

Balancing Complexity and Compliance:

The New Reality for Life Sciences Events Management



Executive Summary

Events have long been a prominent communications vehicle for life sciences. But as opportunities for face-to-face meetings with physicians have dwindled, the importance of events is increasing. Scientific events are one now of the most important ways through which life sciences engages healthcare stakeholders – increasing the demand on companies to improve execution.

While the process for planning, delivering, and reporting on events has become more complex, the demand to simplify their support has intensified. But the technical capabilities needed to manage events have simply not kept up with the strategic and regulatory demands of this engagement channel.

Life sciences companies now face a potentially costly gap between events management requirements and current capabilities. U.S. regulatory agencies can fine companies who fail to accurately report transfers of value to healthcare professionals (HCPs) one million dollars per year, or more.¹

Many companies rely upon multiple, disconnected internal and external solutions to manage events. As a result, companies have to manually compile spend data which is time consuming and error prone. Another consequence of using multiple solutions to manage events is the inability to see how customers are engaged across events, which leads to inefficient use of speaker experts and attendees. Most importantly, without visibility into all channels of communication, establishing a customer-centric engagement strategy is next to impossible. This whitepaper will details a new events management approach for the automation, integration, and tracking of events data to improve event effectiveness, efficiency and compliance.

Industry planners estimate there are more than one million healthcare industry events per year, worldwide.

– Rowland Stiteler, *“The True Impact of Meetings”*

1. Latham & Watkins Corporate Department, “CMS Announces Final Regulations Interpreting the Physician Payment Sunshine Act,” Client Alert no. 1469 (February 18, 2013)

Evolution of events

Life sciences companies have always leveraged events as a valuable channel for medical communications. In the past, events were designed to increase brand awareness, communicate therapeutic benefits, and ultimately generate loyalty, often for blockbuster drugs with large patient populations. During these 'glory days,' budgets were generous, and restrictions were few. Often, events were held in addition to frequent in-office meetings between physicians and sales reps. All of this changed with the introduction of transparency laws.

Today events are even more important, because in many cases they have taken the place of meetings. The average life sciences company conducts more than 20 different types of events over the lifecycle of a drug, ranging from speaker programs to medical advisory boards to investigator meetings or trainings. In just the first five months of 2015, the industry spent \$547 million on travel, food, lodging and speaking and consulting fees for HCPs in the U.S. market alone. Worldwide, total life sciences event spending was estimated at \$3.5 billion in 2015.²

With the introduction of transparency regulations such as the Sunshine Act in the U.S. and new European Federation of Pharmaceutical Industries and Associations (EFPIA) rules in Europe, access to HCPs in their offices is dwindling — 47% of HCPs now see pharma reps in their office, down from 67% five years ago in the U.S.³ Life sciences companies have responded with new types of events to replace these one-on-one interactions. With the shift comes an increased urgency to integrate events with other engagement channels, to coordinate brand messages, scientific education, and stakeholder engagement activities, and to ensure reporting accuracy.

As a requisite for transparency reporting, companies must record the transfers of value for events, not only in some of the world's largest markets — US, EU, Japan, and Australia — but also in markets which require variations of regional rules, like France and Slovakia.

Failure to meet reporting requirements could be very costly. While inadvertent omissions can carry minor penalties, companies that knowingly violate the reporting requirements face fines between \$10,000 and \$100,000 for each incident.⁴ Events management is fraught with labor intensive processes, such as attendee and speaker tracking down to the smallest detail. There is a growing need to streamline processes which meet channel strategies and enable regulatory compliance.

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2. Rowland Stiteler, "The True Impact of Meetings" The Meeting Professional (June, 2015)

3. ZS Associates, Access Monitor (2015)

4. Latham & Watkins Corporate Department, "CMS Announces Final Regulations Interpreting the Physician Payment Sunshine Act," Client Alert no. 1469 (February 18, 2013)

How current approaches have failed to keep pace

Current technologies can be expensive and inefficient, and they are often built for the events management vendor and not the pharmaceutical company. The use of multiple systems, partners, and processes makes it difficult to maintain proactive, end-to-end transparency. Existing solutions may not match the best speakers with the right audiences, sometimes resulting in poor expert utilization. They also can involve too many handoffs — jeopardizing regulatory and corporate policy compliance as well as operational efficiency.

It is challenging to manage the full event lifecycle while complying with HCP spend transparency rules. Companies struggle to integrate data from a multitude of events vendors, from those who arrange travel for KOLs, to those who secure venues, to those who handle day-of-meeting management and reporting. Companies must select a vendor who meets most needs, customize that vendor's software for the particular event type, and manually tabulate spend across other events and partners. Only then can event managers gain visibility into current HCP transfer of value spend.

In addition, data-driven insights can drive best practices for engaging with healthcare professionals in the future. With a single view of the customer's activity across all events, commercial teams gain a deeper understanding of what kinds of content and activity would effectively engage HCPs in future interactions. But with data dispersed across external sources, life science companies find it nearly impossible to mine the rich insights they might otherwise gain. Clearly, they are missing a valuable opportunity to improve event productivity.

Siloed data also can delay payment to speakers, sometimes up to 90 days.⁵ And without a consolidated view of HCP engagement in various event types, there is no real-time accounting of how speakers and experts are being used, or how much budget is left for remaining events per quarter, per event type, or per locality.

Life sciences companies are held back by a lack of standardized processes to streamline planning, execution, and administration of events. There are far too many handoffs or duplication of tasks along the event management journey, posing additional efficiency and compliance challenges. Companies often lack the capability to update budgets in real-time. Instead, in many cases, they have to wait weeks or months after the event to receive events reports.

Finally, companies struggle to administer the content for events in a manner that balances their business objectives and the needs of the attendees, within the regulatory requirements.

5. Veeva Systems research

The case for a new events management approach

The life sciences industry, for too long, has had to rely on data systems developed by third-party event vendors that really don't meet their needs. Companies need a new approach to events management to maintain compliance and optimize efficiency.

A new approach must unite all data resources in a single source of truth, delivering control and visibility. Companies need a simple way to aggregate spend for HCPs within one event, across all events, by geography, and across all other engagement channels.

One of the advantages of bringing this function in-house would be to maintain ownership of events data across the enterprise. This would reduce handoffs between different vendors, platforms and stages along the event lifecycle. And resources typically used to supplement event administration would be freed up in the bargain.

A successful new approach to events management would not eliminate the need for outside events vendors. On the contrary, a new "vendor-neutral" approach would allow companies to work with the vendor that best fits their needs and matches the channel strategy.

Life sciences companies need a unified platform, integrating data sources updated in real time for event administration and speaker expert management. This approach ensures they are getting the most out of these investments. And they won't have to restrict HCP participation prematurely to avoid exceeding regulatory spending caps.

To improve efficiency and compliance for the events channel, life sciences companies should consider solutions that provide three key capabilities:

- 1. Real-time insights and updates across all events:** One platform to track and manage all event types, speakers and attendees across the enterprise provides visibility and control, and enables compliance within each event.
- 2. Complete visibility:** Seamless interoperability with an interaction management system brings together many different data sources, across all events and locations, for a multichannel view of customer interactions.
- 3. Single solution:** One platform, configurable to accommodate each event type, streamlines the management process by eliminating costly handoffs at each juncture in the event management journey.

Life sciences companies will continue to rely on vendors for logistics and compliance reporting. However, by separating the events technology capabilities from best-in-class services, life sciences companies will be able to optimize their investments in this channel to match their strategy.

One company's event management journey

A top twenty pharmaceutical company wanted a simpler way to maintain control of customer data across engagement channels, including the events channel. The organization tried solving the problem by customizing the CRM system to fulfill events management needs. In addition to the customization, some events were managed in partner solutions or on paper. Integrating the custom solution with partners' technologies would have been complex and costly, so the company chose to have its partners use the custom application in addition to their own technologies. This stop-gap approach resulted in an incomplete picture of customer interactions, creating challenges in maintaining budgets and compliance.

Acknowledging the need for a comprehensive approach, the company implemented an events management solution that was natively integrated into the CRM system. Now, events management logistics partners enjoy direct access to the events management solution. Since all partners are using the same solution, all events-related data automatically feeds into CRM, giving commercial teams a complete view of all their customer interactions in real-time.

Eliminating the burden of maintaining customized software, the pharmaceutical company got the events management processes it needed, integrated into a single data management system. The commercial team is empowered with a consolidated view into all event types, enabling it to confidently report on compliance requirements, manage event spending and optimize their engagement with speaker experts and attendees.

Conclusion

Current investments with events management platforms can be cumbersome — requiring many manual processes and threatening multiple breakpoints, with few proactive insights about the event speakers and attendees. Using multiple platforms requires additional work to aggregate event data across vendors, geographies, speakers, and attendees. The technologies are limited in offering real-time visibility into how many times a speaker has been used across events. The lack of platform integration leaves other unanswered questions, such as how much money is left in a department's event budget, or which available speakers are best matched with a particular therapeutic area and audience. This shortcoming hinders operational efficiency. Even more importantly, without visibility across all interactions to calculate total transfer of value, the company is at risk of regulatory non-compliance.

Companies that adopt a unified solution to manage the event lifecycle and supplement with the right service partners will have total visibility across all events, with the flexibility to choose the best vendor for each event. This streamlined, efficient approach will optimize speaker utilization and maintain compliance in all global markets.

Veeva CRM Events Management is a single solution to manage all event types that delivers better events with greater compliance. To learn more about the solution that brings your events data into multichannel view, [watch this video](#).

**About Veeva Systems**

Veeva Systems Inc. is a leader in cloud-based software for the global life sciences industry. Committed to innovation, product excellence, and customer success, Veeva has more than 450 customers, ranging from the world's largest pharmaceutical companies to emerging biotechs. Veeva is headquartered in the San Francisco Bay Area, with offices in Europe, Asia, and Latin America. For more information, visit www.veeva.com/eu.
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