



White Paper

HCP Promotional Engagement Benchmarks Report — Special Edition: Pre-Pandemic Snapshot and COVID-19 Impact Evaluation

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Introduction

This year's annual analysis of life sciences promotional speaker programming data is quite different from previous years' snapshots. The COVID-19 pandemic has upended industries around the world; life sciences is no exception.

While IQVIA seeks to present 2019 data in order to provide continuous year-over-year insight and document long-running trends, this year's outlook also includes data drawn from 2020. This decision was prompted by an internal review and evaluation of HCP programming data over the first three quarters of 2020. Those figures — and the remarkable discrepancy between the data of the first three quarters of 2020 — made it clear that IQVIA would be missing an important opportunity to document and discern key ways in which the COVID-19 pandemic had disrupted life sciences HCP engagement and promotional programming practices.

This report, accordingly, is divided into two main sections: The first is an overview of 2019 HCP engagement activity with year-over-year comparisons to 2018 and discussion of longer-term promotional activities in accordance with prescriber preferences. These year-on-year comparisons, as well as the observable activity taking place at the very beginning of this year, show a robust and dynamic industry: Venue-based programming was strong; virtual programs were a small, if steady, subset. All indications are that this trajectory was in a steady state — until warning signals began to flash in March.

The second section of this report is an analysis of those aspects of HCP engagement for which the 2020 data displayed a marked departure from the prevailing trend line. From January through March, there was little sign of what was to come. The percentage of live meetings was 77%, with small month-to-month fluctuations in keeping with what IQVIA has observed in prior years.

In April, that figure plummeted to an unheard-of 2%, and virtual programming soared from a historically typical level of 17% in the first quarter to comprise 98% of all the programs taking place that month. This is perhaps the most significant — and undoubtedly the most rapid — shift in operations with which commercial compliance teams have ever had to contend.

This report will give life sciences executives in compliance, field sales, R&D, IT and legal positions guidance they can use to evaluate how their promotional speaker programming is performing, and insights they can use to benchmark against the industry.

2019 Data and Year-Over-Year Comparisons

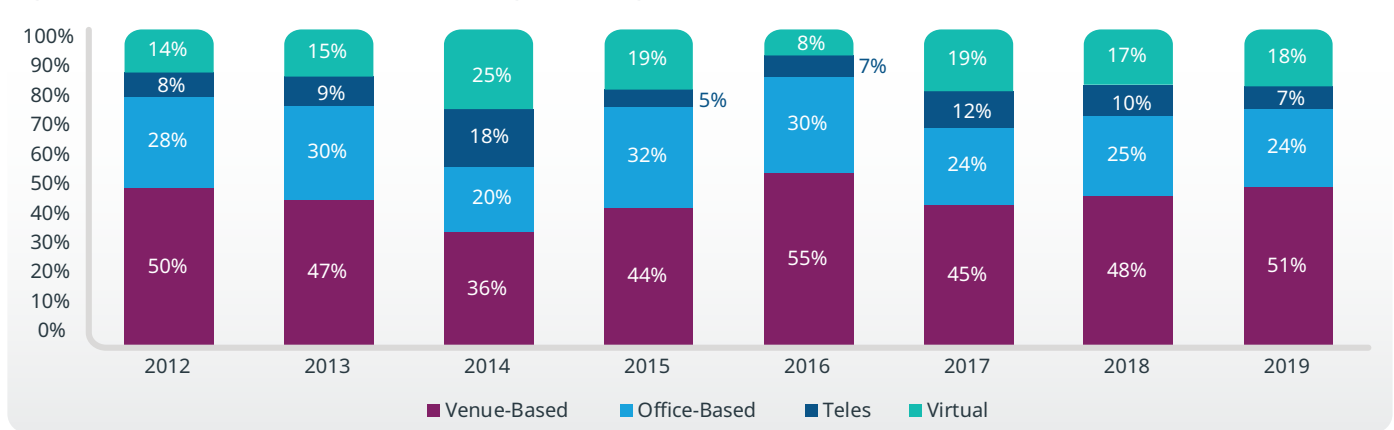
As noted above, 2019 data for the most part reaffirmed existing trends and offered visibility into how a growing global economy and a dynamic commercial environment translated into myriad opportunities for HCP engagement.

PROGRAMMING MIX AND MEETING TYPES

With regard to programming mix, little variation was observed in IQVIA's 2018-2019 metrics. Percentages for different types of interactions held roughly steady from year to year:

Venue-based meetings broke the 50% mark for the first time since 2016, ticking up three percentage points from 48% to 51%. Virtual meetings were essentially flat, increasing a single percentage point from 17% to 18%. Office-based meetings ticked down a single percentage point from 25% to 24% in 2019.

Figure 1: Year Over Year Trends in Programming Mix

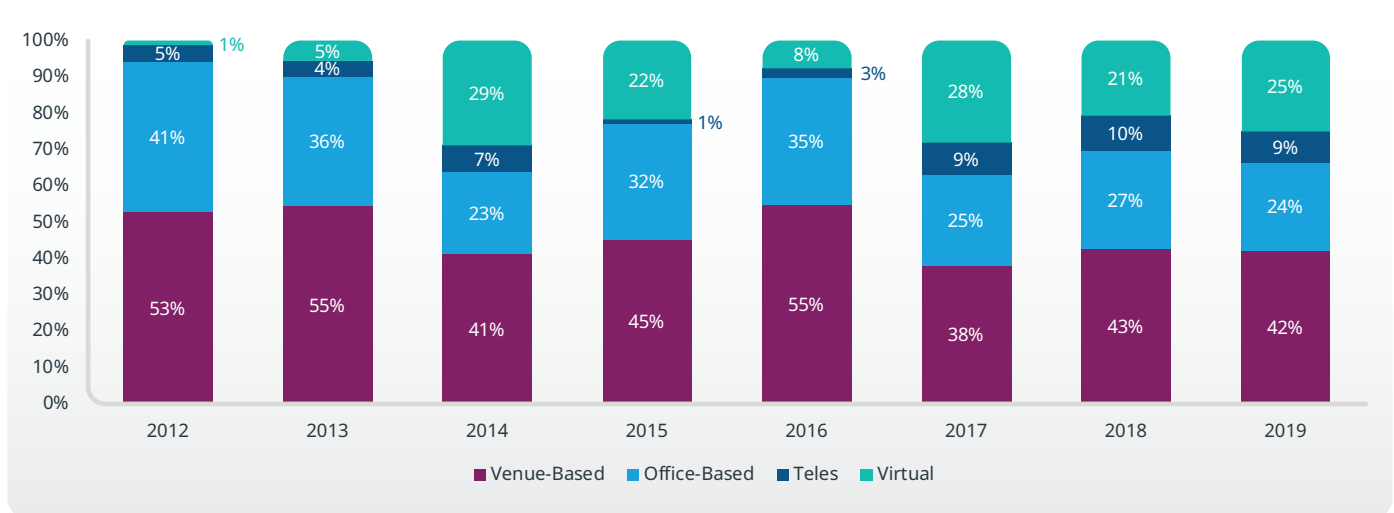


PROGRAM TYPE BY THERAPEUTIC AREA

The trend line for all programming types across all therapeutic areas displayed a steady state year-over-year, but within this broader look, IQVIA analysis revealed significant disparities in the number of virtual meetings by therapeutic area. Generally speaking, we can observe a secular decline in the usage of tele-meetings, with single-digit percentages across the board.

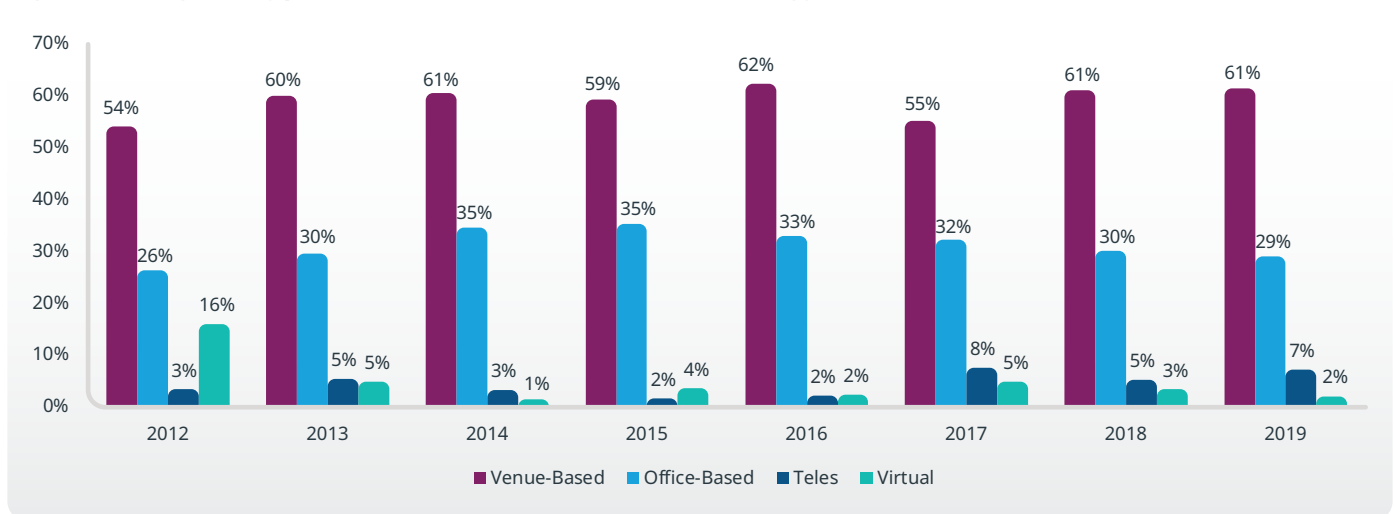
Within the cardiovascular/metabolics therapeutic area, venue-based meetings displayed little movement between 2018 and 2019. The percentage of virtual meetings, however, rose four percentage points from 21% to 25%. Office-based meetings continued on a broadly downward trajectory, falling from 27% in 2018 to 24% in 2019.

Figure 2: Program Type Cardiovascular/Metabolics



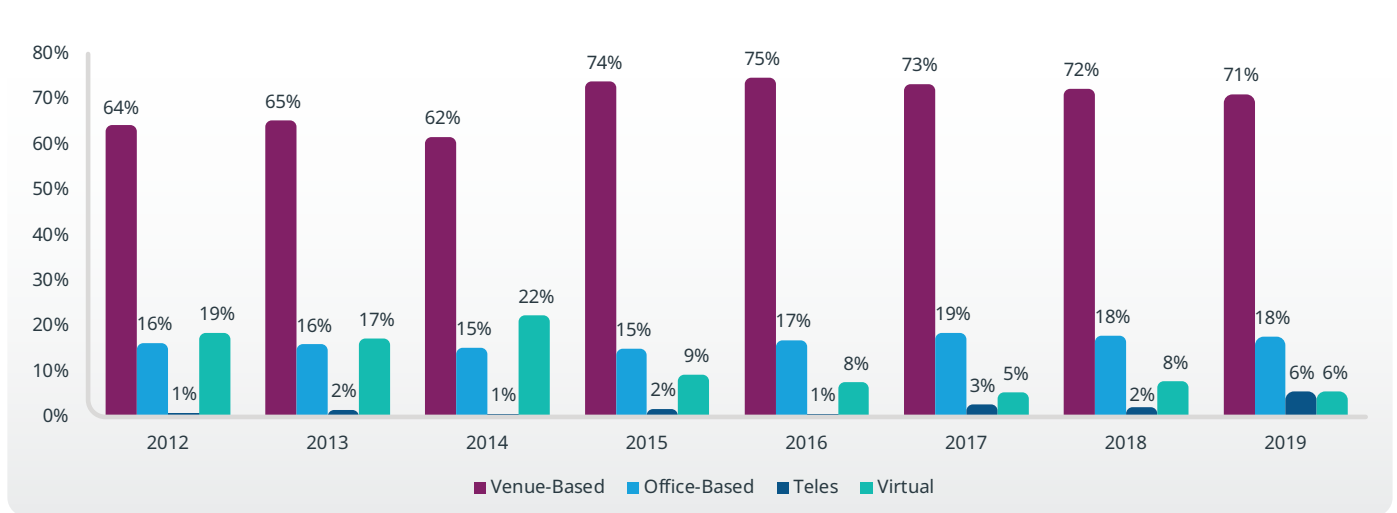
Within infectious diseases and immunology, venue-based meetings stayed the same. Notably, this therapeutic area had by far the lowest usage of virtual meetings in 2019 at just 2%.

Figure 3: Program Type Infections Diseases and Immunology



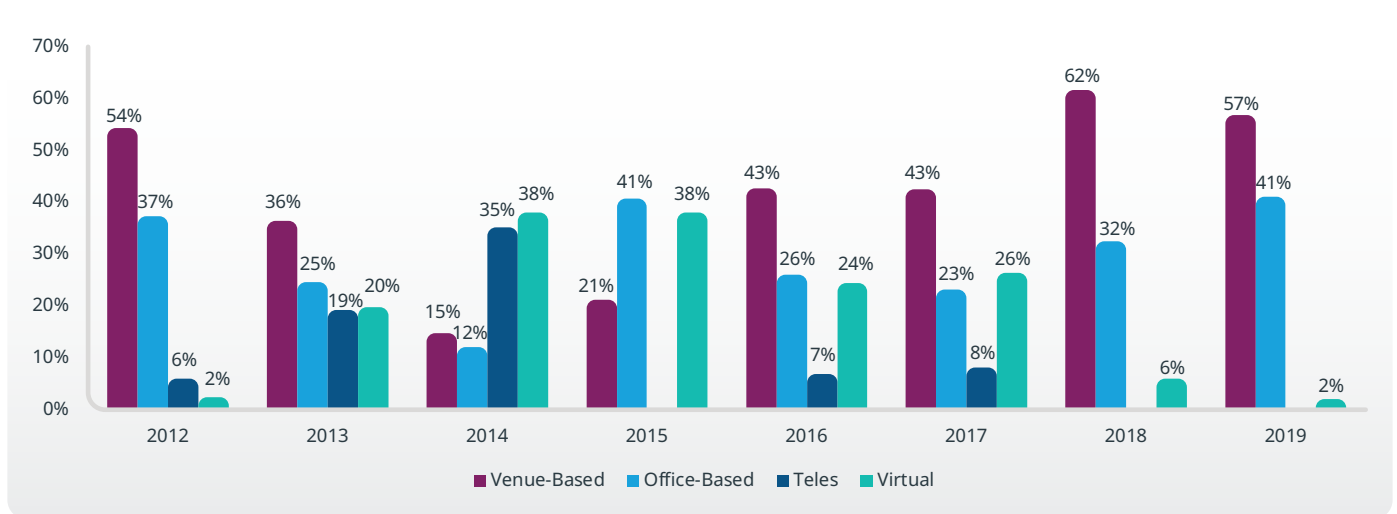
Oncology, which traditionally conducts more venue-based programming than other therapeutic areas, had little year-over-year change from 2018 to 2019, moving from 72% to 71%.

Figure 4: Program Type Oncology



Conversely, the pulmonary and respiratory therapeutic area has, historically, had a much lower percentage of venue-based meetings, averaging just 35% from 2012 through 2017. These programs reached a high-water mark in 2018 with 62% of programs, which dropped back down to 57% in 2019.

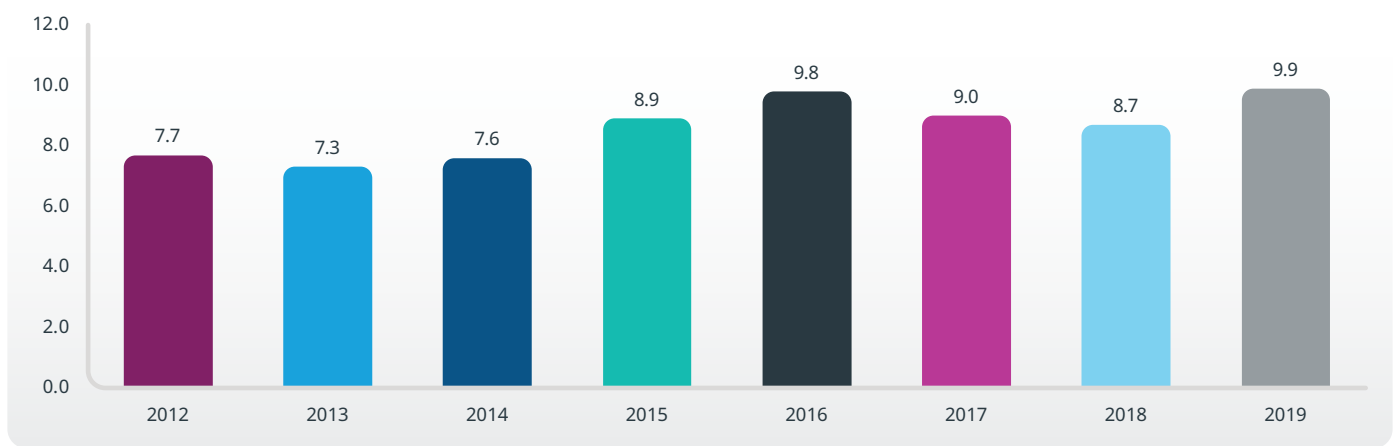
Figure 5: Program Type Pulmonary and Respiratory



ATTENDANCE METRICS BY THERAPEUTIC AREA

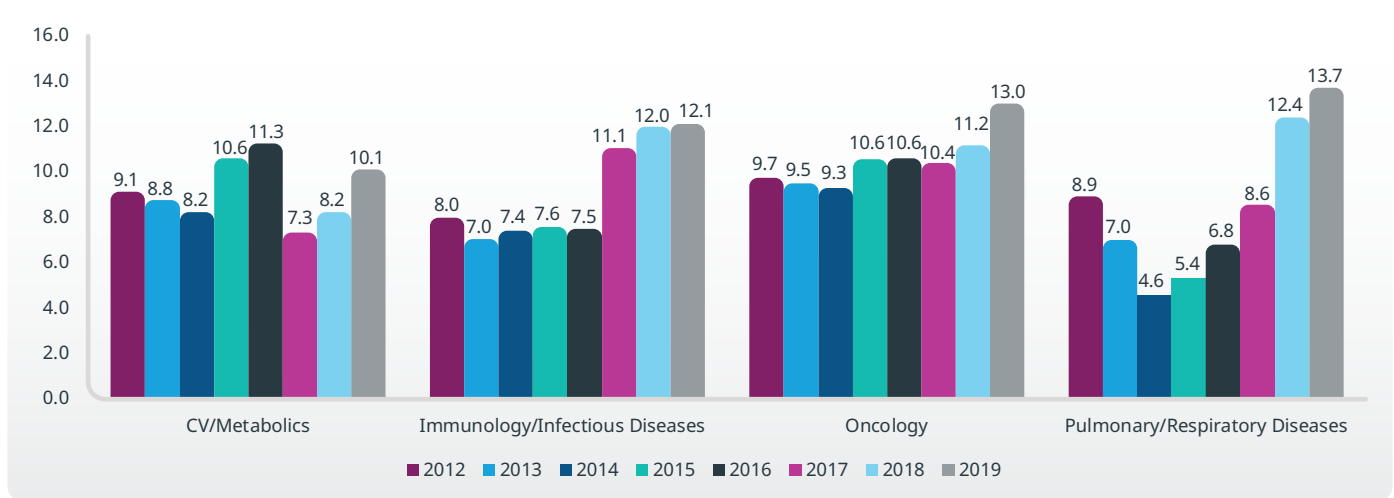
Broadly speaking, attendance on a year-over-year basis has been on an upward trajectory — with average attendance across all program types and therapeutic areas rising from 8.7 in 2018 to 9.9 in 2019.

Figure 6: Average Attendance Across All Therapeutic Areas and Program Types



Attendance across program types in cardiovascular and metabolics programs increased from an average of 8.2 in 2018 to 10.1 in 2019. Oncology average attendance grew from an 11.2 in 2018 to 13 in 2019 — the largest year-over-year increase observed of any therapeutic area.

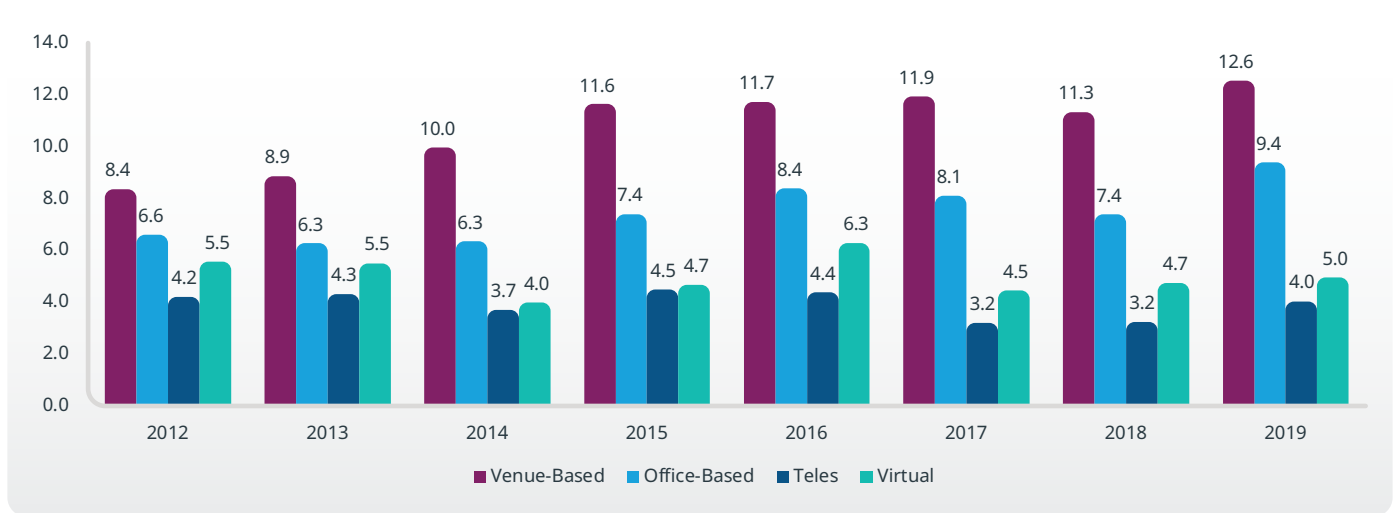
Figure 7: Year to Year Average Attendance by Therapeutic Area



Pulmonary and respiratory programs grew from an average of 12.4 in 2018 to 13.7 in 2019. Immunology and infectious disease programming saw roughly flat attendance when comparing 2018 and 2019, ticking up a single basis point to 12.1 last year.

While attendance hit close to an all-time high in 2019 across the board for all programming types, this increase was boosted the most by a two-person jump in average attendance at office-based meetings, which rose from 7.4 in 2018 to 9.4 in 2019. In 2019, attendance at virtual meetings was up incrementally from the previous year, increasing from 4.7 in 2018 to 5 — the smallest increase by program type category.

Figure 8: Attendance by Program Type

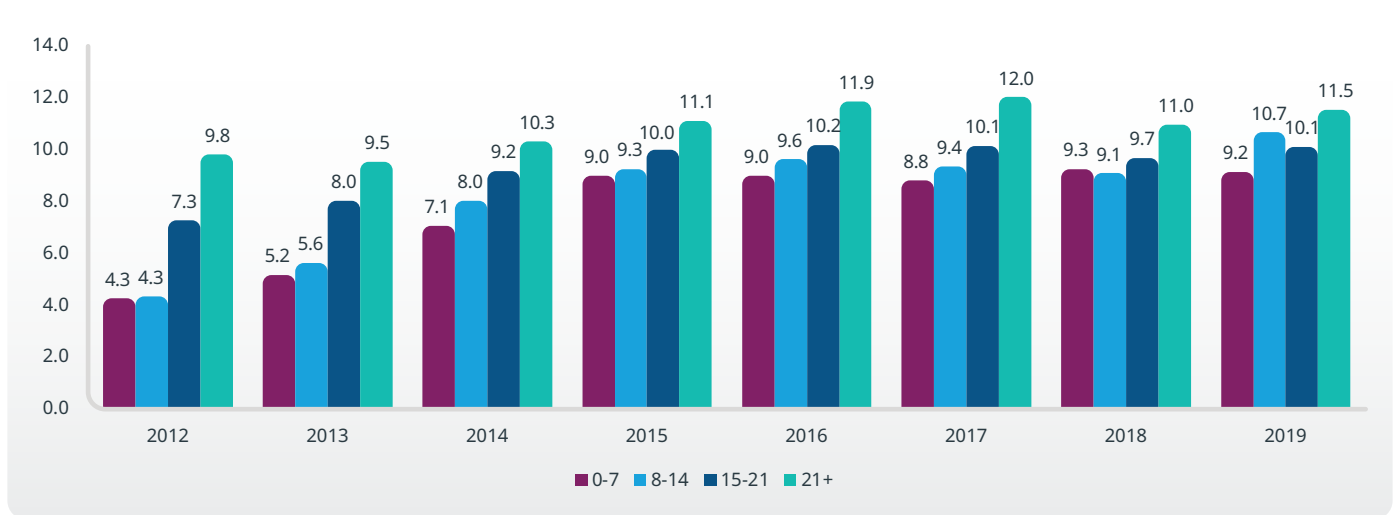


ATTENDANCE METRICS BY LEAD TIME AND PROGRAM TYPE

Broadly speaking, the more time attendees know in advance about a program, the more likely they are to attend. Within that generalization, though, are a few anomalous pockets when an HCP’s likelihood of attending a particular program increases against expectations.

For venue-based programs in 2019, the lead time for attendance widened from one week or less to 8-14 days, as compared to 2018. While average attendance for lead times between eight and 14 days was 10.7, that dropped to 10.1 for programs with 15 to 21-day lead times.

Figure 9: Attendance by Lead Time for Venue-based Programs



Office-based program attendance saw incremental increases across all lead times from 2018 to 2019. Tele-meetings have the lowest average attendance across all years but displayed the same growth trajectory over time as office-based meetings. Although the pattern was not as sharp as the reversal displayed in the venue-based program category, both in-office and tele-meetings also saw attendance gains stagnate between the two and three week mark, with attendance gains picking up steam again only after that point. For instance, average attendance at office-based meetings with one week or less of lead time was 6.7 attendees. This rose to 7.9 for lead times of one to two weeks, but only up to an average of 8 for two to three weeks. For office-based meetings with lead times of greater than three weeks, average attendance rose to 8.8.

Figure 10: Attendance by Lead Time for Office-based Programs

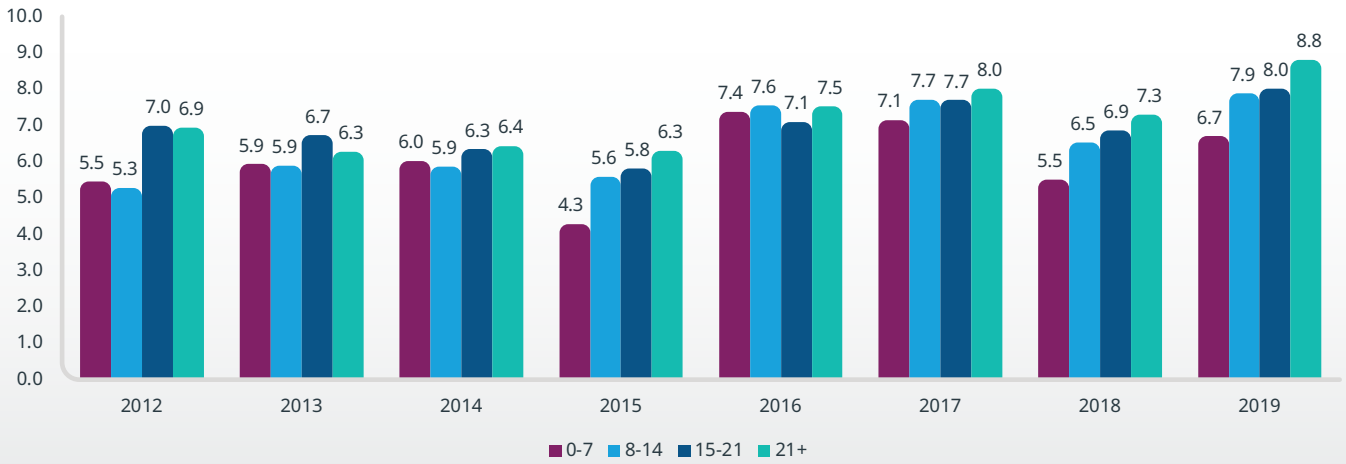
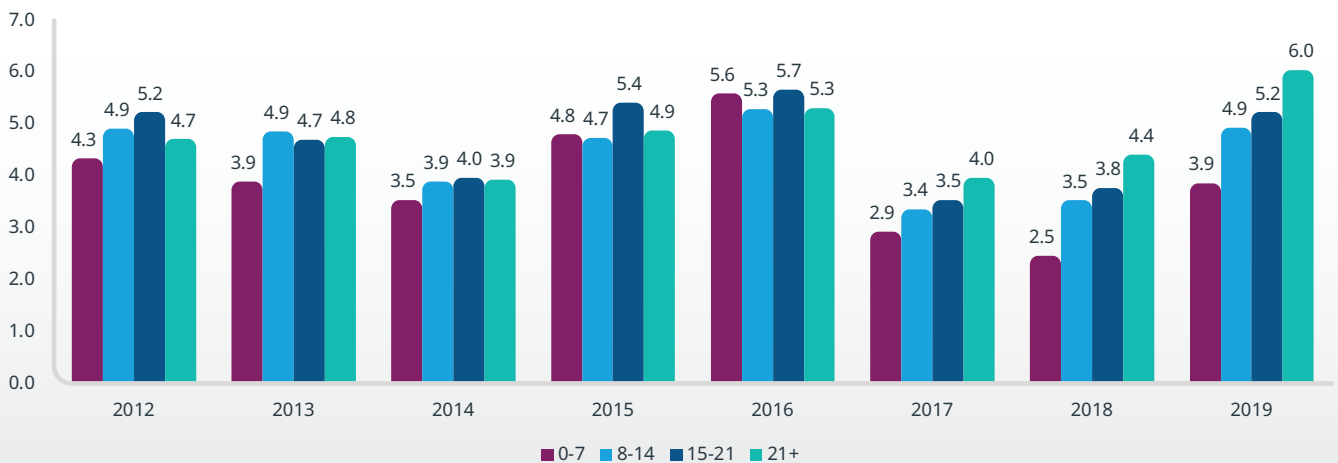
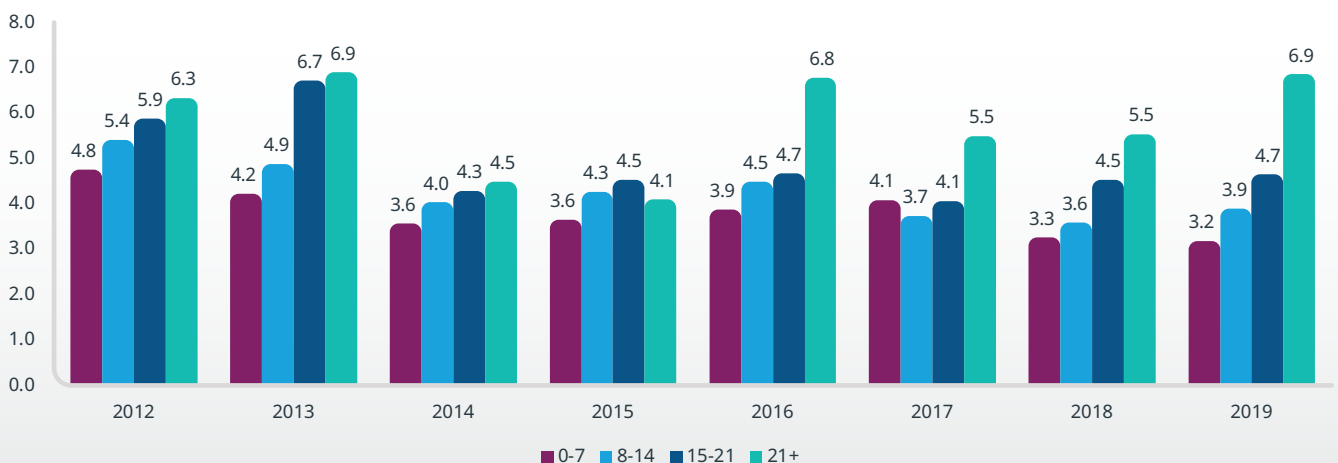


Figure 11: Attendance by Lead Time for Tele-meetings



Attendance at virtual meetings has historically been modest, with the average rising from 4.7 to 5.0 attendees across all lead times between 2018 and 2019 (see Figure 9). Another intriguing aspect of virtual meetings is that in this category, attendance gains track evenly with increases in lead time. Virtual meeting attendance gains do not hit a “lull” the way other categories do. Gains are steady and incremental as lead time grows. From 2017 to 2019, tele-meetings also followed the same attendance gain trajectory as virtual meetings, no longer hitting a “lull” (see Figure 11).

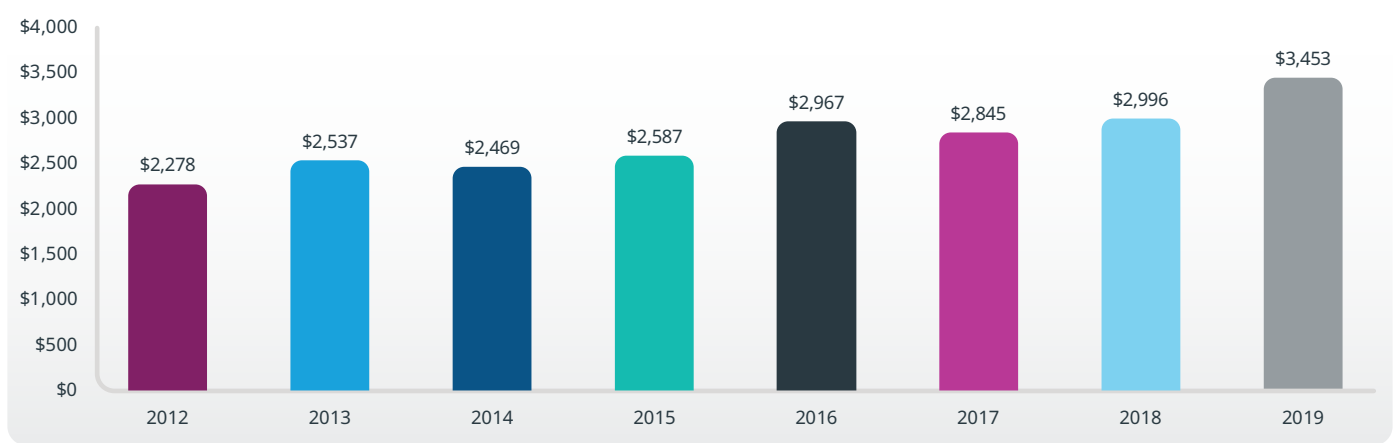
Figure 12: Attendance by Lead Time for Virtual Meetings



COST AND SPENDING METRICS BY PROGRAM TYPE

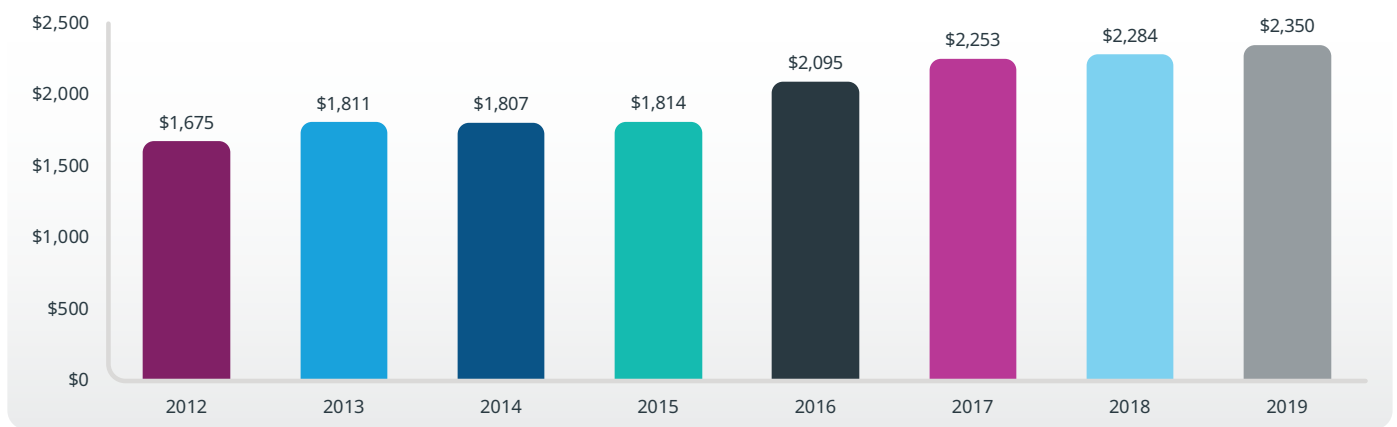
Across all programming types, costs rose broadly in 2019 after maintaining a steady state from 2017 to 2018, rising from \$2,996 in 2018 to \$3,453 in 2019.

Figure 13: Year over Year Costs Per Program



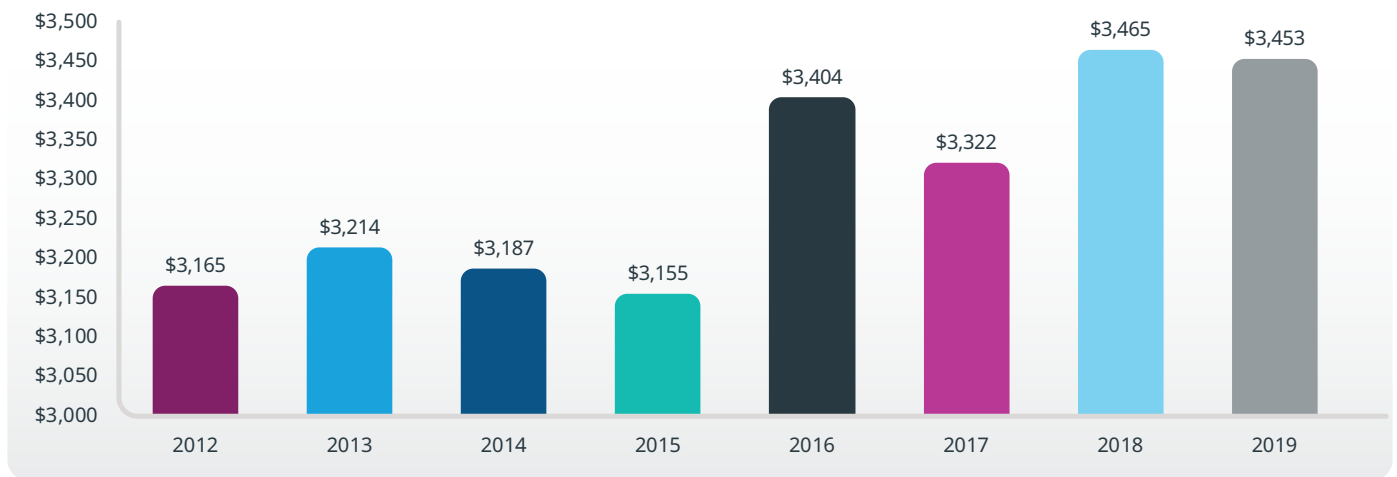
The average speaker fee in 2019, also hit an all-time high of \$2,350, up from \$2,284 in 2018 (which, at the time, was an all-time high for this expense category). As each life sciences company invests in programming based on its particular product life cycles, there is a fair amount of demand-driven fluctuation in speaker fees from year to year.

Figure 14: Average Speaker Fee



For national-level speaker programs, speaker fees are much steadier, with small fluctuations across therapeutic areas that virtually canceled each other out. For 2019, the average national speaker fee across all therapeutic areas was \$3,453 — nearly identical to 2018's \$3,465.

Figure 15: National-Level Speaker Fees



Across all program types and for all levels of speaker, costs per attendee rose last year, from \$360 in 2018 to \$374 in 2019. This was due wholly to an increase in venue-based programs from \$408 per attendee in 2018 to \$440 in 2019. Virtual meeting costs per attendee were flat year-over-year at \$146 each year, and both office-based and tele-meetings saw declines from 2018 to 2019.

Figure 16A: Average Cost per Attendee

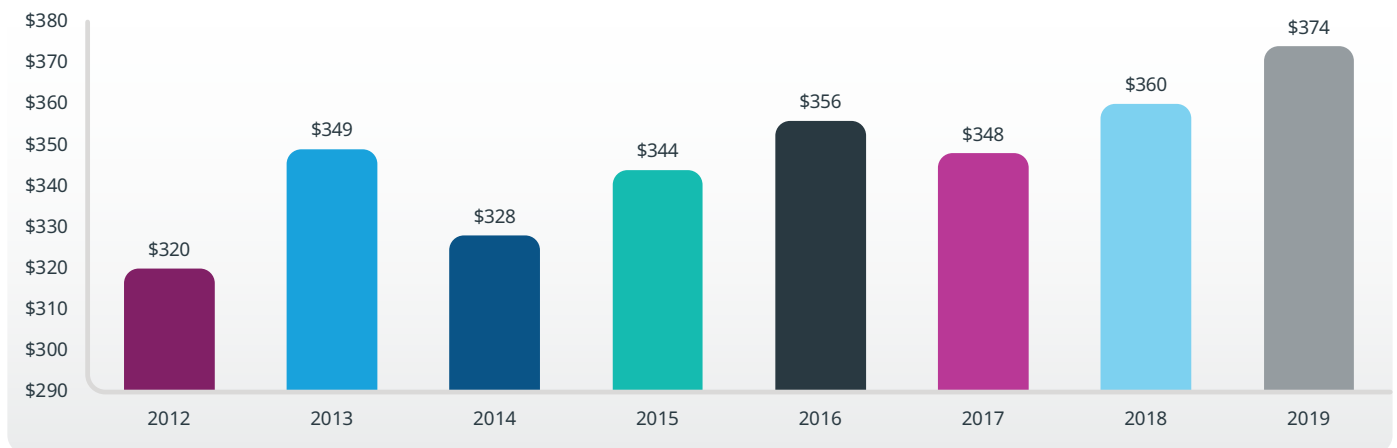
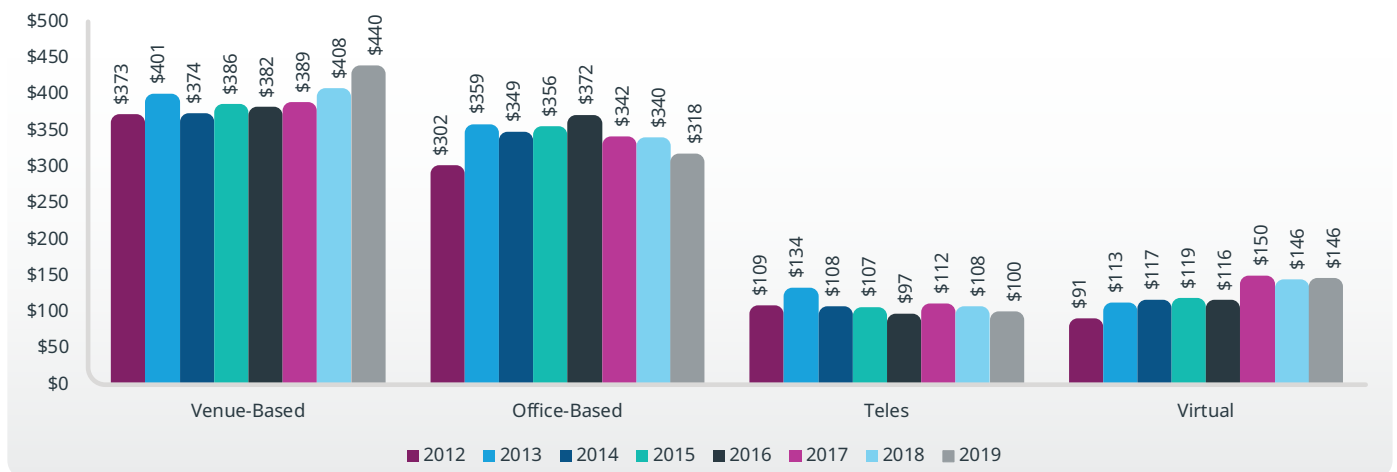


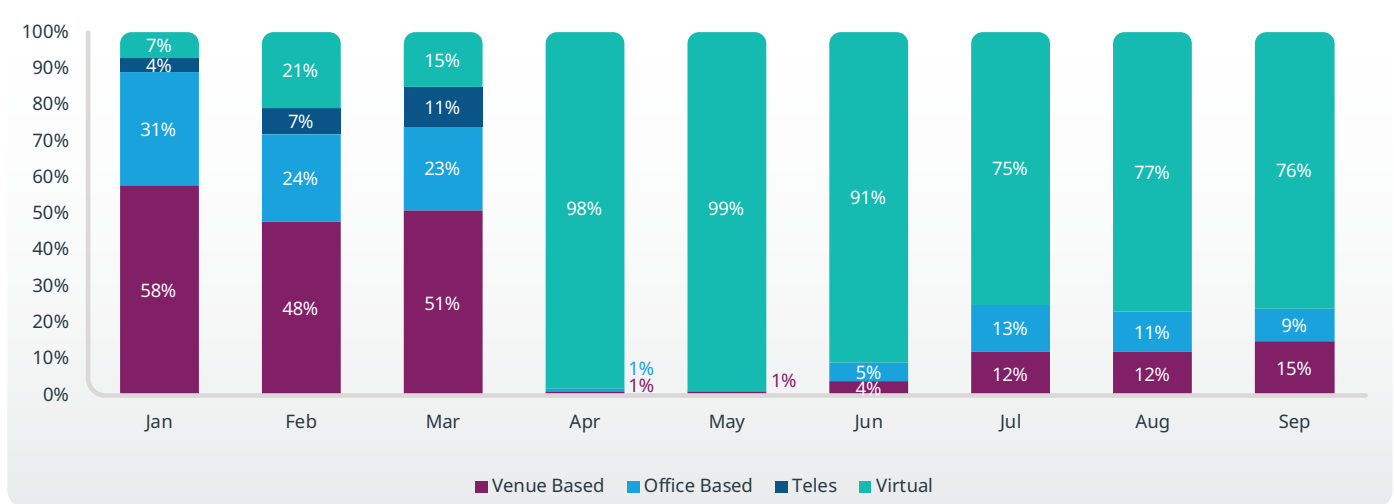
Figure 16B: Year over Year Cost Per Attendee by Program Type



2020: COVID And Changes

For the first quarter of 2020, attendance and spending on promotional speaker programming looked to be apace with the long-term trend line. In April, that trend made an abrupt reversal. The most significant change COVID-19 imposed on program types was a shift away from in-person meetings and the widespread adoption of virtual meetings.

Figure 17: 2020 Program Mix



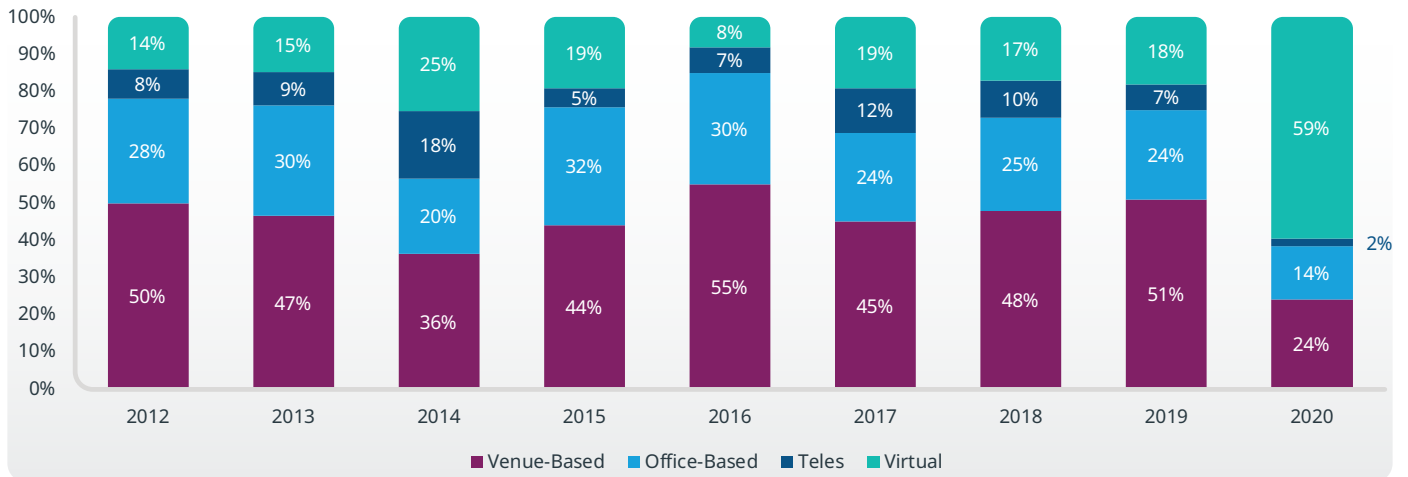
In the months of April and May, when there were lockdowns throughout the country, 98% and 99%, respectively, of all programs that took place were held virtually, and a mere 1% of programs in each month were venue-based. In June, that moderated ever slightly: 91% of programs were virtual, with the remainder nearly evenly split between venue- and office-based meetings.

As the economy opened back up, state and local restrictions on gatherings, social distancing protocols and capacity restrictions fundamentally changed the programming mix, and by the third quarter of 2020, hints of what a COVID-era “new normal” might look like were beginning to emerge. In the months of July through September, an average of 13% of programs were venue-based, 11% were office-based and 76% were virtual.

ATTENDANCE METRICS BY PROGRAM TYPE

Along with the sharp decline in venue-based programs after March, some of the rise in virtual meetings can be attributed to this category taking share from tele-meetings, as well. Even with COVID-19, which precluded in-person meetings but presented little logistical barriers to telephone-based engagement, the percentage of tele-meetings conducted dropped from a historical average of 8% since this data was first analyzed in 2012 to a mere 2% in the first three quarters of 2020 — with all of those tele-meetings taking place in the first quarter.

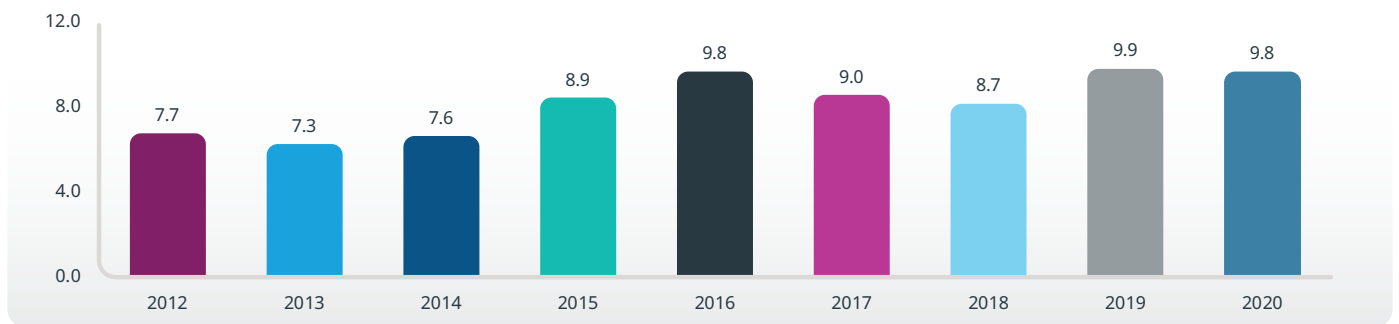
Figure 18: Year over Year Program Mix with 2020 (Jan-Sep)



This suggests that the pandemic accelerated a secular shift away from tele-meetings. As life sciences companies sought out partners for virtual meetings management solutions, the increasing sophistication of those offerings seemed to supplant wholly telephonic engagements.

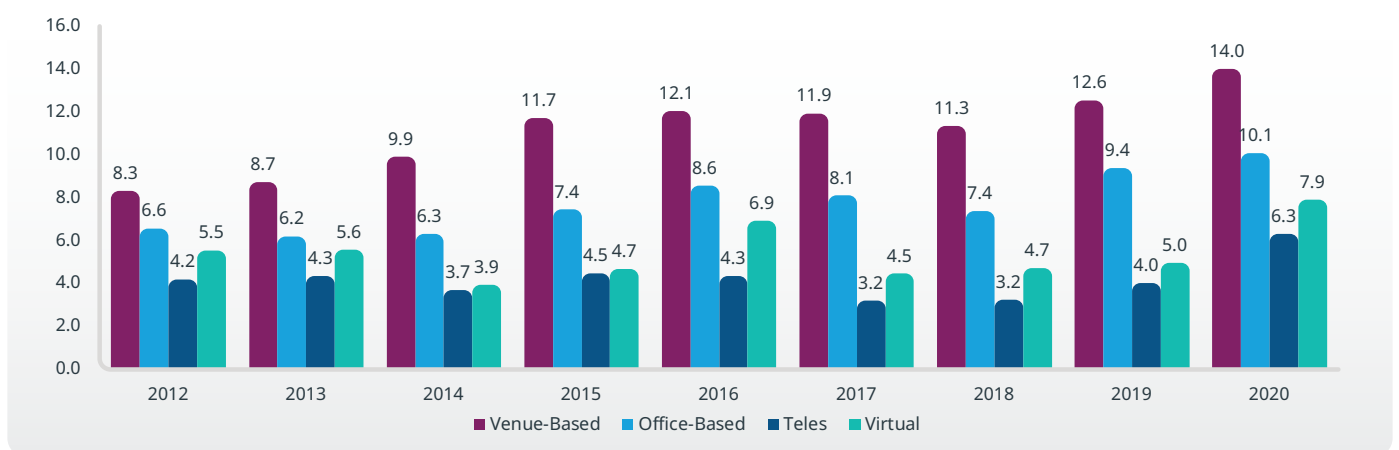
Remarkably, overall program attendance remained steady in 2020 in spite of the seismic disruption. Overall, across all programming categories and therapeutic areas, average attendance for Q1-Q3 2020 was 9.8, nearly identical with the 2019 9.9 average attendance figure.

Figure 19: YoY Average Attendance - Rising Meeting Attendance In Spite of Covid



Venue-based programs logged an increase in average attendees from 12.6 to 14, and average gains in virtual meeting attendance rose from 5 in 2019 to 7.9 in the first three quarters of 2020.

Figure 20: Attendance Metrics By Program Type Through September 2020

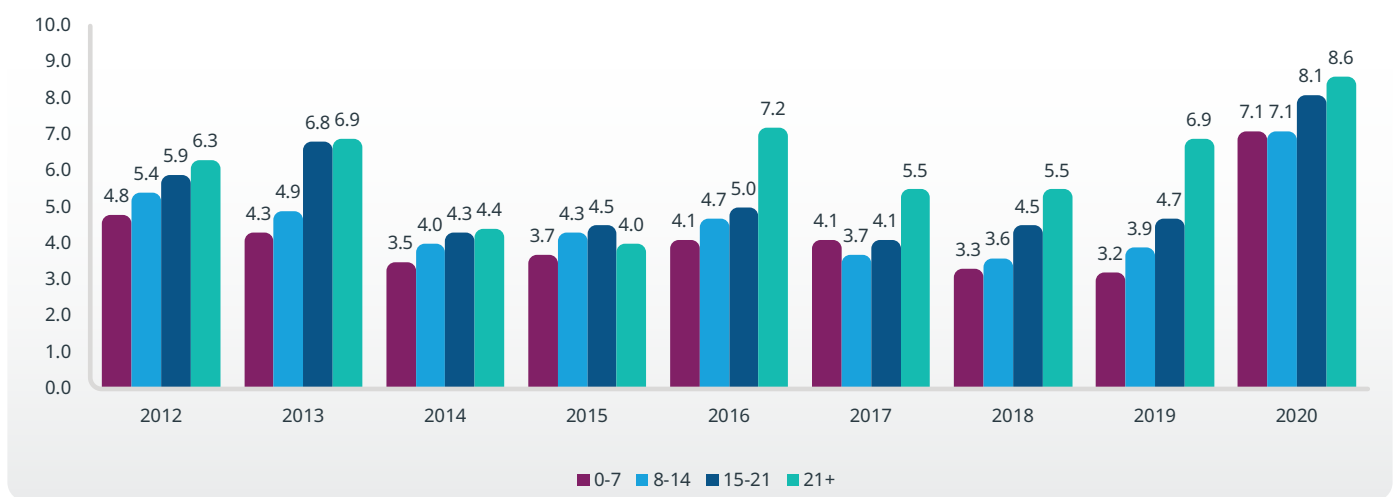


These increases seem to indicate the value of the life sciences industry and suggest that the sector remains resilient in the face of monumental challenges, even in a global pandemic. It also serves to illustrate the dominant role virtual HCP engagements have come to play while COVID-19-related lockdowns and travel restrictions were in place.

Virtual program models became the de facto breakout star of the pandemic, as pharmaceutical companies quickly pivoted to replace in-person engagements with ones conducted via digital platforms. For the three years preceding 2020, the average number of attendees at virtual programs was 4.7. In Q1-Q3 2020, that figure was 7.9 — a significant jump.

An analysis of 2020 virtual programming by lead time finds that higher lead times yield higher attendance. For Q1-Q3 2020, virtual meeting average attendance at programs with 0-7 day lead times was 7.1. For programs with 8-14 day lead times, average attendance was also 7.1. For programs with 15-21 day lead times, average attendance was 8.1, and for programs with lead times of greater than 21 days, average virtual meeting attendance was 8.6.

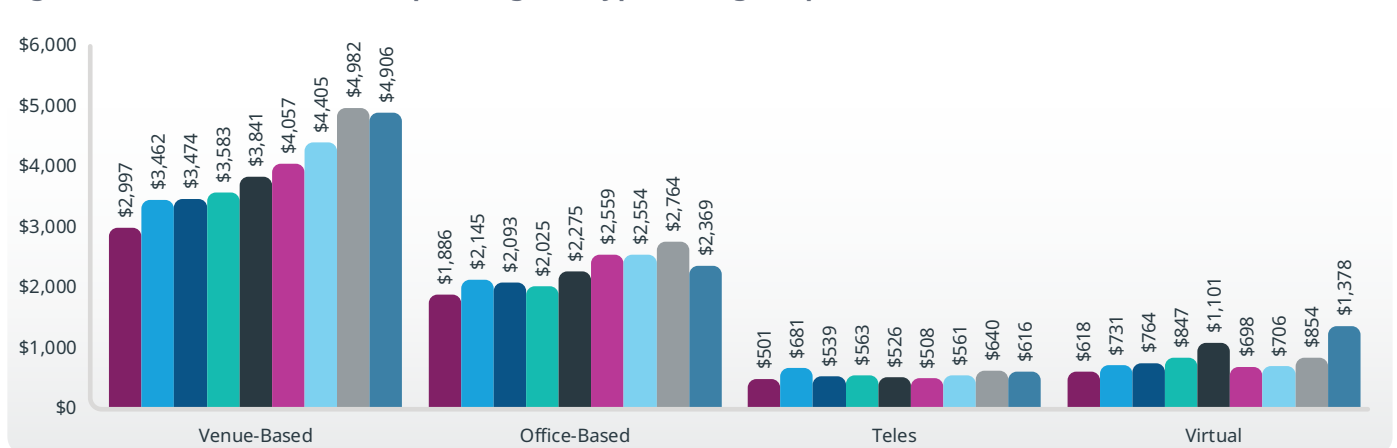
Figure 21: Virtual Attendance by Lead Time Through September 2020



COST METRICS BY PROGRAM TYPE

After rising the previous year, 2020 costs (inclusive of Q1-Q3) for venue-based, office-based and tele-meetings retrenched slightly. Costs for virtual meetings rose by a rather significant amount, increasing from \$854 in 2019 to \$1,378 in 2020.

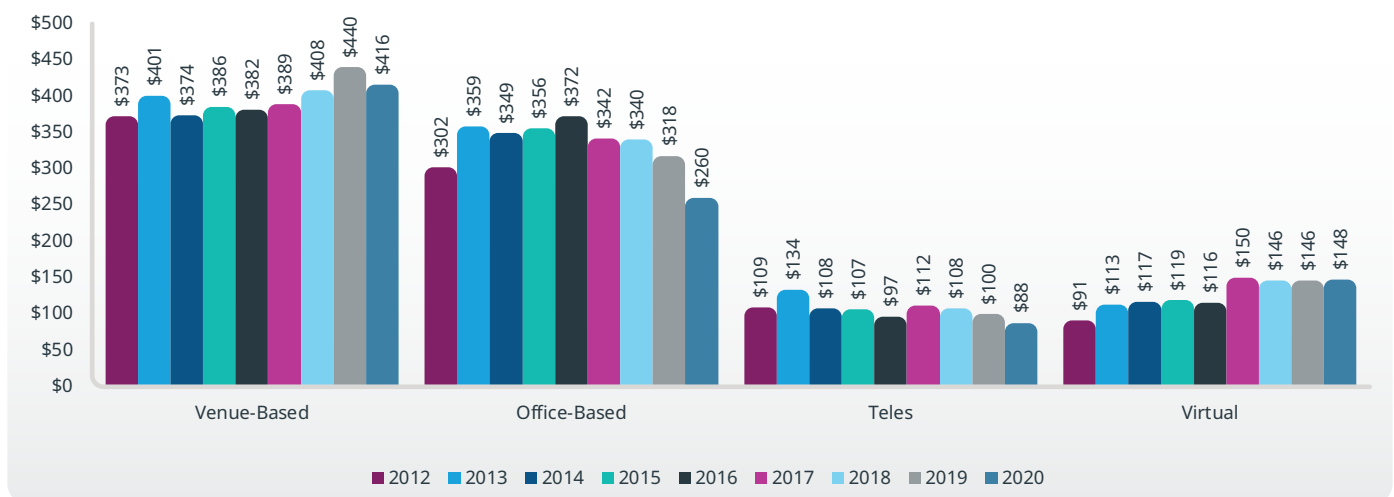
Figure 22: Year over Year Cost per Program Type through September 2020



Analytics indicate that this significant increase in virtual HCP engagement programming costs likely reflects two occurrences: The diversion of resources to virtual platforms by life sciences companies and the way in which virtual meetings spend is calculated. Unlike a straightforward conference or in-office engagement, virtual programs are effectively “umbrellas” that incorporate the hosting of numerous sub-events within their parameters as defined by compliance protocols.

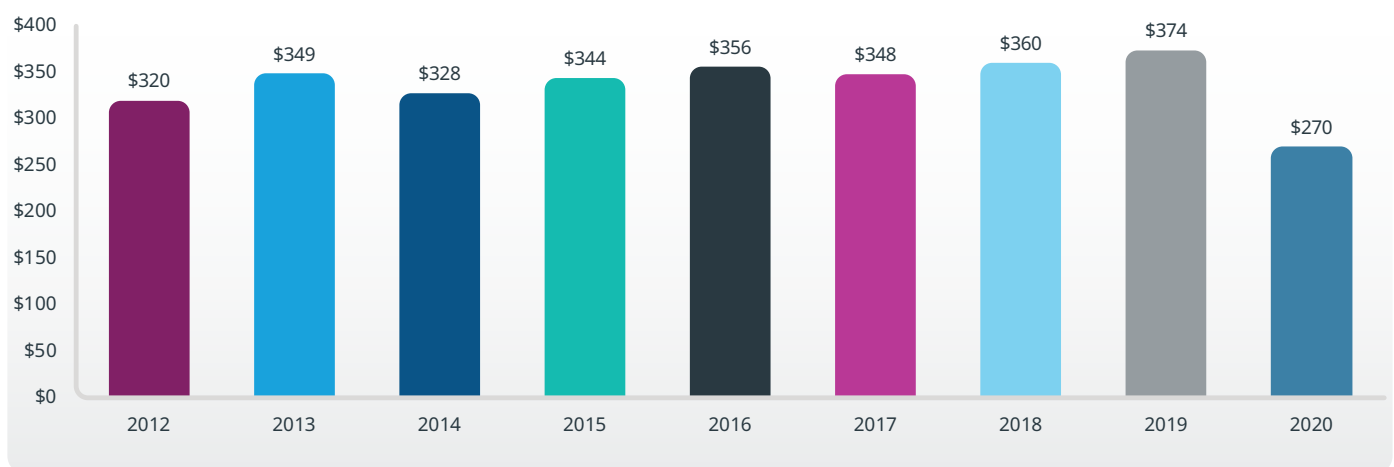
Higher virtual meeting costs also indicate that HCPs were engaging via virtual means rather than attending venue-based programs due to COVID-19. Cost per attendee data bears out this conclusion: The cost per attendee at virtual meetings barely budged between 2019 and 2020, going from \$146 last year to \$148 this year.

Figure 23: Cost per Attendee through September 2020



This further is reflected in the movement of overall programming costs per attendee across all program categories and therapeutic areas. This figure dropped from \$374 in 2019 to \$270 in Q1-Q3 2020. This is the lowest per-attendee cost of any year since IQVIA has been conducting this data analysis, going back to 2012, and indicates that companies have been able to achieve economies of scale in spite of their COVID-19 challenges.

Figure 24: Average Annual Cost per Attendee through September 2020



Conclusion

The unpredictable epidemiological trajectory of the COVID-19 pandemic and its as-yet-unknown long-term impact on both the life sciences industry and broader global macroeconomic performance make it impossible to say how much of these divergences observed in 2020 and detailed herein will revert when — or if — “normal” promotional operations resume in the future. It is safe to say that some of the changes observed reflect secular shifts that were accelerated by the pandemic, while some are more likely to be manifestations of a temporarily disrupted marketplace.

These are unique times, and IQVIA is rising to the challenge helping clients navigate these seismic shifts with a state-of-the-industry perspective, A.I.-driven insights and world-class thought leadership.

Addendum

In November of 2020, the OIG published a Special Fraud Alert, reaffirming their stance that in-person speaker events must be regulated and follow strict compliance guidelines. Manufacturers should take this as a signal that there is heightened focus on this popular activity. Now is the time to review speaker program activity to ensure that any gaps in existing controls are addressed.

This Special Fraud Alert, the first of its type in the past six years, demonstrates the OIG’s spotlight on this topic, and the regulatory body’s call to action to rethink current industry speaker program practices. OIG warns that all parties that participate in speaker programs are subject to scrutiny, illustrating the skepticism of intent across all key players in current speaker program practices.

IQVIA solutions address the risk factors outlined in the OIG statement. Our out-of-the-box offerings enable embedded compliance and business rule adherence, while delivering better business outcomes. Our solutions are preconfigured to meet regulatory requirements and industry best practices.

IQVIA Commercial Compliance leverages the industry’s leading technologies to deliver streamlined processes and business efficiencies—with embedded compliance. From automating and managing the entire HCP/O engagement lifecycle, to capturing, collecting, and reporting global spend; to delivering strategy and planning support for live and virtual events—discover how IQVIA can help you with your commercial compliance needs. To learn more, email commercialcompliance@iqvia.com.

