



“Ain’t No Sunshine” FOR BRAND MANAGERS

Is your speaker bureau ready for the Sunshine, or does it need a redesign?

As the Sunshine Act kicks into effect, pharma product managers and their brand teams may feel some heat from this legislation, but there are steps that can be taken to avoid sunburn and emerge from this marketing game-changer with a healthy glow. With this legislation as the catalyst, now is the time to evaluate speaker bureau program effectiveness and reassess the approach to engaging thought leaders.

Under the Microscope

The Physician Payment Sunshine Provision is scheduled to go into effect sometime this year, 90 days after the Centers for Medicaid and Medicare Services (CMS) finalizes the regulations. Approximately one year from now, the first disclosure reports mandated by the provision will be due, requiring all pharmaceutical companies, device manufacturers, hospitals, and related healthcare organizations to disclose payments exceeding \$10 per program, or \$100 per year, provided to physicians and teaching hospitals.

Externally, the new provision may invite historic levels of scrutiny — legislative, media, and public — of perceived conflicts of interest between industry and physicians, especially key opinion leaders (KOLs). Every dollar spent on food, honoraria, consulting arrangements, and educational gifts could be questioned, however legitimate.

In a wave of preparation that recalls the risk mitigation measures implemented to address Y2K issues a dozen years ago, the pharmaceutical industry is engaging accounting, legal, and regulatory firms and consultants to ensure compliance.

Effective compliance platforms will fuse data matching and aggregation technology with regulatory and compliance expertise, enabling companies to track and integrate ex-

penditures from multiple sources. The optimal recording process may alert brand managers to red-flag expenditures, whether incurred by the internal project team, field personnel, or third-party vendors, allowing time to reassess and adjust programs as needed. Internally, compliance and spend reports to management would be readily available to brand managers, senior executives, and compliance officers, giving every program increased visibility throughout the organization.

While tools exist to help ensure compliance, for marketers there is a gap in this tool kit. Internally, physician-level expenditure transparency may put marketers in the hot seat, defending spend decisions to senior management who are looking for measured value from KOL professional relationships and programming. Demonstrating the value of speaker bureau initiatives comes down to one thing: positive ROI. Studies continue to reflect that more relevant engagement with customers is desired by physicians and also acknowledged as important by manufacturers; but there is a disconnect. The disconnect is how to effectively optimize programming to drive engagement, reduce costs, and increase postprogram productivity and ROI.

Is Your Speaker Bureau Ready for the Sunshine, or Does it Need a Redesign?

For decades, brand managers have relied on the expertise, credibility, and global recognition of KOLs in shaping discussions and ultimately effecting practice activity. Traditionally, marketers have also relied, to a great extent, on field representatives to identify thought leaders in their markets to participate in promotional speaker programming activities, based on such subjective criteria.

Under the new compliance reporting procedures, continuing down this path could lead

to the following, admittedly worst-case scenario:

- Dr. Jones presided at nine different educational programs in one year’s time.
- His compensation for this participation was very high.
- The local daily newspaper has access to this information and reports it on the front page.
- Dr. Jones is now embarrassed and angry at the company, as is his institution.
- The company CEO is not pleased either because it is evident that Dr. Jones’s involvement has not generated sufficient ROI.

Although the scenario above is a lose-lose proposition for the brand manager, the Sunshine era may also present opportunities.

“Brand teams are in a unique position, because in many ways they are the voice of the pharmaceutical manufacturer and often serve as a company’s main mechanism for sharing its message and product information with customers,” says Christine Bradshaw, Director of Regulatory and Compliance Services for Porzio Pharmaceutical Services, LLC, which provides a portfolio of consultation and subscription services to support pharmaceutical, biotechnology, and medical device manufacturers. “With the Sunshine Act, they have an opportunity to create new and better relationships with healthcare professionals on the foundation of cooperation and communication about disclosures and transparency.”

With the Sunshine Act as the catalyst, brand managers can effectively evaluate their speaker bureau and reassess approaches to engaging thought leaders to generate the value expected.

Community Relevance for ROI

Generally, the industry accepts that physicians seek the opinions of KOLs. This acceptance combined with the unacceptable ROI of

Contributed by



AL REICH, Chief Commercial Officer, Qforma

some programming initiatives has prompted innovation leading to more sophisticated approaches to speaker bureau optimization. The accepted approach is based on a simple concept: identify national or regional opinion leaders with perceived influence and include them as speakers to influence others. While this approach does deliver influence, does influence alone induce an actual change in behavior?

Studies now show that when it comes to actual behavior change, it is much less about the notoriety of the speaker and more about the relationship between the audience member and the speaker.

When we think of social networking concepts in our personal behavior, this begins to make sense. Contrary to the media attention and hype, social networks are not new. Individuals have always clustered themselves into groups based on different types of relationships. Social networks are simply the online manifestation of our natural social behavior.

Studies of speaker program engagement and changes to practice behavior pre- and post-program have provided compelling results,

demonstrating that when it comes to motivating a behavioral change, it's more often the network that makes the difference, not the speaker. And, in case after case, when the speaker is a trusted member of the attendee's peer network, the increase in postprogram productivity is significantly higher than when the audience has no network connectivity to the speaker.

Why? Physicians do not practice medicine in a vacuum. They work in networks, and it is networks that influences behavior, and for some the networks are specific to a disease state or condition. A physician, for example, will seek the guidance of different trusted peers based on the decision at hand. For example, if a primary care physician is considering new therapies for diabetes, she may consult with Dr. Smith; but, for guidance in COPD, her go-to resource will be Dr. Green. Medicine is practiced in networks, and in each network, the connectivity between individuals can be loose or close — in other words, not all relationships are equal. The network itself determines how the individuals in it are influenced.

It may be obvious, but when contemplating changing behaviors, we often look to others for guidance. Our networks structure who we ask: who knows whom; the strength or magnitude of the connection between individuals and the individual's experience.

Reassessing speaker valuation and engaging a broader network approach to audience selection enables programming resources to be measurably optimized, resulting in positive ROI.

Although the Sunshine Act shines a spotlight on spending in the pharmaceutical industry, this new approach enables marketers to optimize speaker bureaus for positive ROI.

Brand managers who take steps today will be prepared to let the "Sunshine" in. **PV**

Qforma is a healthcare data analytics company and the leading provider of predictive modeling and physician social networking technologies for health sciences companies.

▼ For more information, visit qforma.com.