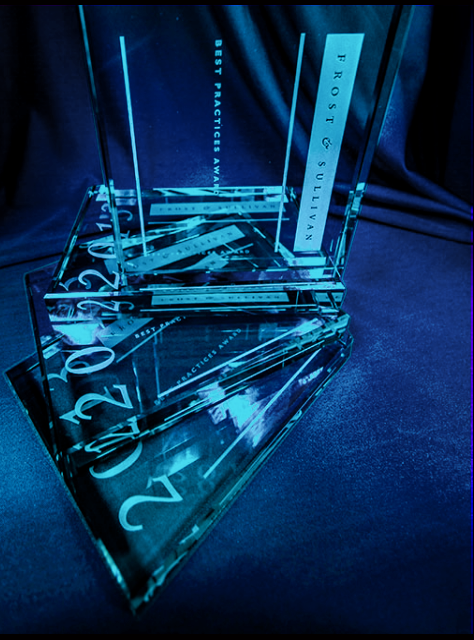


F R O S T & S U L L I V A N



self care catalysts

2016 North American
Patient Self Care and Advocacy Solutions
New Product Innovation Award



F R O S T & S U L L I V A N

BEST
2016 PRACTICES
AWARD

NORTH AMERICAN PATIENT
SELF CARE AND ADVOCACY SOLUTIONS
NEW PRODUCT INNOVATION AWARD

2016
BEST PRACTICES
AWARDS

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Background and Company Performance

Industry Challenges

Many of the patient analytics solutions in the North American market analyze medical records to generate insights, which will eventually drive evidence-based medicine. Frost & Sullivan notes that these analytics solutions do not, however, study patient behavior, engagement, and outcomes, which are considered critical in the context of patient self-care and advocacy. Futuristic healthcare solutions will allow patients to have their say by sharing their experiences during various stages of a disease condition. Frost & Sullivan points out that this is particularly important for patients suffering from long-term medical conditions - such as cancer.

Patients should have access to an interactive, easy-to-use, and customizable platform wherein they can share their experiences during various episodes of a disease. The ability to collaborate with other patients going through similar conditions will encourage patients to share their vital signs and experiences during the care process. The resulting information will be of great use to life sciences companies in order to optimize drug discovery and care providers to understand how treatment methods can be evolved to improve the quality of care.

Frost & Sullivan believes that Self Care Catalysts, a patient solutions, intelligence, and analytics vendors based out of Canada, is properly addressing these issues with two innovative solutions: Health Storylines and Patient Storylines.

New Product Attributes and Customer Impact

Match to Needs

The current need of the North American population health management market is a patient-centric solution that comes with the functionalities of intelligence and analytics to serve the double purpose of patient collaboration and care innovation. Self Care Catalysts' Health Storylines platform is targeted at patients, accountable care organizations, and population health managers. The Health Storylines platform allows patients to monitor, track their daily health experiences and build their health stories that they eventually provide them, their health providers and enterprise insights. It also enables patients with similar therapeutic conditions to collaborate with each other and allows friends, family, and caregivers to voice their opinions regarding the treatment process. This platform captures emotional and physical endurances through various episodes of the treatment process, in addition to vital signs and activities (e.g., eating habits, medication, and sleep).

Patient organizations clearly benefit from this platform, as they can customize Health Storylines based on 32 therapeutic conditions, such as oncology and asthma, and personalize the platform based on an individual patient's lifestyle. Patient organizations see this platform as an innovative way of understanding their patients and how treatment methods can be optimized.

The resulting information from Health Storylines feeds into Patient Storylines, which is an analytics platform targeted at life sciences companies. Drug makers can use insights from Patient Storylines to perform market research on patient behavior, medication adherence, and other parameters critical to drug discovery, commercialization and market development.

Reliability

More than 12 patient organizations in the United States have adopted Health Storylines for their patients with different therapeutic conditions. The vendor has witnessed rapid growth since late 2014, when the company received a seed funding worth \$2 million from Prosoft Development Inc., a privately owned company that invests in healthcare IT solutions. In 2015 and early 2016, Self Care Catalysts was able to attract several pharmaceutical companies to adopt its Health Storylines platform, such as Shire, Lundbeck, Gilead, Novartis and IPSEN. Self Care Catalysts allays security and privacy concerns since it is Health Insurance Portability and Accountability Act (HIPAA) compliant, which is evident from its focus on anonymizing patient behavioral data before drug makers use it. All patient organizations have customized Health Storylines for specific therapeutic conditions, such as Epilepsy Health Storylines, Asthma Health Storylines, HIV Storylines and Heart Failure Storylines. The fact that Patient Storylines has been adopted by 5 pharmaceutical companies in North America in less than a year after commercialization is a true testimonial to the reliability associated with the platforms.

Quality

The quality of Health Storylines and Patient Storylines platforms rests on the fact that the vendor has designed them in a way that enables drug makers to use both platforms as clinical, market research tool, patient support program tool and marketing communications channel. As a clinical research tool, drug makers can understand patient behavior to optimize their research and development (R&D) efforts and the drug discovery process. The platform allows for the long-term monitoring of patients, which serves as a critical input to the development of new drugs and helps assess the performance of in-market drugs. As a market research tool, Health Storylines can be used as a survey platform that provides a large sample of data to better understand patients' likes and dislikes. Furthermore, both platforms allow drug makers to understand a patient's journey through various episodes of a treatment process. This results in a large, standardized, and de-identified database of patient journey data that can be used for social media analytics. The resulting insights are of great use to care providers, Pharmaceutical marketers, Payers in

understanding self-care, which constitutes 90% of the care delivered outside of the hospital setting.

Positioning

Self Care Catalysts has developed Health Storylines and Patient Storylines with the clear interest of patients in mind. This is quite important keeping in mind that patient-centric solutions work differently in comparison to patient analytics solutions that are dependent on medical records residing in information systems. Self Care Catalysts has overcome the challenge of incentivizing and motivating patients to share their experiences in a social forum. Without these experiences, the intelligence and analytics engines in the Patient Storylines platforms would fail to generate valuable insights. Through this, Self Care Catalysts has strongly positioned itself as a patient-centric solution provider that will be able to amass large volumes of patient journey data across different therapeutic conditions. Only then does the data become valuable for life sciences companies, which subscribe to the Patient Storylines platform for clinical and market research purposes.

Although the technology can be replicated by other IT vendors, the ability to customize the platforms for different therapeutic conditions - without compromising usability - will drive the long-term growth trajectory for Self Care Catalysts. More importantly, the vendor can use the Health Storylines platform to improve patient engagement in healthier activities such as physical exercise — the ultimate objective of population health managers. Unlike population health management platforms that rely only on personalized recommendations and wellness programs, Self Care Catalysts's offerings focus on understanding patient behavior, which will ultimately drive patient engagement.

Design

Self Care Catalysts has designed a patient-centric solution with Health Storylines and a client/enterprise-centric solution with Patient Storylines. The Health Storylines platform is used by patients to share their journey through different episodes of the treatment process. The platform allows patients to build their daily health stories and collaborate with other patients with similar conditions, which motivates them to share their experiences on a continuous basis. Essentially, Health Storylines functions as a consumer engagement platform that providers, payers, and life sciences companies can use to study patient behavior in large data sets.

The de-identified data from Health Storylines platform feeds into the Patient Storylines, which is designed for clients to generate actionable insights. While the vendor ensures data security and privacy for patients, the Patient Storylines platform serves as a market research and clinical research tool for life sciences companies. The Patient Storylines platform can also be used for targeted marketing activities such as Direct to Consumer (DTC) marketing by life sciences companies to promote brand loyalty and equity.

Moreover, the platform acts as a tool to educate patients and give them medication recommendations, which improves patient relations for life sciences companies.

From the design perspective, Self Care Catalysts has excelled in creating two platforms that serve two different purposes — one targeting patients and the other targeting life sciences companies. The design philosophy has enabled a high level of customization to the Health Storylines platform that suits the nature of different therapeutic conditions and patients.

Customer Ownership Experience

Patients actively participating by sharing their experiences; this is critical to generating quality data that feeds into the analytics engine. Therefore, the real customers are patients, although Self Care Catalysts will rely on life sciences companies to generate revenue. Self Care Catalysts has focused on continuously improving the user interface of its solutions and the customizations required to make the Health Storylines platform attractive, encouraging active patient use. The fact that more than 12 major patient organizations in North America have adopted Health Storylines is direct evidence to the superior quality of customer experience offered by the vendor. Self Care Catalysts is also focusing on developing a multitude of use cases for life sciences companies to derive tangible business value out of the Patient Storylines Platform. Besides market research and clinical research tools, life sciences companies can also use the platform to build patient relations and recalibrate their marketing strategies. The platform helps life sciences companies implement a targeted marketing approach and review their tactics by conducting surveys with customers.

Conclusion

Self Care Catalysts' patient-first approach has enabled it to create a niche segment within the North American patient analytics industry. The company's strategy to study patient behavior and generate patient journey data through various episodes of the treatment process clearly differentiates it from the rest of the competition. In 2015, the vendor added close to 5 customers, across various therapeutic areas from the North American life sciences industry, which shows the company's capability to commercialize its patient solutions. The life sciences industry is in need of optimizing participants' R&D efforts, and the care provider community is facing the challenge of improving patient engagement and outcomes. These trends drive the demand for niche patient solutions, which will help Self Care Catalysts grow at a fast pace in the future.

With its strong overall performance, Self Care Catalysts has earned the 2016 Frost & Sullivan New Product Innovation Award.

Significance of New Product Innovation

Ultimately, growth in any organization depends upon continually introducing new products to the market, and successfully commercializing those products. For these dual goals to occur, a company must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding New Product Innovation

Innovation is about finding a productive outlet for creativity — for consistently translating ideas into high quality products that have a profound impact on the customer.

Key Benchmarking Criteria

For the New Product Innovation Award, Frost & Sullivan analysts independently evaluated two key factors — New Product Attributes and Customer Impact — according to the criteria identified below.

New Product Attributes

- Criterion 1: Match to Needs
- Criterion 2: Reliability
- Criterion 3: Quality
- Criterion 4: Positioning
- Criterion 5: Design

Customer Impact

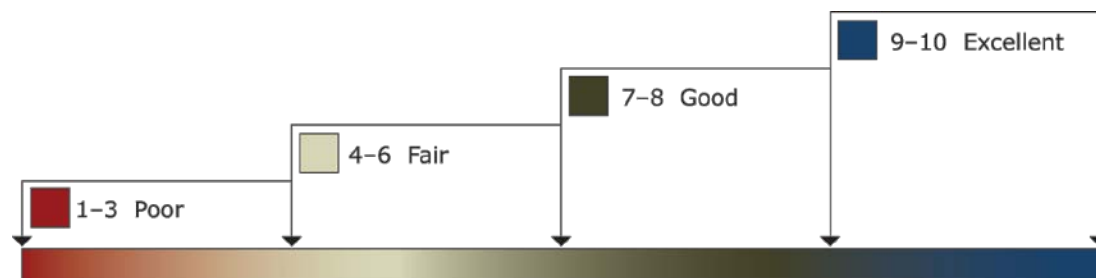
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

Best Practice Award Analysis for Self Care Catalysts

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows our research and consulting teams to objectively analyze performance, according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are illustrated below.

RATINGS GUIDELINES



The Decision Support Scorecard is organized by New Product Attributes and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criteria are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key players as Competitor 2 and Competitor 3.

DECISION SUPPORT SCORECARD FOR NEW PRODUCT INNOVATION AWARD

<i>Measurement of 1–10 (1 = poor; 10 = excellent)</i>			
New Product Innovation	New Product Attributes	Customer Impact	Average Rating
Self Care Catalysts	9.5	9.5	9.5
Competitor 2	8.0	7.0	7.5
Competitor 3	7.0	6.0	6.5

New Product Attributes

Criterion 1: Match to Needs

Requirement: Customer needs directly influence and inspire the product's design and positioning

Criterion 2: Reliability

Requirement: The product consistently meets or exceeds customer expectations for consistent performance during its entire life cycle

Criterion 3: Quality

Requirement: Product offers best-in-class quality, with a full complement of features and functionality

Criterion 4: Positioning

Requirement: The product serves a unique, unmet need that competitors cannot easily replicate

Criterion 5: Design

Requirement: The product features an innovative design, enhancing both visual appeal and ease of use

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market

Criterion 2: Customer Purchase Experience

Requirement: Customers feel like they are buying the most optimal solution that addresses both their unique needs and their unique constraints

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service

Criterion 4: Customer Service Experience

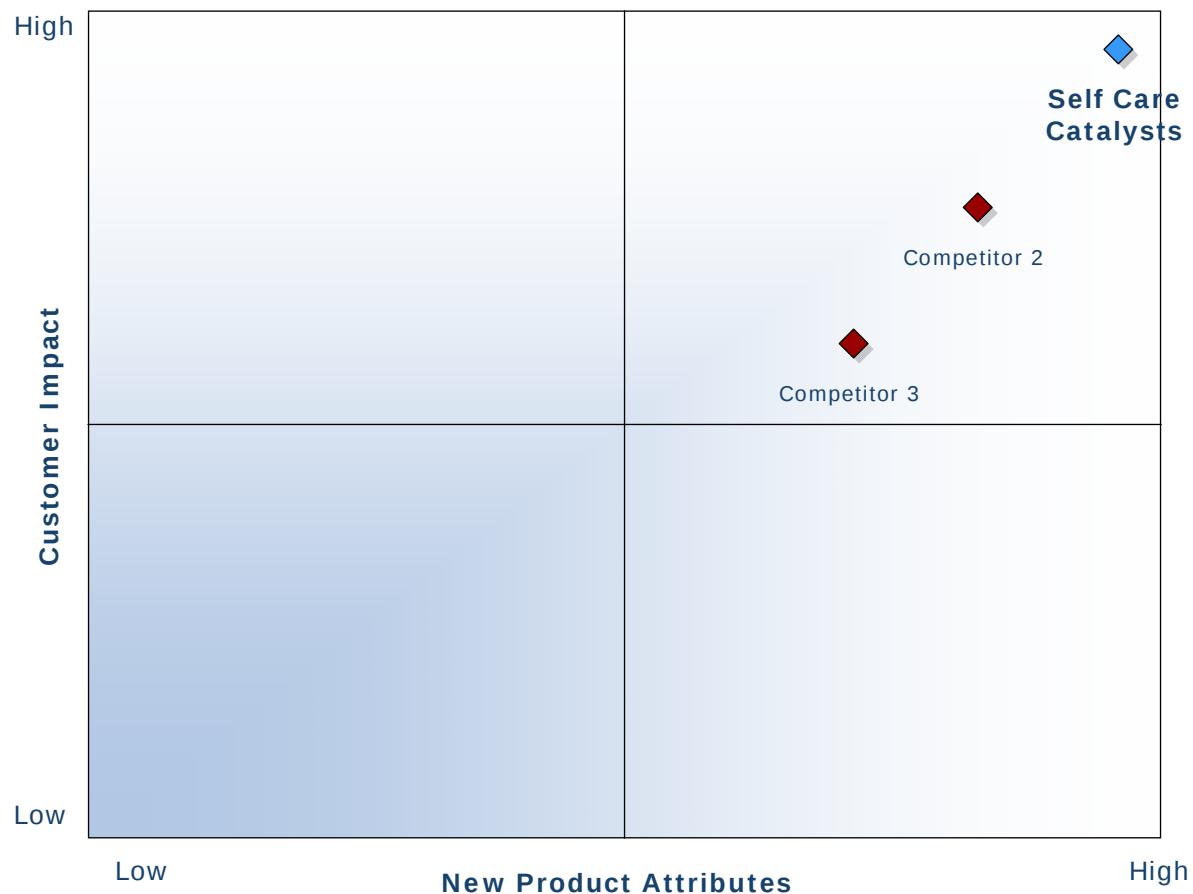
Requirement: Customer service is accessible, fast, stress-free, and of high quality

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts can then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.

DECISION SUPPORT MATRIX FOR NEW PRODUCT INNOVATION AWARD

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often, companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry players and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan Awards follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the globe	• Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates	Matrix positioning all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	• Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice Award recipient	• Review analysis with panel • Build consensus • Select winner	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform Award recipient of Award recognition	• Present Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company may share Award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning	Widespread awareness of recipient's Award status among investors, media personnel, and employees

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best in class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages almost 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 31 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.