

An aerial photograph of a triathlon triage swim. Several athletes in black wetsuits and white swim caps are swimming in clear, turquoise water. They are arranged in a loose line, with some splashing more than others. The water's surface is textured with ripples and small waves.

The 2025 Top Growth Challenges for Biopharma



The CapSys Re-Thinking
BioPharma survey report

Introduction

In December 2024, CapSys Group launched a survey to executives in Biopharma to explore the importance of critical internal and external industry challenges and how prepared organizations feel they are to address them.

This report synthesizes insights from the "2025 Growth Challenges in Biopharma" survey, capturing feedback from 70 respondents across marketing, medical, market access and other functions. In addition, it highlights actions that biopharma teams are taking as well as our thoughts on the "Transformative Ideas" that biopharma leaders should consider for their most significant challenges going forward.

In future reports, we will examine on a topic-by-topic basis the deeper implications of these findings and our recommendations. Stay tuned for further insights into the most impactful perspectives for you.

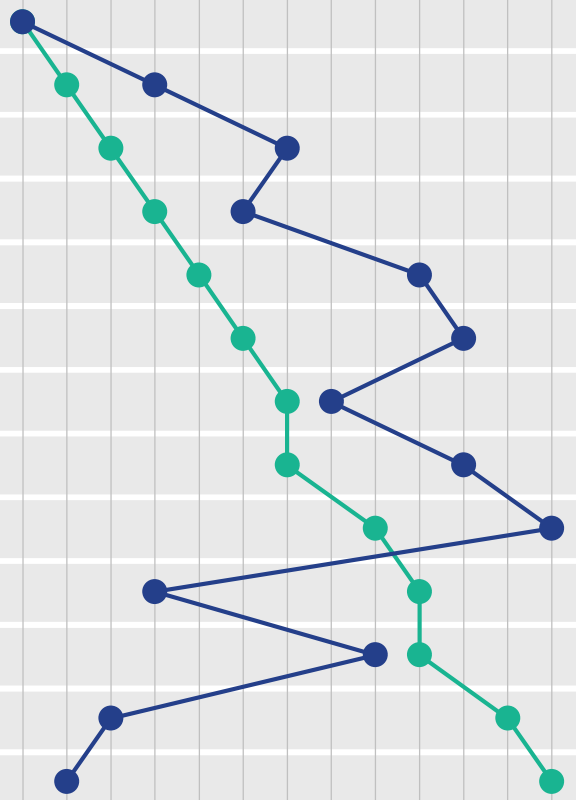
Survey Findings – Key Highlights

- Internal challenges dominate the landscape, with respondents indicating a pronounced gap between importance and level of preparedness.
- External pressures, such as pricing scrutiny and the growing complexity of the stakeholder landscape, remain critical but are relatively better managed.
- Transformative opportunities lie in digital integration, cross-functional collaboration, talent development and managing change better.

Rank of challenges with regards to Importance and Well equipped

E6	Addressing the needs of the evolving and increasingly complex stakeholder landscape in the pharmaceutical market
E3	Addressing and managing the pressure and scrutiny from governments, payers and the public to justify the high prices of new drugs.
I1	Enabling and ensuring effective cross-functional coordination and internal communication among functions to align strategic goals and expectations.
I2	Making trade-off decisions and allocation of resources (financial, human, and technological) amidst budget scrutiny.
I3	Managing and integrating data and information from various internal and external sources to generate insights to take strategic decisions.
I4	Attracting, developing and retaining skilled professionals in a competitive industry.
E4	Managing and overcoming the complexities and costs to successfully develop and bring to market precision or personalized medicine.
E7	Adopting and integrating digital and AI technologies into existing processes
I5	Managing change in the organization while implementing new processes and technologies.
E2	Positioning yourself relative to increasing competition, as new launch products target smaller patient pools within more fragmented disease areas.
I6	Establishing and tracking the right set of key performance indicators (KPIs) to measure success in addressing growth challenges.
E5	Addressing the operational complexities and costs related to meeting sustainability standards including equitable global healthcare access.
E1	Mitigating the impact of increasing competition from generics and biosimilars on market share and price points.

1 2 3 4 5 6 7 8 9 10 11 12 13



Importance: 1: Highest importance and 13 lowest importance

Well equipped: 1: Most prepared, 13 Least prepared

Prepared

Importance

Lets' start with the good news... Leaders feel ready to manage their two most important external challenges:

In the evolving biopharma landscape, leaders face a range of challenges that test their strategic and operational capabilities. Among these, two stand out in our survey results for scoring highly for both importance and level of preparedness. These challenges not only shape the external perception of the industry but also demand a proactive approach to sustain stakeholder confidence. Below, we explore these challenges, why they are essential, and what companies are already doing and need to continue doing to stay ahead.

Addressing and managing the pressure and scrutiny from governments, payers, and the public to justify the high prices of new drugs

1

Not surprisingly, 88% of the respondents rated this challenge as important or very important because of the obvious impact on patient access and revenues. Governments and payers are increasingly demanding transparency and value-based pricing models, while public opinion often places significant pressure on companies to justify costs. At the same time, a sizeable share of 46% of leaders feel well- or very well equipped in this area which is testimony of the investments and efforts that have been made by many companies to upskill the Market Access functions and their proactive adoption of innovative pricing strategies, real-world evidence generation, and close collaboration with payers and policymakers.

What industry players have done



- Made significant investments in skilling up their market access teams to address pricing challenges with creative strategies,
- Invested in health economics and outcomes research (HEOR) to provide compelling data on cost-effectiveness,
- Enhanced collaboration with government bodies and advocacy groups to ensure alignment on shared goals for healthcare access and affordability.



Addressing the needs of the evolving and increasingly complex stakeholder landscape in the pharmaceutical market

2

As the pharmaceutical market’s stakeholder landscape has grown increasingly multifaceted, 8 out of every 10 respondents rated this challenge as important. Companies recognize the need to develop tailored engagement strategy to build trust, meet diverse needs and align on mutually desirable outcomes. 6 out of 10 leaders feel confident in managing these complexities due to their investment in stakeholder engagement capabilities and robust communication strategies.

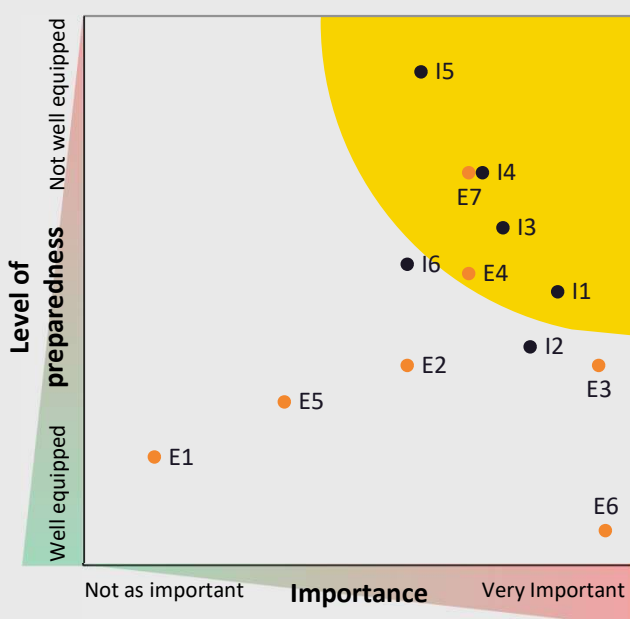
What industry players have done



- Developed targeted engagement plans to address the unique priorities of each stakeholder group,
- Utilized digital tools and platforms to enable real-time communication and feedback loops,
- Fostered patient-centric initiatives to ensure therapies meet unmet medical needs and improve quality of life.

And now for the downside... Leaders feel relatively ill-prepared to meet a host of other major challenges:

Our analysis captured the most significant “pain points” for respondents in 2025, i.e. their most important challenges for which they feel relatively ill-equipped to address them effectively.



- E4** Managing and overcoming the complexities and costs to successfully develop and bring to market precision or personalized medicine.
- E7** Adopting and integrating digital and AI technologies into existing processes (e.g., Clinical Development, Real-World Data integration, market research, etc.).
- I1** Enabling and ensuring effective cross-functional coordination and internal communication among functions such as R&D, regulatory affairs, medical affairs, market access, marketing and sales to align strategic goals and expectations.
- I3** Managing and integrating data and information from various internal and external sources to generate insights to take strategic decisions.
- I4** Attracting, developing and retaining skilled professionals in a competitive industry.
- I5** Managing change in the organization while implementing new processes and technologies.

Effectively addressing **external challenges** remains a pivotal factor for success in biopharma. These challenges demand a combination of strategic foresight, operational agility, and collaborative innovation. However, the survey results indicate that respondents feel particularly ill-equipped in certain critical areas, which threatens their ability to respond to evolving market dynamics and stakeholder expectations. Below, we delve into these challenges, explore their implications, and offer actionable insights for improvement that should be considered by all BioPharma companies.



Managing and overcoming the complexities and costs to successfully develop and bring to market precision or personalized medicine

3

Despite the transformative potential of precision medicine, organizations face significant hurdles in scaling its development and commercialization. While 83% of respondents see the importance of the challenges, only 41% feel well equipped to address it. Complexities in regulatory approval, integration of companion diagnostics, access to testing, and balancing cost pressures are key barriers. Marketing and Market Access respondents in particular felt ill-equipped to address these complexities.

Actions industry leaders are taking



- Equipping local and regional teams to develop and engage earlier in cost-effective market-shaping to ensure market readiness at launch,
- Adopting innovative financing and pricing models to balance affordability with value creation,
- Building strategic alliances with diagnostic and technology partners to enhance ecosystem capabilities

The Transformative Idea: Hyper-Customized GTM models

The realization that the “hospital channel” (hospital-based physicians) differs fundamentally from the “retail channel” (office-based physicians) reshaped pharma’s GTM strategies in the late 20th century, requiring distinct business models, data, promotional activities, and, as needed, teams. Precision medicine (PM) presents a similar seismic shift, calling for hyper-customized GTM approaches to address the myriad varieties of technologies and treatment paths we see across the PM spectrum. We encourage biopharma leaders to ask if the PM therapies in their pipelines require bespoke business and GTM models to achieve their potential.



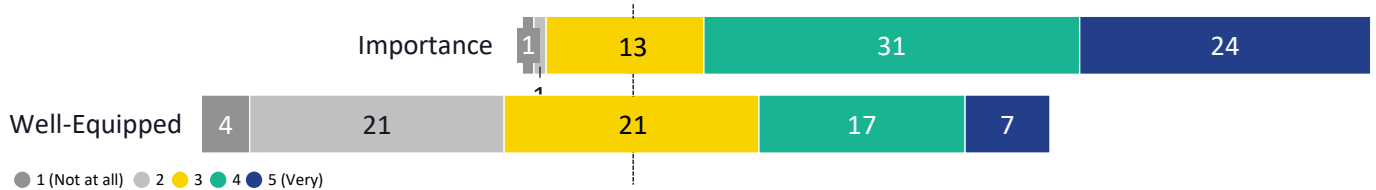
- If the technology is particularly disruptive or immature, we note that legacy GTM structures will likely be insufficient.
- In such cases, the principal challenge is to organize and deploy company resources to best balance critical bespoke GTM capabilities with economies of scale that ensure competitiveness.
- The organizational implications are profound and may call for greater centralization or decentralization of resources than many companies have historically practiced.
- We believe regional organizations have a key role to play in PM GTM strategy and preparation. Many country OpCos are simply too understaffed to engage in this level of launch strategy and preparation unaided, while global teams are ill-equipped to handle the specificities of any markets but the largest.

Adopting and integrating digital and AI technologies into existing processes

4

The next major industry revolution is seen as very important by 79% of respondents. Despite the highly publicized potential of digital and AI technologies to enhance operations and drive innovation, 66% of respondents feel their company is not well prepared to leverage it. This is due to fragmented data systems, the extremely fast pace of change and cultural resistance and, last but not least, a lack of understanding and alignment of what might be the most promising and value creating use cases, in particular for AI.

Adopting and integrating digital and AI technologies into existing processes



Actions industry leaders are taking



- Developing a robust digital transformation strategy that prioritizes scalability and interoperability,
- Investing in comprehensive training programs to build cross-organizational skills to understand the potential of AI and build capabilities to correctly leverage AI and other breakthrough technologies across the lifecycle,
- Establishing cross-functional taskforces to find relevant use cases, ensure alignment and buy-in for AI initiatives.

The Transformative Idea: A Multi-dimensional Approach to AI Integration



As the advent of PCs and the internet transformed enterprises, workplaces and employee activities, AI is set to fundamentally reshape how individuals and companies organize themselves for work. We hold that developing and integrating AI strategies requires careful reflection and planning that simultaneously account for 'people-centric,' 'enterprise-centric,' and 'customer-centric' dimensions.

- The people-centric dimension involves analyzing and defining how individual roles and performance expectations will change as AI tools are adopted. Without this reflection upfront, companies will be hard-pressed to avoid significant workforce disruption and unanticipated upskilling needs.
- The enterprise-centric dimension calls for leaders to adopt sound frameworks and decision-making practices to ensure AI initiatives align with corporate goals and strategy, such as reducing R&D timelines and improving operational efficiency, while adhering to strict regulatory and data security requirements.
- Finally but most importantly, the customer-centric dimension involves systematically evaluating AI initiatives from the standpoint of value-to-the-customer.

Addressing **internal challenges** in biopharma is often a complex endeavor, as these issues typically require a combination of cultural shifts, process overhauls, and successful implementation of advanced technological solutions. Our respondents indicated their companies face a number of highly important internal challenges but are vulnerable or ill-prepared to meet them. Below, we examine these pressing concerns and offer actionable insights to bridge the readiness gap.



Managing and integrating data from various internal and external sources to generate insights to take strategic decisions

5

The integration of data remains a foundational challenge for strategic decision-making and 84% of respondents felt it was very important. However, only 4 out of every 10 respondents felt well-equipped as companies often grapple with siloed systems and inconsistent data governance, which impede their ability to leverage insights effectively. Additionally, the potential of AI to automate data analysis and uncover hidden insights is underutilized by many organizations.

Actions industry leaders are taking



- Implementing enterprise-wide data governance frameworks to ensure consistency and accuracy,
- Leveraging advanced analytics platforms and AI-driven tools to consolidate and analyze data efficiently,
- Training teams in AI applications to enhance their ability to interpret complex datasets and drive faster, more informed decision-making.

The Transformative Idea: Reimagined Organizational Models for the Data Function



AI and other emerging technologies are redefining the “data function” organizational models best suited to drive successful data strategies. The choice of model will determine which companies effectively leverage these technologies to drive performance—and which fall behind. Success hinges on identifying a structure that not only enables seamless information sharing and cross-functional collaboration but also accommodates the unique needs of varying therapeutic areas. More fundamentally, companies need to rethink the Mission, Vision and Purpose of the data function in the context of the overall enterprise.

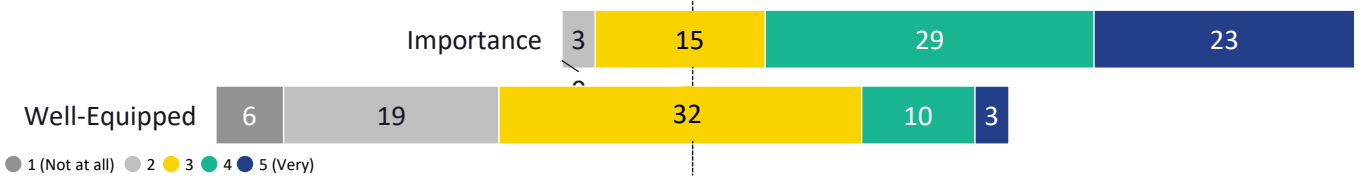
- Should leaders opt for centralized or distributed organizational models? In centralized models, how can they balance the flexibility needed to address the unique requirements of varying therapeutic areas?
- More broadly, how empowered should the “data function” be? Is its role to deliver insights to other decision-makers, or to actually direct strategic decision-making across R&D, Commercial, and Operations? And given the potential of AI to automate work, how empowered should the data function be to drive execution?

Managing change in the organization while implementing new processes and technologies

6

Organizational change is often met with resistance, making it challenging to implement new processes and technologies effectively. While this is not new, this traditional resistance is being aggravated by the extremely high pace and uncertainty associated with AI. Companies struggle to achieve employee buy-in, maintain productivity during transitions, and sustain change over the long-term. This is why 74% of respondents see the importance of this challenge but only 2 out of every 10 respondents feel their company is well-equipped to address it. A structured approach to change management is necessary to overcome these hurdles but isn't a guarantee of success.

Managing change in the organization while implementing new processes and technologies



Actions industry leaders are taking



- Developing a comprehensive change management strategy that includes clear communication plans and stakeholder engagement.
- Monitor and measure the impact of change initiatives to ensure continuous improvement

The Transformative Idea: Adaptive Change Management



In an industry landscape that is evolving at breakneck speed, traditional change management—anchored in large, branded change programs—often falls short. These initiatives struggle to keep pace, frequently losing relevance before they can deliver results. A more effective approach embraces smaller, adaptive leaps in multiple directions, allowing organizations to stay aligned with continuous change and new technologies.

- Can leaders create a compelling narrative for change that holds up even in the face of inevitable bumps in the road (and counter narratives)?
- How can companies avoid initiative fatigue while pursuing frequent and iterative change management efforts?

Enabling and ensuring effective cross-functional coordination and internal communication among functions to align strategic goals and expectations

7

Siloed operations, competing objectives, and misaligned incentives frequently impede cross-functional collaboration, resulting in inefficiencies and strategic disconnect. The survey results indicate that 83% of respondents consider this challenge significant. Particularly among marketing professionals, it is evident that organizations continue to struggle with addressing the structural and cultural barriers hindering cross-functional coordination. Only 39% of respondents feel well equipped to tackle these issues, despite effective coordination being a crucial driver of competitiveness.

Actions industry leaders are taking



- Introducing integrated project management tools to streamline workflows,
- Establishing shared KPIs to foster alignment across departments,
- Creating cross-functional hubs with shared priorities, transparent workflows, and dedicated leads to break down silos and improve collaboration.



The Transformative Idea: Multi-stakeholder Governance Models

At the core of cross-functional collaboration challenges are governance and decision rights. Organizations should pursue multi-stakeholder governance models that are sufficiently streamlined to allow for “same as or better” execution and workflow, while also ensuring that “the commercial voice” has an influence on TPPs and CDPs.

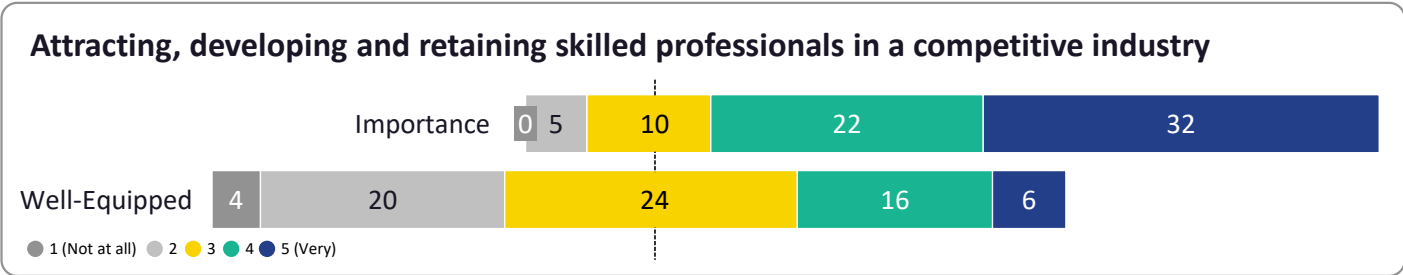


- Could AI or other emerging technologies be leveraged to dynamically allocate decision rights across functions and streamline multi-stakeholder governance?
- What bold experiments could companies run to test entirely new governance structures that prioritize speed, innovation, and stakeholder alignment simultaneously?

Attracting, developing, and retaining skilled professionals in a competitive industry



8 out of every 10 respondents consider this very important, as the dynamic landscape of the industry has heightened competition, making it challenging for companies to attract, develop and retain leadership talent required to drive innovation and growth. Thus, more than a third of respondents feel their company is not, or not at all, equipped to address this challenge. The root cause of this problem for big companies is the skeleton HR teams that many of them have, in the wake of the past decade’s HR Transformation programs, established. HR is often no longer equipped to effectively fulfill its strategic role to attract, develop and retain people and, as a result, this responsibility is often pushed into the line. However, line leaders often do not receive the leadership development nor feel the empowerment to be skilled at this.



Actions industry leaders are taking



- Enhancing employer branding to position their organizations as leaders in innovation and opportunity.
- Developing two-way mentor-mentee programs to nurture internal talent at all levels.
- Leadership development programs that help managers become strong leaders and enhance their ability to develop others
- Offerings career plans and strong cultures that inspire strong talent to stay with the company
- Re-thinking their working models to align with Gen Z/Millennial work-life expectations

The Transformative Idea:

Strategic HR Teams – Small, Skilled, and Essential

To meet today’s hyper-competitive market for top talent, organizations must rethink their recruiting, people development and retention approaches by reinvesting in small, business-savvy, and highly skilled Strategic HR teams. These teams, operating at the regional level, can drive coherent strategies for recruitment, training, leadership development, talent management, and retention—ensuring HR once again becomes a critical driver of organizational success.



- How can Strategic HR teams leverage data and insights to create more coherent and impactful recruitment and retention strategies?
- How can learnings from regional teams be distilled and systematically shared globally to drive improvements at both local and global levels?

Call to Action

Contact Us

If you want an in-depth discussion on the gathered insights of this survey or a conversation on how to address your organization's unique growth challenges with solutions tailored to your particular needs, please get in touch with the authors.



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Partner with CapSys

CapSys Group, a boutique strategy consulting company focused on Life Sciences, is committed to push the envelope in Biopharma's commercial strategic thinking by addressing the most pressing growth challenges and identifying the success requirements in BioPharma for today and tomorrow. With the RE-THINKING BioPharma program, we have started a major insights generation initiative that supports industry leaders in their critical decision-making for the coming years.

For latest insights, visit our website [CapSys Group - Insights](#)

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Appendix

Appendix 1:

Survey methodology

- The survey asked respondents for their role, remit (Global, Regional, Local), region (NA, Eu, MEA, etc.), and company size to start.
- Respondents were then asked to score 13 challenges (shown below) along two dimensions.
 - How Important is the challenge to them/their company? (1 to 5, 1 being not of importance and 5 being of the highest importance)
 - How Well-Equipped is their company to handle the challenge? (1 to 5, 1 being 'we are not at all equipped' and 5 being 'we are very well-equipped')

External Challenges

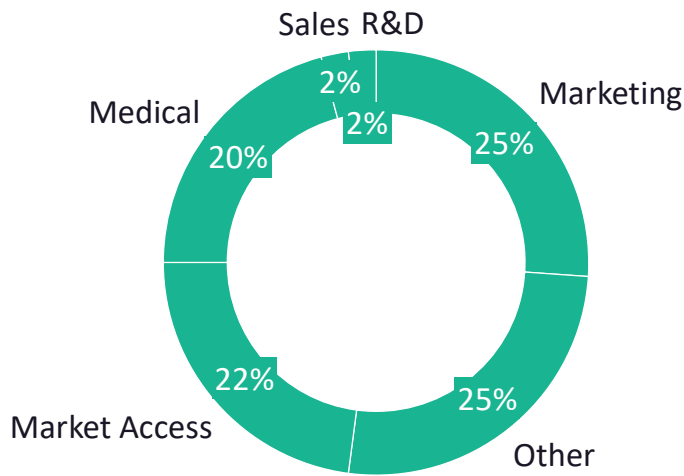
- E1. Mitigating the impact of increasing competition from generics and biosimilars on market share and price points.
- E2. Positioning yourself relative to increasing competition amongst originators on market share, as new launch products target smaller patient pools within more fragmented disease areas.
- E3. Addressing and managing the pressure and scrutiny from governments, payers and the public to justify the high prices of new drugs.
- E4. Managing and overcoming the complexities and costs to successfully develop and bring to market precision or personalized medicine.
- E5. Addressing the operational complexities and costs related to meeting sustainability standards (i.e. environmental, social and governance factors) including equitable global healthcare access
- E6. Addressing the needs of the evolving and increasingly complex stakeholder landscape in the pharmaceutical market (patients, physicians, payers, HTA bodies, regulatory bodies, etc.).
- E7. Adopting and integrating digital and AI technologies into existing processes (e.g., Clinical Development, Real-World Data integration, market research, etc.).

Internal Challenges

- I1. Enabling and ensuring effective cross-functional coordination and internal communication among functions such as R&D, regulatory affairs, medical affairs, market access, marketing and sales to align strategic goals and expectations.
- I2. Making trade-off decisions and allocation of resources (financial, human, and technological) amidst budget scrutiny.
- I3. Managing and integrating data and information from various internal and external sources to generate insights to take strategic decisions.
- I4. Attracting, developing and retaining skilled professionals in a competitive industry.
- I5. Managing change in the organization while implementing new processes and technologies.
- I6. Establishing and tracking the right set of key performance indicators (KPIs) to measure success in addressing growth challenges.

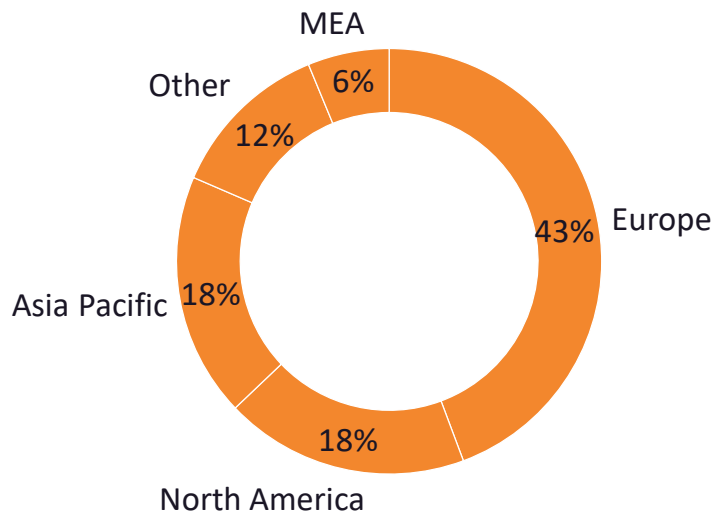
Appendix 2:
Overview of respondents:

In which function do you work?



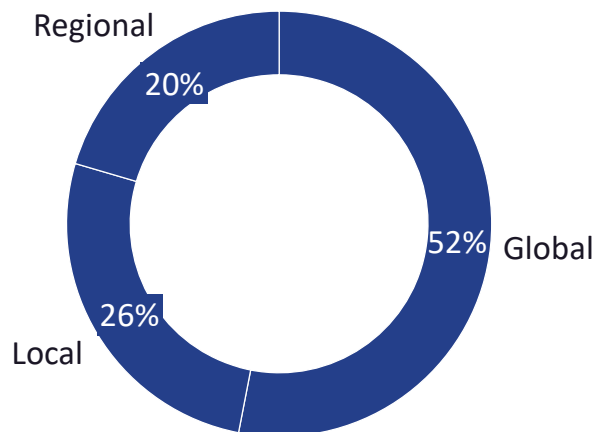
N=70

In which region?



N=70

What is the remit of your responsibility?



N=70



We solve it.

