WEBINAR EXECUTIVE SUMMARY

February 23, 2023

Scrip
Pharma Intelligence

Risk Reduction in the Life Sciences Industry: Content & Messaging Compliance in the Field

Parth Khanna, Co-Founder and CEO, ACTO
Kristin Letourneau, PhD, Vice President of Research, Citeline

Lori Ellis, Editor, Citeline (Moderator)

KEY TAKEAWAYS

1. To reduce organizational risk, frontline pharma employees must minimize the use of unapproved content and messaging in the field.
2. Managing unapproved content and messaging internally reduces the risk of it being reported externally.
3. Unapproved and inaccurate information endangers patient safety and creates compliance breaches.
4. World-class pharma companies develop a system of record for content, a collaborative culture, and an emphasis on messaging.
5. Although most pharma companies have the leadership commitment and resources to stop rogue field behavior, silos create major obstacles.

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OVERVIEW

On February 23, 2023, Citeline, formerly Pharma Intelligence, hosted a webinar with ACTO, a Life Sciences commercial learning and enablement platform provider, to discuss the use of unapproved content and messaging in the field. The webinar revealed the results of new research conducted by Citeline on behalf of ACTO, on the topic. The following is a summary of the panel discussion and the key takeaways.

The Topic:

Despite massive investments in marketing, learning, and sales enablement systems, many Life Sciences companies face the persistent risk of inaccurate and or unapproved messaging in the field. This rogue behavior usually stems from three issues: 1) many frontline employees don't truly understand the risk associated with using unapproved content and messaging; 2) the volume and complexity of content can be overwhelming; and 3) finding approved content and messaging is often difficult.

Given the results of the recent survey, content and messaging compliance may seem daunting, but the challenge is worth facing head-on. Success depends on building bridges among key stakeholders, using technology wisely, and equipping field teams with easy-to-access messaging that brings approved and valuable content to life.

CONTEXT

The panel consisted of Parth Khanna, Founder and CEO at ACTO and Kristin Letourneau, Vice President of Research at Citeline, who reviewed the results of the survey. They shared challenges faced by field teams in accessing Medical, Legal, and Regulatory (MLR)-approved content, consequences of not using compliant materials and messaging in the field, and strategies for overcoming these obstacles.

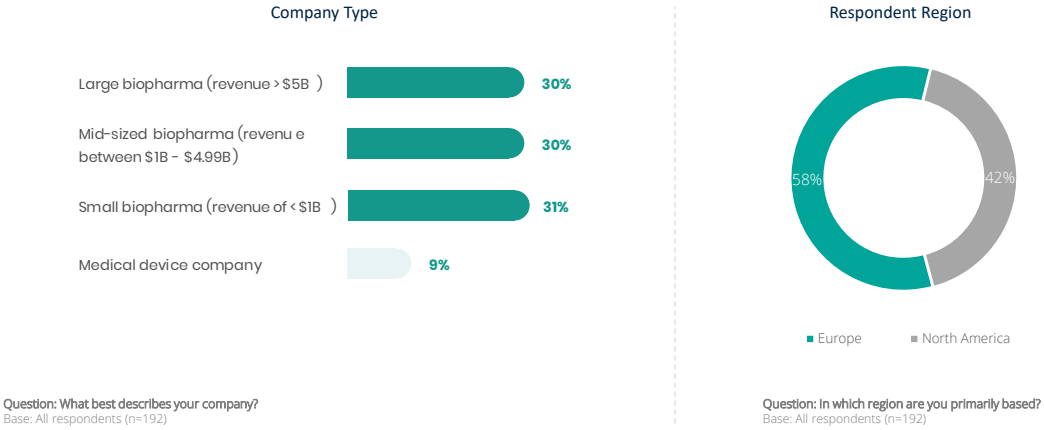
KEY TAKEAWAYS

In October 2022, Citeline conducted an online survey with commercial team members from biopharmaceutical and medical device companies in North America and Europe. The goal was to investigate the prevalence and impact of inaccurate content and messaging in the field.

Key aspects of the study design included:

- **Respondents participated anonymously.** Citeline received 192 completed surveys.
- **The sample was almost exclusively biopharma companies.** There was balanced representation among large, midsize, and small organizations.
- **A breadth of perspectives was gathered.** Approximately half of the respondents (46%) were individual contributors, while 54% were in leadership positions or had some managerial responsibility.

Figure 1: Company Type & Respondent Region



KEY TAKEAWAY #1: To reduce organizational risk, frontline pharma employees must minimize the use of unapproved content and messaging in the field.

Leaders recognize that inaccurate or unapproved content in the field is a significant problem. The survey found:

- Nearly three quarters (74%) believe that at least some of their field force is using unapproved content or messaging with healthcare providers (HCPs).
- Half of participants in leadership roles caught field reps using unapproved content weekly, monthly, or quarterly.
- While most individual contributors (66%) saw this behavior less than once a year.

The use of unapproved content and messaging introduces organizational risk. One factor considered by the panel is the revolving door of people in marketing, sales, and training roles at pharmaceutical companies. The average tenure in pharma sales training, for example, is around 15 months. Employees coming into roles on the commercial side can materially move the risk up or down.

Parth Khanna recommended two strategies:

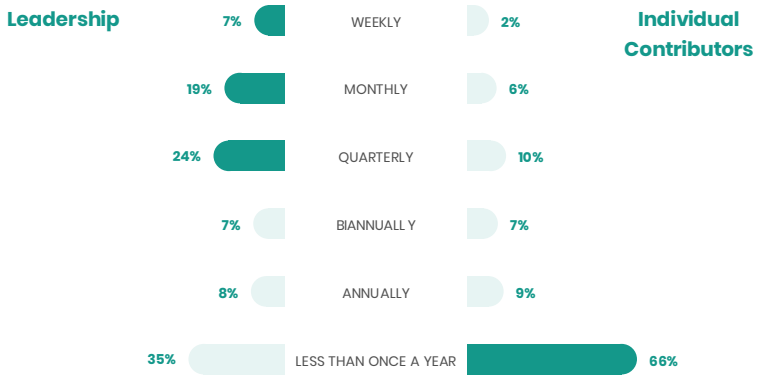
1. **Increase dialogue and collaboration across the organization.** Leaders must reach out to frontline employees to help them understand the risk and impact of rogue messaging. At the same time, people in frontline roles must ask their managers about risk and take responsibility to reduce it.

> "How do we build bridges and help people on the front lines understand what risk really means to the organization and why it's important?"
>
> *Parth Khanna, CEO, ACTO*

2. **Use technology and training as an enabler.** These tools can help compliance teams identify pockets of risk and get ahead of them. On the ACTO Life Sciences learning platform, for example, it is possible to see keywords that frontline staff search on. One client saw that many sales reps were searching training content for an indication that their particular drug was not approved for. This insight was invaluable for the Commercial Learning & Development (CL&D) team because they were able to take immediate action and intervene before reps went into the field speaking

to an indication for which their product should not be used. With this data, CL&D partnered with Compliance to proactively address the risk. The training team immediately launched remedial training, which set guardrails around what sales reps can and can't speak about.

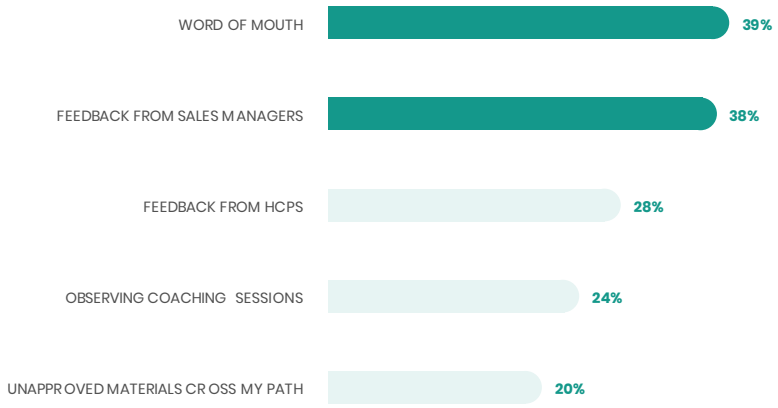
Figure 2: Incidents of Field Reps Using Inaccurate or Unapproved Content



KEY TAKEAWAY #2: Managing unapproved content and messaging internally reduces the risk of it being reported externally.

Survey respondents indicated that they typically discover field teams are using unapproved content or messaging via sales manager feedback or word of mouth.

Figure 3: Means of Discovering Field Team Use of Unapproved Content



When it comes to the use of unapproved content and messaging, the reporting source is important. Internal sources such as feedback from sales managers, observations from coaching sessions, or discovering unapproved materials when they cross your path aren't bad because they are controllable. External sources like HCP feedback and word of mouth, however, are uncontrollable and can negatively impact a brand.

Many Compliance teams are "tech timid," but, technology tools can reduce organizational risk. The webinar panelist discussed that it's important to keep in mind that:

- **Data can be a prophylactic measure that reduces compliance risk.** ACTO recently worked with a company that used verbalization practice as a way for sales reps to rehearse talk tracks for HCPs. ACTO conducted text and sentiment analysis on the verbalization. The text analysis was useful for compliance team members because they could perform keyword searches on hot topics and

"no-no phrases." Sentiment analysis was valuable for commercial team members because they wanted to reinforce emotive, patient-centric language, while also ensuring an accurate representation of their product to HCPs.

- **Companies must find the right balance when enabling commercial teams.** If compliance shackles commercial teams, the company may be out-competed in the market.

> "Feedback from sales managers and observing coaching conversations are powerful ways to get ahead of the risk associated with unapproved content and messaging. Once you do that, the external sources of risk will be minimized."
>
> *Parth Khanna, CEO, ACTO*

KEY TAKEAWAY #3: Unapproved and inaccurate information endangers patient safety and creates compliance breaches.

According to survey participants, the most concerning rogue behavior is use of unapproved content (45%), followed by referencing outdated information (35%). Respondents' single biggest concern related to field teams referencing inaccurate information is patient safety incidences.

Virtually all survey participants (93%) who encountered field reps using unapproved content indicated that it had a negative impact on their company. The most common consequences were compliance breaches, followed by legal challenges, failed regulatory audits, and damage to the company reputation.

ACTO has spoken with over 500 pharmaceutical companies over the past several years, and through this experience and exposure can tell when organizations have built a solid infrastructure, as well as robust systems and processes around content. That raises questions about why unapproved content, and more specifically messaging persists in the field. Two insights from the panel discussion:

1. **More emphasis is needed on messaging.** Some sales reps view content as dead-end marketing materials and aren't sure how to speak to them. Frontline employees need access to messaging in two clicks or 10 seconds, so they know how to speak to content at the time of need.
2. **Compliance teams must educate the organization about the impact of inaccurate information.** Compliance experts understand the strategic importance of accurate information for companies and patients alike; however, the research results show that not everyone has that knowledge. Compliance and Regulatory leaders must share that information and bridge the gap, specifically with commercial field teams.

Figure 4: Biggest Concern with Field Team Using Inaccurate Information

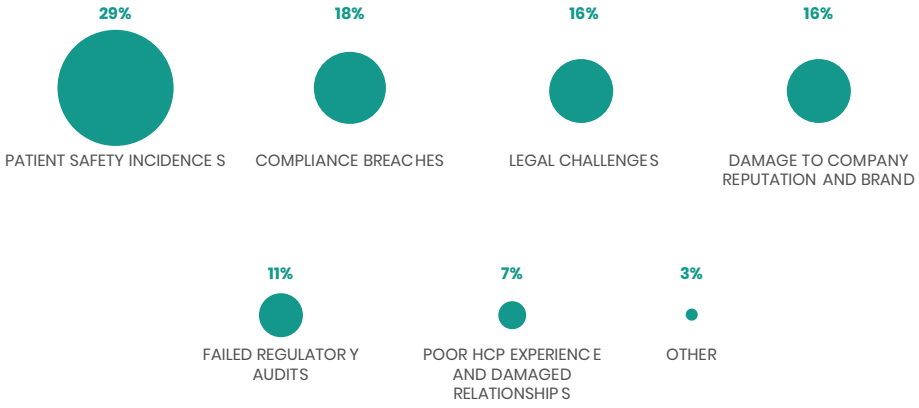
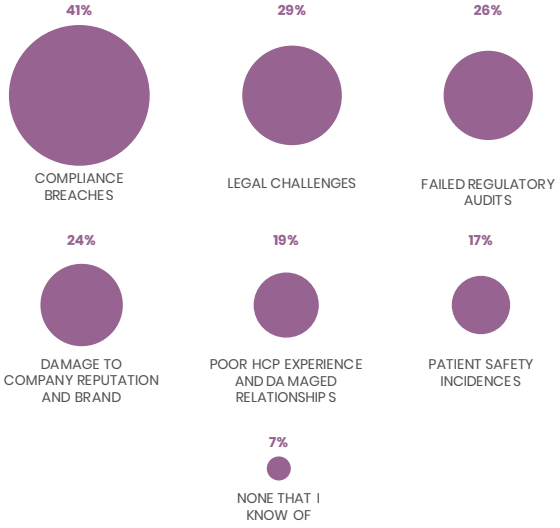


Figure 5: Consequences Experienced Due to Sharing Inaccurate Content



KEY TAKEAWAY #4: World-class pharma companies develop a system of record for content, a collaborative culture, and an emphasis on messaging.

According to survey participants, the main reason that field teams use inaccurate or unapproved content is because they aren't aware of the risks of doing so. In addition, teams are often overwhelmed by the volume and complexity of approved content and struggle to find what they need in the flow of work.

When it comes to the most effective strategies for eliminating the use of unapproved content, respondents look to a continuous learning culture and simplifying the way field employees find and digest information.

ACTO has found that world-class pharma companies take a three-pronged approach to ensure that frontline employees use accurate content and messaging:

1. **Implement a system of record for content.** This is typically hosted in the cloud and supports version control. Additionally, tagging content by diseases state, therapeutic area, or product name for instance, makes content easily searchable and ready for use with the right messaging at the right time.

2. **Encourage collaboration.** Organizations build out a modularized content journey which enables different stakeholders to collaborate. The latest and most accurate content is always easily accessible.
3. **Drive pull-through on the messaging.** This is where different departments must come together and break down silos to ensure message training continues in the field after a learning event.

Figure 6: Primary Reasons That Field Teams Use Inaccurate Content & Information

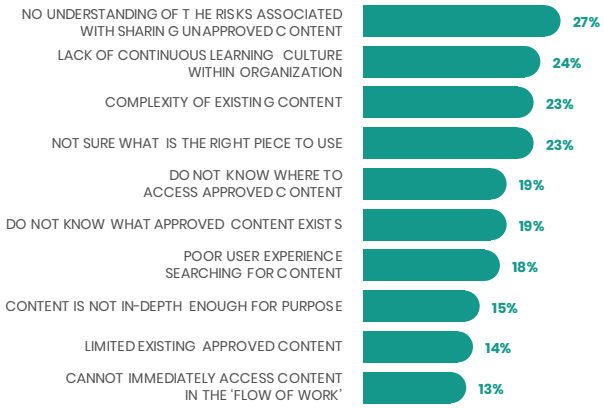
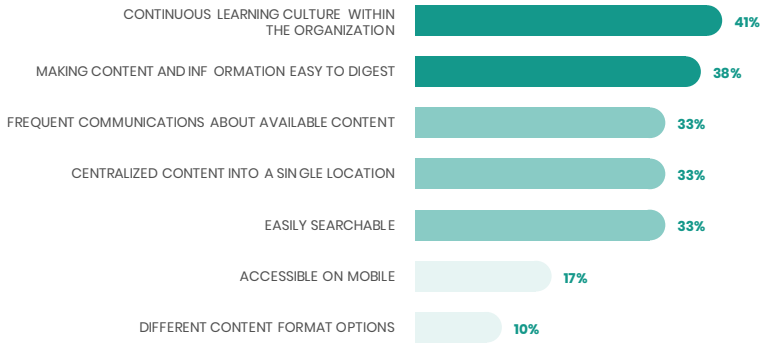


Figure 7: Most Effective Strategies for Eliminating the Use of Unapproved Content



KEY TAKEAWAY #5: Although most pharma companies have the leadership commitment and resources to stop rogue field behavior, silos create major obstacles.

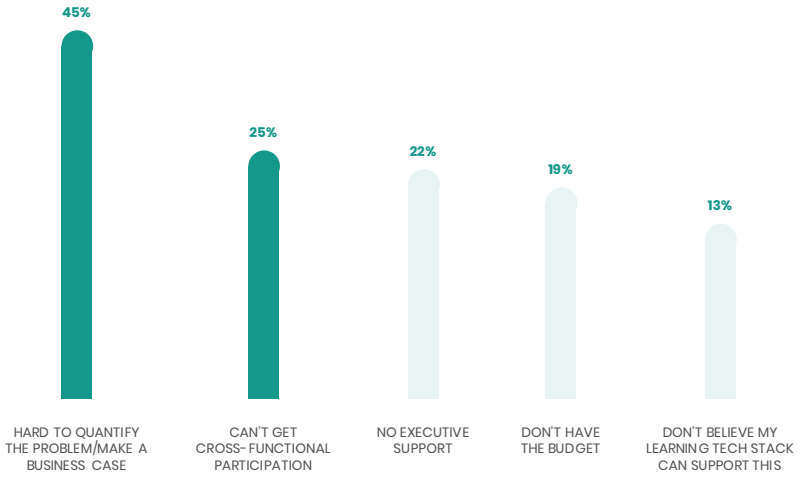
More than three quarters of survey participants (77%) felt they have the infrastructure, resources, and support to stop rogue field behavior and 83% said they have the necessary organizational and leadership commitment to make changes. At the same time, the respondents said the top obstacles to stopping rogue behavior were quantifying the problem and making a business case for change.

The panelists discussed that often, organizational silos fuel the complexity of change management. Brand teams typically own marketing assets, while CL&D teams own training, and Commercial Operations teams own messaging and coaching. If an asset is updated, the teams often fail to communicate this cross-functionally. As a result, training and coaching aren't based on the most current information. The panelists agreed that the best solution is to break down these silos.

Three best practices that can combat rogue behavior in the field are:

1. **Immediate training reinforcement.** Follow up with the key takeaways and summaries of training within 48 hours. This will reinforce approved content and messaging.
2. **Ongoing field interaction.** Various techniques can be used to help field teams retain and use the right content and messaging. Examples include scenario and video coaching, ride-alongs, and best practice sharing.
3. **Easy access to MLR-approved content.** On-demand access to material that is integrated into the flow of work reduces the likelihood that employees will use outdated or unapproved content and messaging.

Figure 8: The Biggest Constraints to Stopping Rogue Behavior



CONCLUSION

To solve the challenges associated with content and messaging non-compliance in the field, Life Sciences companies must clarify their messaging and make it easily accessible, break down silos between the cross-functional teams, and embrace technology. There's no reason to be tech timid; organizations can use training and learning solutions to ensure compliance without generating undue risk. It's also important to recognize that rich data resides in the CL&D tech stack that supports proactive risk mitigation measures. This insight can help companies deliver on their commitment to responsible product promotion in the field.

BIOGRAPHIES

Parth Khanna

Co-Founder and CEO, ACTO

Parth Khanna is the Chief Executive Officer and Co-founder of ACTO, the #1 learning platform in Life Sciences. Parth's undergraduate degree in neuropsychology from the University of Waterloo, two law degrees, and US patents in AI and NLP-based enterprise technologies have uniquely positioned him to address the changing needs of the life sciences industry. In 2014, Parth and his roommates from the University of Waterloo had the vision to help people "Act Today." They spoke with over 1000 life sciences companies to understand their training and learning challenges and built ACTO, a learning platform built specifically for the life sciences industry. Before founding ACTO, Parth worked on training and developing people through founding and serving as President of Creating Legal Acuity in Student Environments (CLAUSE), a federal not-for-profit corporation that continues to equip law students with the legal and leadership knowledge they need to succeed in the profession. Over the past few years, Parth has been recognized as a Pharma Marketing 360 ELITE Disrupter, an EY Entrepreneur of the Year Finalist in 2018, and awarded an International 30 Under 30 Honor Award in 2017.

Kristin Letourneau, PhD

Vice President of Research, Citeline

With over 25 years of research experience in both corporate and academic settings, Kristin Letourneau currently serves as VP of Research for Citeline. Kristin earned her PhD in Social Psychology with a concentration in Quantitative Methods from the University of Kansas in 2000. Her work has been published in several publications over the years, including the academic journals *Group Dynamics* and *European Journal of Social Psychology*. Kristin has presented at several conferences over the years, most recently Content Marketing World.