



## EXECUTIVE BRIEF

### Special Update: Innovation in Turbulent Times

Moderated by Mary Michael, Vice President, Patient Advocacy  
and Stakeholder Management, Otsuka America Pharmaceutical, Incorporated

#### Introduction

To help our members address the upheaval that COVID-19 has brought to the world and businesses everywhere, Frost & Sullivan recently convened a special **Virtual Council Roundtable on Innovation in Turbulent Times**. This discussion forum provided a much-needed opportunity for **Growth Innovation Leadership Council Members** to share how they were pivoting and innovating in real time, including managing remotely, changing plans and processes, and in some cases leveraging their expertise to manufacture products to combat COVID-19.

#### Rising to Meet Immediate Innovation Challenges

The participants came from a cross section of industries including electronics, automotive, manufacturing and materials. Most were involved in manufacturing in one form or another. When asked how they were faring during this unprecedented time, answers were varied. Many were confronting the challenges of unexpectedly working from home and managing a now largely remote workforce. Not surprisingly, supply chain issues were a common pain point as well as the challenge of adhering to the latest social distancing guidelines in manufacturing environments, while still “keeping the lights on.” Adding shifts with fewer employees present per shift was a solution a few members mentioned.

What made this roundtable different from so many others was the urgency and immediacy of the topic, **Innovation in Turbulent Times**, and the unprecedented nature of the discussion. While introducing themselves, several members shared that their organizations had essentially tabled previous manufacturing plans to pivot and develop or refine products to help combat the spread of COVID-19. Several noted that they were **now** manufacturing supplies like aprons, goggles, masks and ventilators to aid healthcare workers. One member noted that his company was keeping essential manufacturing production going, but adding other products and services to the mix to help the government.

As a member stated, “A crisis is a terrible thing to waste.” It was also observed that there will likely be “new opportunities after we help,” based on the “new normal” to come. Many of the members expressed pride in their leadership and team as they shifted gears to brainstorm, test

and produce new products. A member spoke for most when he said: “Although stressful, the current situation is “challenging and invigorating and we are very proud of our team.”

### **Preparing for the “New Normal”**

When Moderator Mary Michael asked, “*What is your company doing to combat the outbreak?*” answers included donating materials for ventilators and making new healthcare products as previously discussed. One member company was exploring and preparing for the very real possibility of quickly setting up their factory for new products. Supply chain issues were also addressed. As noted, if the supply chain is long, it’s important to make sure that the “suppliers of your suppliers” follow safety regulations and are in full compliance too.

The importance of being proactive in coming up with solutions and services was highlighted. As many members learned from clinicians, if you wait to just react, it’s probably too late. A peer-to-peer discussion forum about challenges and potential solutions (like the Growth Innovation Leadership Council Roundtable) was another popular resource recommended by members.

The Moderator also asked the members, “*What’s going to happen in future, there all these home workers now...what will the new normal be? In industry? In life?*” The members believe that the current crisis will be a tipping point for healthcare in the form of telemedicine. Specifically, the COVID-19 pandemic will likely accelerate the ways artificial intelligence (AI) transforms the healthcare system. We will see remote monitoring tools and well-care applications powered by AI tested and applied sooner rather than later. Hybrid healthcare models combining virtual visits and AI-powered diagnostic tools with brick and mortar healthcare delivery could also be leveraged soon. These new approaches will cost less too.

The members agreed that teleconferencing, home delivery services, virtual learning and home-based entertainment will continue to be in demand. Electronic textbooks and first-release online movies from major studios were two specific examples discussed. Smart organizations will create new services, products and platforms to address these new lifestyle realities and will explore adjacent spaces for innovation.

A brief summary of member insights can be found below:

### **Key Discussion Take-Aways**

- ✓ Prepare for the “new normal” brought on by the pandemic and innovate new products and services accordingly
- ✓ The transition to telemedicine will accelerate and will include faster adaption of AI-powered healthcare tools
- ✓ A large remote workforce will require reliable, secure and high speed network connections including 5G cellular capabilities at home as never before
- ✓ Demand for online services for food, education and entertainment as well as work tools will continue to grow
- ✓ Organizations that are proactive and “meet customers where they are and where they are going” will win

## **Embracing Emerging Innovation Opportunities**

Assessing the big picture, another member noted that the current large remote workforce will challenge the existing technology infrastructure. More investment in high-speed network connections in homes will be needed, and this will result in an even bigger push for cellular 5G capabilities and better tools for remote access systems. There will also be a need for better cyber-security in home offices.

No doubt, there will be many near and long term product and service innovation opportunities due to mandated social distancing and other life changes wrought by COVID-19. It is important to embrace these nascent and numerous opportunities for creativity and innovation, and meet customers “where they are”... and where they are likely going, too.

4/2020

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