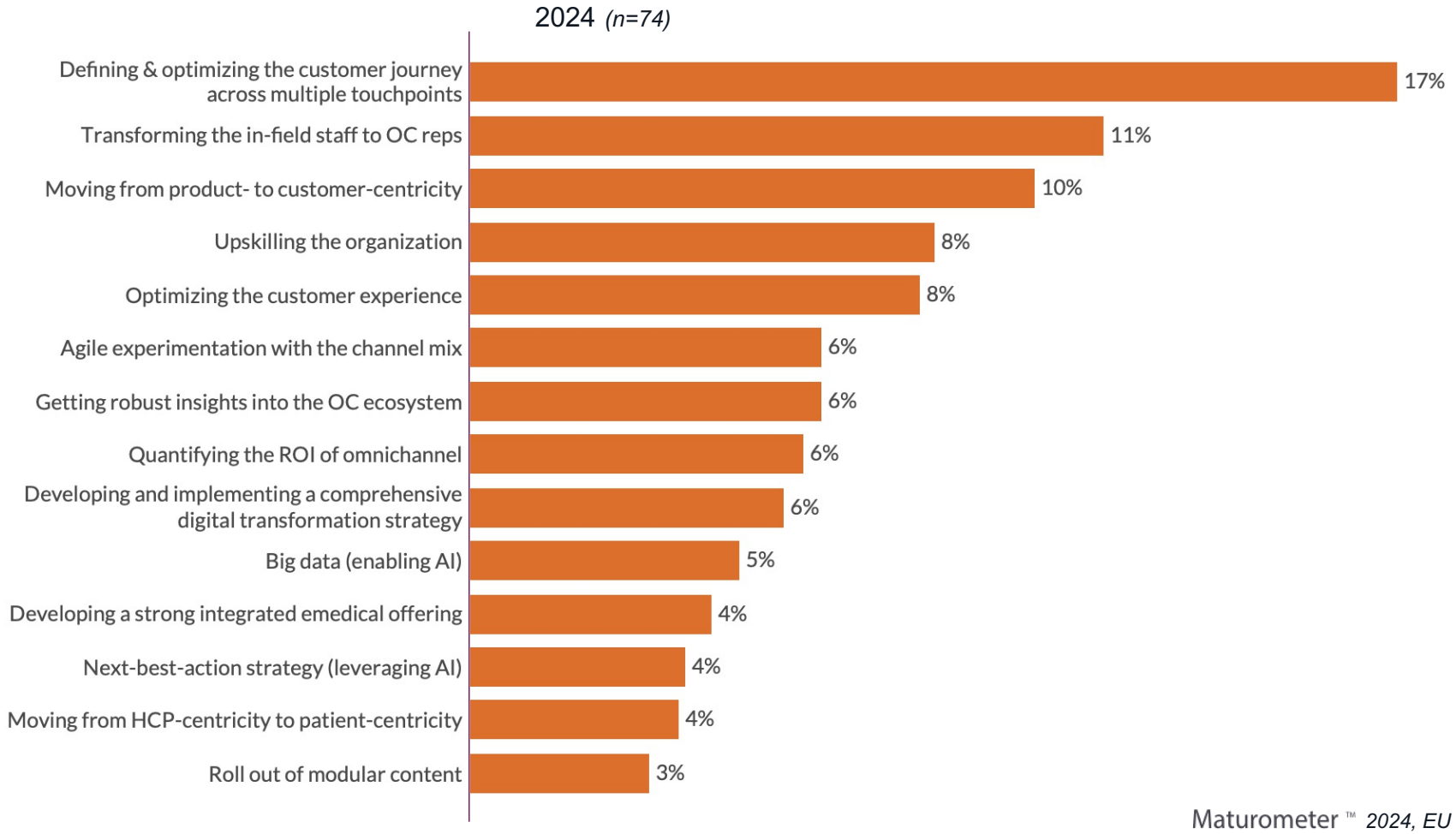
The industry aims to optimize customer journeys and transform in-field staff into OC reps

It's encouraging to see a clear ambition within the industry to enhance the customer experience, with a strong alignment between the previously discussed topics and key focus areas for the next 2 years.

Pharma must ensure that their priorities address the most pressing needs. For example, while the customer touchpoint journey is important, it would be beneficial to boost the focus on strategy first.

Please indicate the importance of these topics to your organization in the next 2 years



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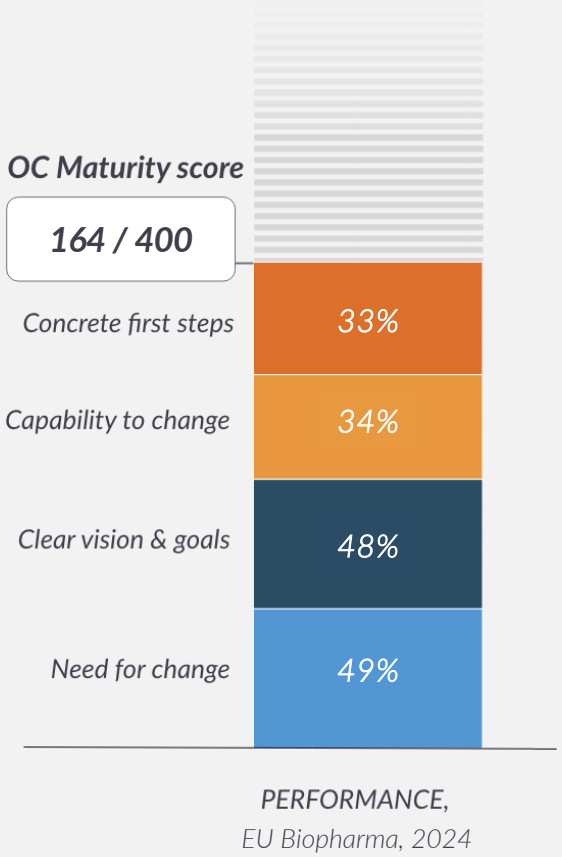
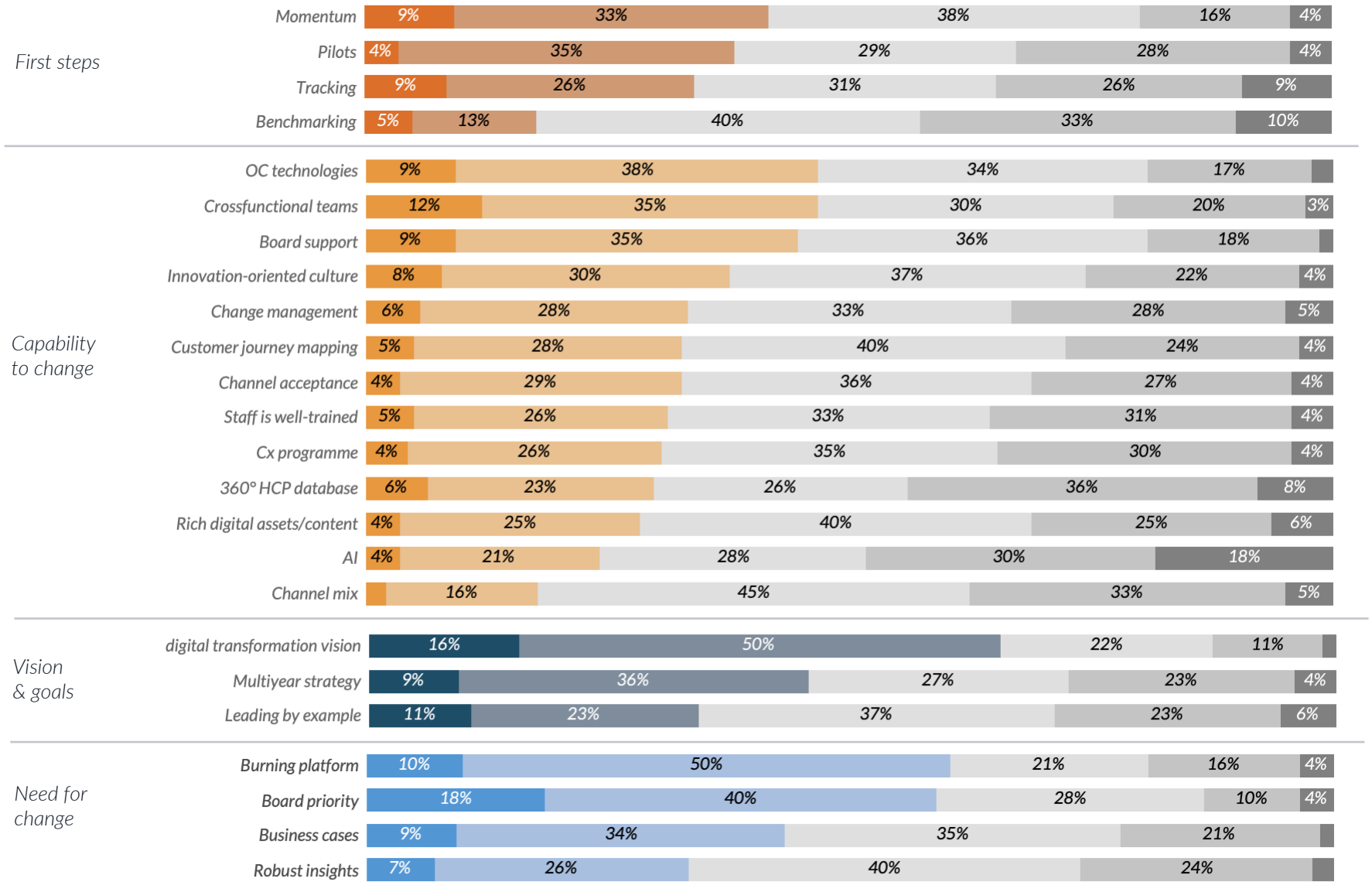
Summary

The OC Maturity Index





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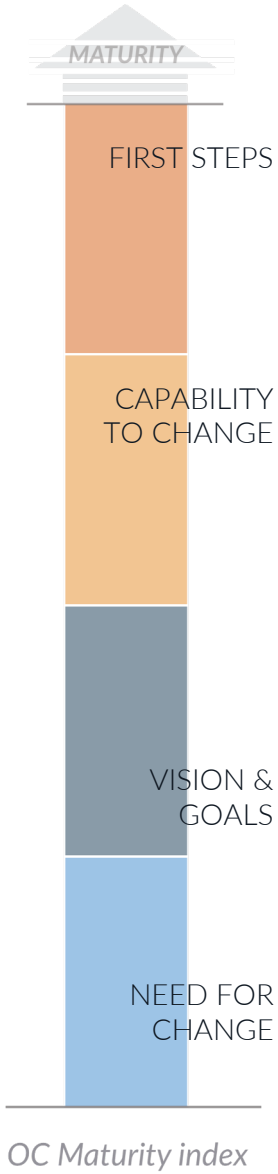
Appendix

Descriptions drivers/enablers



Momentum
Having a strong momentum for the digital transformation programme

Pilots
Doing set of well-metricised omnichannel pilots with clear ROI/results outputs

Tracking
Tracking the progress of the digital transformation journey on a widely shared dashboard

Benchmarking
Having a robust process for omnichannel/Cx benchmarking vs competition

OC technologies
Having the right omnichannel technologies in place

Board support
Having a strong digital/omnichannel team with Board support

Staff well-trained
Staff is well-trained in digital

Change management
A strong and motivational change management communications programme

Channel mix
Robust process for channel mix decisions

360° HCP database
An integrated 360° HCP database across all channels (online, offline, marketing, sales, medical, ...)

Cx programme
Having a strong customer experience programme in place

Channel acceptance
Having a good view of channel acceptance (digital, personal, ...) at the individual HCP level

Innovation-oriented culture
Having a strong innovation-oriented culture in place

Agile
Applying design thinking/agile to accelerate the digital transformation

Crossfunctional teams
Sales, Marketing and Medical collaborating as a crossfunctional team to design and execute omnichannel customer journeys

Rich digital assets/content
Having a rich offering of digital assets and (modular) content in place to accelerate customer adoption

Customer journey mapping
Customer journey mapping to design integrated omnichannel customer experiences at every touchpoint

Digital transformation vision
A strong vision/aspiration for digital transformation

Multiyear strategy
A detailed multiyear strategy (multiyear roadmap etc.) for digital transformation

Leading by example
A strong Inspiring senior leadership and "leading by example" on the digital journey

Burning platform
A strong sense of urgency to change the traditional customer engagement model

Board priority
The Board gives high priority to digital transformation

Business cases
The development of strong, quantified business cases to drive the digital transformation programme

Robust insights
Robust insights in key digital customer trends

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About us

*Since June 2024, the new name for Across Health is **Precision AQ**. Having joined forces with over 1,200 life-science experts, advisors and creatives across 100+ diverse fields, we will continue to partner with our clients to deliver evidence-based omnichannel customer engagement strategies while empowering access to life-changing medicine for all.*

PRECISION AQ™

- Integrated wordwide group of **life-science experts, advisors and creatives**
- Partner to leading **bio-tech and pharmaceutical companies**, large and small
- Delivering on a mission for an ever-improving **access quotient (AQ)** in reaching authorities, payers, healthcare professionals and patients
- Analytic and creative **services** cover the full spectrum of the healthcare journey, from strategy, over launch support to communication
- Services are supported by leading **product solutions**, such as the **Navigator365** data and insights offerings for omnichannel customer engagement

👉 www.precisionaq.com

Our omnichannel solutions offering

Insight

- Understand & validate
  - Brand strategic imperatives
  - Treatment flow, leverage points
  - Customer/stakeholder segmentation
- Channel/content/media insights
- Benchmarking
- Company digital maturity & resources

Innovation strategy

- Customer journey definition
- Channel/content/context/media selection and prioritization
- Campaign strategy & programme planning
- Business case calculation
- KPI framework development
- Workshops & capability building

Intelligent execution

- Programme management, coaching & change management
- Content creation management
- Opt-in strategy
- Campaign orchestration & automation

Impact

- Real-time 360° dashboard solutions
- Tracking of engagement KPIs
- Predictive analytics
- Pre/per/post KPI & ROI analysis
- Continuous recommendations for optimization

FRAMEWORKS & SERVICES

- **Maturity assessment (Maturometer™)**
- **Omnichannel Health Check**
- **Omnichannel campaign formulation**
- **Omnichannel launch excellence**
- **Omnichannel campaign implementation & optimisation**
- **KPI strategy**
- **Impact dashboards**

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industry experts
digital strategists
data analysts
trusted advisors

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