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Think about thought leaders

Physicians want information they can trust from sources they respect. Because of this, medical thought leaders are an increasingly important component of the industry's sales and marketing efforts. Effective management of key opinion leaders poses many challenges to marketing teams. To address these issues, a range of providers has emerged to offer pharmaceutical companies management platforms designed to identify opinion leaders, map their influence, and put product messaging strategies into effect.

Doctors are looking for more personal ways of gathering information. Rather than conduct research, they look to someone they know. This trend follows a societal shift toward peer-to-peer communication, as demonstrated by the Web 2.0 universe of bloggers and online communities.

"What's most frequently utilized and most credible in terms of a source for physicians is always a scholarly journal article from a key opinion leader or a peer," says Dale Hagemeyer, senior analyst, **Gartner** Group (gartner.com). "In other words, it's not a rep, it's not a manufacturer, it's not some advert in a newspaper. They're basically looking to each other and the KOLs [key opinion leaders] as the heuristic [method] for gathering this information."

An increase in high-profile product withdrawals and other safety issues has resulted in additional scrutiny and suspicion of the industry. "[Use of key opinion leaders] has probably grown significantly in its impact because now there's a general tendency to want to be suspicious of a lot of what you're hearing from the pharmaceutical companies," says Mike Luby, president and CEO, **TargetRx** (targetrx.com). "To know that you're hearing support for a product or a treatment approach from people who are respected and who are not going to be influenced unduly is critical."

Effective key opinion leader management is important as the number of key opinion leaders that a company forms relationships with increases. Analysts with **Cutting Edge** Information found that pharmaceutical and biotechnology companies form consulting relationships with an average of 217 thought leaders. Large companies have the highest average of thought leaders, at 259 per company. Mid-sized companies average 224 thought leaders per company, small companies average 191 thought leaders per company, and biotechnology companies average 76 thought leaders per company.

Pharmaceutical companies have tended to regard key opinion leader management as a niche field, according to Jerry Maynor, product marketing manager in the marketing solutions division, **Cegedim Dendrite** (cegedimdendrite.com). When launching a new product, marketers seek out the doctors who are frequently cited in journals or who have written extensively on the therapeutic category in question. Mr. Maynor believes that marketers should look to the mainstream doctors and practitioners who have more of an impact on the day-to-day thoughts of the doctors in the field.

Mr. Maynor is beginning to see a trend of pharmaceutical companies looking beyond a small group of 12 people who will speak at national conferences or help direct commercialization efforts. Rather, companies are seeking larger groups of a hundred or a thousand key opinion leaders who can help the marketer relate to the doctors in the field.

“Access is getting more and more difficult for sales representatives,” Mr. Maynor says. “Given the fact that sales representatives are seeing diminishing utility in providing messaging and education to physicians, pharmaceutical companies are realizing that a better and more-effective way to tell doctors about their products is by recruiting and encouraging local advocates through their own experience of use, through their own trials with their patients.”

Challenges of management

Many challenges exist for companies working to effectively manage key opinion leader relationships. One challenge is determining what group within a company is responsible for key opinion leader management, according to Rick Kennison, president and general manager, **PeerPoint** Medical Education Institute LLC (peerpt.com).

“Is it marketing, medical affairs, the R&D team?” Mr. Kennison says. “KOL value in these areas coupled with the desires of the KOL are paramount.”

Large pharmaceutical companies may have numerous brand teams engaging with a single key opinion leader. Before key opinion leader tracking systems became common, the brand teams sometimes had little knowledge of the other teams’ activities.

“You might give the doctor a \$10,000 gift to do a research project in something, where the guy a floor down from you has given a \$7,000 grant, and neither team knows what the other one is doing,” Mr. Maynor told *Med Ad News*. “As pharmaceutical companies strive for better efficiency, more financial responsibility, and better compliance with tracking and reporting laws ... [a key opinion leader management] system is becoming critical.”

Key opinion leader management tools are needed to help communication within the organization, according to Mr. Luby. “In any major company, you have got a lot of touch points with opinion leaders,” Mr. Luby says. “[Companies need] something that stretches across the enterprise that facilitates communication. As I am about to go take an action with any opinion leader, I want to know where anybody in my organization has had a touch point with this person.”

Another challenge to key opinion leader management is that field sales reps are no longer allowed to have input in selecting key opinion leaders, which is a hard habit to break, according to William D. Cooney, president and CEO, **MedPoint** Communications Inc. (medpt.com). Key opinion leaders must now be selected based on professional qualifications, not based on their ability to generate prescriptions.

“That is tricky,” Mr. Cooney told *Med Ad News*. “Compensation should be limited to prevailing market rates, and that’s hard to define. KOLs must perform bona-fide services: that can be hard to document. In short, the area of KOLs is loaded with land mines.”

Because the Office of Inspector General is looking for cases where payments are made but the consulting activities fall short of bona-fide services, the direct compensation that key opinion leaders receive could constitute a kickback violation, according to Mr. Cooney.

“OIG has issued guidelines regarding KOLs/consultants and how they are selected, what they perform, how they are compensated, etcetera,” Mr. Cooney says. “These guidelines are broad and vague, which makes them hard to interpret, but OIG scares everyone. AMA and PhRMA have also issued guidelines on this topic.”

Mr. Cooney believes that key opinion leader management solutions can be helpful in avoiding regulatory violations in the use of key opinion leaders. “Defining a compliant process, adhering to it, and documenting adherence is the key here,” he says. “A management system is absolutely critical.”

To prevent increased regulatory scrutiny, pharmaceutical companies should document all thought leaders' activities and services provided in exchange for compensation, according to Cutting Edge analysts. Thought-leader documentation is one of the easiest and most-effective methods for pharmaceutical and biotechnology companies to alleviate fears of extra regulatory investigations. Thought-leader management teams can be assured that they are being compliant when they fully document all fair-market exchanges of services.

"We spoke with many pharmaceutical executives who hesitated to track thought-leader performance because they fear it will lead to increased regulatory scrutiny," says Elio Evangelista, senior research analyst for Cutting Edge (cuttingedgeinfo.com). "At the same time, there are some executives who have realized that measuring thought leaders' financial impact is acceptable, and there are many ways to do so while remaining compliant."

The fears of some executives of tracking performance may be well-founded, Mr. Cooney says. "If the OIG determines that a pharma company is measuring a KOL according to effect on prescriptions, and that KOL is being compensated, that could constitute *prima facie* violation as an illegal inducement, i.e., a kickback," Mr. Cooney says. "Pharma companies should treat thought leaders as just that: leaders in thought. They should not measure them as 'prescription leaders.' They should measure the effect on thoughts and beliefs of the audiences that KOLs address."

To help pharmaceutical companies manage their relationships with key opinion leaders, a number of developers are creating platforms for pharmaceutical companies. According to **Forrester** Research Inc. (forrester.com), leading key opinion leader management platform providers include Cadient Group, Exploria, Heartbeat Software, openQ, and Skila (see sidebar on page 26).

Documentation of key opinion leader program activities is one of the most-effective methods for life-sciences companies to decrease fear of regulatory scrutiny and investigation. For example, **Skila** (skila.com) recently expanded its iAdvocate solution with a new product offering called iManage. This allows medical science liaisons and marketing executives to track, view, and manage regular communications and interactions with key opinion leaders. IManage provides a centralized and compliant process for planning, capturing, and sharing outcomes of key opinion leader meetings with permissions-based visibility into key opinion leader relationship details.

Heartbeat Software provides a solution called Heartbeat Profiler. This solution can be used to reduce risks associated with paying and tracking key opinion leaders.

"Today, payment information for consultants lives in too many places, both inside and outside the enterprise," says Jonah Meyers, president, Heartbeat (heartbeatsoftware.com). "The data can be found within internal Excel spreadsheets, at agencies, and in financial tracking systems. With the institution of fair balance payment restrictions for KOLs and speakers, pharmaceutical companies have no choice but to track and maintain an audit trail of payments in a single location viewable by many departments."

Heartbeat Profiler's compliance features include a payment threshold notification engine where companies can set payment caps and receive alerts as they draw nearer to the cap, avoiding overpayments or overuse of key opinion leaders. Heartbeat Profiler also provides detailed profiles on every key opinion leader, including key opinion leader development planning reports, interaction reporting, and scheduling functionality for key opinion leader meetings.

Identify, map, and execute

A good opinion leader management platform can identify key opinion leaders in a given space, map their areas of influence, and execute messaging through the proper channels. "It's not only identifying, but also being able to put that into a system that says how all the information flows out from the key opinion leaders, and map that in all of its dimensionality," Mr. Hagemeyer told *Med Ad News*. "Then you have to be able to execute against it, and

execute the right message through the right channels. You overlay who they are, then you overlay how they influence the rest of the market, and then you overlay the certain set of preferences [as to how physicians like to receive information].”

Execution requires full multichannel capabilities, according to Mr. Hagemeyer, because key opinion leader messages can be delivered through various communication channels. These channels include speaker programs, a tablet PC presentation, the Web, a speech reprint, or e-mail.

ROI2 is a company that identifies, profiles, and maps key opinion leaders based on geography, specialty, university affiliation, how they like to get their information, and whether they have participated in clinical trials, been on advisory boards, authored articles, or done clinical research work. The traditional way of identifying key opinion leaders has been spotty, according to Archie Anderson, VP and co-founder, ROI2 (roi2.com). Traditionally, companies look at the most-active authors in a subject, podium visibility, and positions at medical associations or on advisory boards and editorial and review staffs of the major medical journals.

The flaw in that approach is that though those individuals may be visible, they are not necessarily influential, Mr. Anderson says. ROI2 has set out to perform detailed and custom-developed surveys of clinicians identified to be working in the appropriate market for particular clients. Through the surveys, ROI2 discovers who those clinicians consider to be the national and local leaders in their field, who they refer to, and what companies they work with in various capacities.

“When you add that together, you really determine who the people are whose voice and opinions change market behavior,” Mr. Anderson told *Med Ad News*. “We can create reports that actually show and pretty accurately estimated the percentage of the market that each of these people influence down to territories and districts. And sometimes those people are big surprises to our clients because many influencers may not be very active as authors, may not be very active as speakers, but in their communities, they’re highly regarded among those people who know them and talk to them.”

The market is divided between two types of platforms, according to Mr. Maynor. One type could be considered a sales-force automation system for key opinion leaders. These platforms can be elaborate systems for tracking daily interactions among key opinion leaders, marketing team members, and medical science liaisons.

“I contrast that with what Dendrite does, because we really do not play in the KOL tracking or management arena,” Mr. Maynor says. “Our focus is more on identifying and understanding influence at the local level ... We want to provide insight into the relationship and understanding of the impact that these doctors actually have on prescribing volume. Dendrite’s solution is not focused on enterprise-wide KOL management. Rather, the platform is targeted toward individual brand teams.”

Dendrite offers a solution called Physician Connect, a custom-tailored online survey with analysis that identifies key local influencers. Physician Connect features a visual tool that allows brand teams to see where influencers are and how their network of influence affects the prescribing community. Once Dendrite has identified local or regional key opinion leaders for its clients, the company can offer an integrated services package.

“If you want to deploy direct mail, outbound telemarketing, persistency or loyalty programs, or anything else in the non-personal promotional bag of tricks, all of that is integrated into our system and connects directly with our groups within CegeDim Dendrite that does those types of engagements,” Mr. Maynor says. “We try to make it simple, easy, and convenient for the client to identify, understand, plan, and then deploy tactics against these influencers to educate and recruit them as advocates for their product.”

Room for improvement

A common mistake many companies make is a lack of integration across business units. In bigger pharmaceutical and biotechnology companies, the clinical development, medical affairs, and commercial sides of an organization may each perform their own thought-leader development. In addition, many pharmaceutical companies will separate their thought-leader development efforts across various groups within the organization, but fail to tie everything together. One group may handle thought-leader identification, another group may handle segmentation, and another group may do the tactical planning.

“There has to be a centralized function that’s responsible for thought-leader development,” says Fahti Khosrow-Shahi, VP, brand-management practice, **Campbell Alliance** (campbellalliance.com). “The group that does the centralized function ... needs to be able to tie all the various components together and work with the group that’s tactically executing on it in an ongoing basis to collect the metrics.”

Many key opinion leader management platform vendors claim to offer integration solutions. Ms. Khosrow-Shahi believes that although vendors can be very good at doing specific things, her clients have difficulty finding one vendor that is good at doing everything across the board.

“The integrated solution hasn’t really been fully developed, so what my clients do is use a number of solutions,” Ms. Khosrow-Shahi told *Med Ad News*. “There’s definitely a very good opportunity in the industry right now to develop an integrated solution from identification to profiling to tactical planning, and then tracking.”

Mr. Luby believes that the industry’s challenges of the last few years have forced everyone to get more serious about key opinion leader management. In the next 12 months, the industry should see significant developments evolving around key opinion leader management.

“I do see [key opinion leader management] as being in a much-better place than it was even two years ago,” according to Mr. Luby. “The understanding of how physicians influence other physicians and the basic idea of seamless communication and being able to profile, segment, and prioritize is well ahead of where it was. This is probably not in the ideal state, but it is evolving rapidly.”

There is always room for improvement, according to Matthew Phillips, VP, U.S. sales, Heartbeat. “This is still a relatively nascent effort on behalf of pharmaceutical companies that are still evolving and growing,” Mr. Phillips told *Med Ad News*. “Through our roundtables and discussions with the customers and others, as we interview physicians, and as we interview different folks at companies continuously, we’re always finding different rooms for growing our systems and making them better. That’s a philosophy of ours to be innovative, to think hard about what we’re doing, and listen very carefully to what our customers need.”

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Pick a platform

Because the pharmaceutical industry is seeing value from the use of key opinion leaders, a new industry has been formed around key opinion leader management. Developers are creating platforms for pharmaceutical companies to manage their relationships with key opinion leaders.

Forrester Research Inc. evaluated key opinion leader management platform vendors across 52 criteria and found that Cadient Group, Exploria, Heartbeat Software, openQ, and Skila lead the pack. Each has very different strengths. Forrester Research (forrester.com) found that Cadient features the most-extensive brand-strategy consulting. Exploria has the most-unique market vision and the only key opinion leader-side software application. Heartbeat has the most-comprehensive feature set. OpenQ's standards-based architecture and easy integration are stand outs. Skila's physician-profiling methodology provides a solid knowledge-sharing foundation. Another provider, Oracle, builds its key opinion leader offering off of core customer relationship management capabilities and life-sciences experience.

Cadient Group

According to Forrester analysts, Cadient Group (cadient.com) combines experience and expertise in key opinion leader management with a broader understanding of the pharmaceutical marketing context. Cadient Collaborative Solutions combines modular content and collaboration software with strategic consulting and implementation services designed to accelerate deployment, ensure regulatory compliance, and integrate thought-leader management into a broader brand strategy.

Cadient Collaborative Solutions can be used to encourage an ongoing dialogue with key opinion leaders; disseminate clinical findings and brand information for review and feedback; and track consultant contracts, communication activities, meeting attendance, speaking engagements, publication profiles, evaluations, and honoraria payments.

openQ

OpenQ's KOL Manager offers pharmaceutical companies a bilateral key opinion leader management tool with an enterprise-wide software platform. The platform features security and configurability designed to help pharmaceutical companies successfully manage their key opinion leader relationships, while simultaneously helping companies to maintain full compliance.

In April, openQ was highlighted in the "Cool Vendors in Life Sciences, 2007" report by Gartner Inc. (gartner.com), authored by Dale Hagemeyer, Carol Rozwell, and David Newman. Gartner's report evaluates openQ's technology platform as a possible solution for life sciences and biopharmaceutical companies looking to best optimize the use of key opinion leaders.

"The relationship between opinion leaders and industry is arguably the most critical relationship that a company should pay attention to," says Jim Zuffoletti, president, openQ (openq.com). "That's because the effectiveness of the relationship drives the speed to market in terms of discovery leading to release of new therapies, and also the

time to adoption.”

One focus for openQ is emerging opinion leaders, which Mr. Zuffoletti refers to as rising-stars analysis. Another focus is life-cycle management, which means understanding how key opinion leaders change over time.

“The quintessential opinion leader early on is an investigator,” Mr. Zuffoletti told Med Ad News. “Then they become an author. Then later on they might become a presence at a conference. Then they participate in advisory boards. The character of the opinion leaders [the industry] is looking to identify, work with, and collaborate with changes over time, as does the number of opinion leader relationships they should be focused on forging.”

OpenQ offers a variety of technology and data solutions for its customers. “Many of our customers have deployed our application as a field application for medical science liaisons to engage key opinion leaders,” Mr. Zuffoletti says. “But a different configuration of our application is also applicable for companies managing or operating a key opinion leader initiative on the marketing side, or to execute a speaker bureau.”

Exploria

Exploria is an enterprise software development company based in Hartford, Conn. The company maintains a global presence through its strategic alliance partner companies. Exploria focuses on software for building community networks of people to automatically manage, communicate, and control information using the Internet.

In September 2006, Exploria (exploria.com) and openQ formed a strategic partnership to create a state-of-the-art solution for key opinion leader content and relationship management. The partnership is designed to offer the pharmaceutical industry a closed-loop solution for key opinion leader relationship, activity, and content management by combining Exploria’s Direct to Desktop Community Network platform with openQ’s Web portal key opinion leader relationship and strategy functionality.

“Our partnership with openQ enables us for the first time to close the loop between pharmaceutical companies and their highly valued KOLs,” says Leo Herbette, CEO, Exploria (exploria.com). “The problem with influence mapping and the whole KOL relationship management paradigm is related to the validity of the feedback data from pharma to KOL and KOL to pharma. Now we will be able to build true communities of KOLs with their pharmaceutical partners and provide a way to foster real-world networked collaborations, including the often-ignored power of KOL-KOL relationships.”

Heartbeat Software

Heartbeat’s key opinion leader management suite is an enterprise strength suite of management tools designed to help pharmaceutical and biotechnology companies manage the entire key opinion leader life cycle. This includes interaction tracking, profiling, identification, segmentation, publication analysis, speaker-program management, honorarium tracking, portals, and content management.

“We look at ourselves as an enterprise-software company, so perhaps unlike our direct competitors who are smaller and who are struggling supporting an enterprise, we’re much larger and have software architected to support an enterprise,” says Matthew Phillips, VP, U.S. sales, Heartbeat (heartbeatsoftware.com). “But it’s also a niche solution, unlike, say Siebel, which is a box of tools that you have to configure. It’s the best of both worlds from that standpoint.”

Heartbeat signed deals with six new pharmaceutical clients in the United States and Europe in the second quarter of this year. The company’s new clients range from European-based pharmaceutical companies to U.S.-based

biotechnology companies.

Heartbeat's pharmaceutical clients are becoming aware that they cannot continue to manage key opinion leaders in affiliate and brand silos. This has been a key driver of Heartbeat's continued growth.

"Our advantage is that we offer the only truly holistic package of components and services, built on a single platform," Mr. Phillips says. "We provide clients with daily KOL competitive intelligence data delivered directly to user's desktops."

Skila

Skila released its global key opinion leader management solution, iAdvocate 2.0, in July. The company incorporated the best practices of leading organizations to create a work flow in iAdvocate 2.0 that focuses on what Skila executives describe as the six core tenets of key opinion leader relationship management. The six core tenets include prepare and set up, plan, manage relationships, manage programs, measure outcomes, and share best practices. Skila's platform addresses the six tenets by combining process, technology, and support.

"Few companies have developed a process and capability well integrated enough to focus on the entire KOL relationship management process in a measurable way — especially on a global scale," says Simon Mason, chief operating officer, Skila (skila.com). "This poses a major challenge as global organizations strive to create a coordinated and consistent approach across countries, business units, and functional areas."

Skila executives believe that opinion leader management is more than managing databases or implementing technology. Success is dependant on a change in thinking. Companies must create an environment of compliance through a shared strategy and engage in company-wide opinion-leader management, bringing together corporate and country strategies. Companies must plan and manage opinion-leader programs and activities across departments and share information on relationships currently held and accessed on an individual, ad-hoc basis. All relevant information pertaining to opinion leaders should be accessed through a single touchpoint.

Companies also need to establish a process and work flow required to manage, execute, and measure key opinion leader management goals and use flexible technology to support the process and work flow. Finally, companies must provide continuing services to support the people, technology, and process and commit to yearly reviews to manage change.

Oracle

One of the challenges of effective key opinion leader management is figuring out how to take advantage of the information that is gathered through the key opinion leader identification process by integrating the information with the execution channels. Oracle has a broad customer relationship management footprint and a broad enterprise application that provides that integration.

"Oracle is the absolute leader when it comes to CRM applications in pharmaceuticals and medical devices," says Gonzalo Castro, director, life-sciences product strategy, Oracle (oracle.com). "As brand teams or scientific groups plan their activities around key opinion leaders, those could be implemented within the Siebel CRM application."

Oracle also provides tools to help customers with planning efforts. Oracle allows organizations to create engagement plans for key opinion leaders as a whole or individually. Organizations can also do a long-term engagement with key opinion leaders.

“Oracle allows you to look at each individual KOL for specific brands or as a whole and understand how to enhance the relationship with the KOL and company,” Mr. Castro told Med Ad News. “You can look at the KOL as an individual and analyze a creative development plan, do a needs assessment of the KOL, understand the areas the company needs to work with the KOL on ... You can present information in a portal framework that can be directly accessed by the KOLs from their desks.”

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Quick facts

- Physicians seek peer-to-peer interactions for gathering information.
- Effective key opinion leader management is critical as the number of opinion leaders a company forms relationships with increases.
- To prevent increased regulatory scrutiny, pharmaceutical and biotechnology companies should document all thought leaders' activities and services provided in exchange for compensation.
- A good key opinion leader management platform will be able to identify the key opinion leaders in a given space, map their areas of influence, and execute messaging through the proper channels.
- A common mistake many companies make is lack of integration of key opinion leader management efforts across business units.

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The relationship builders

A recent decline in medical science liaison program staffing could put the role of medical science liaisons in danger of being replaced in the near future. Cutting Edge Information analysts report that in 2004, companies had an average of 46 full-time equivalents. In 2006, the average fell to 32.3 full-time equivalents per company, a 30% decline.

As headcounts for medical science liaison programs are dropping, companies are compensating by relying more heavily on thought-leader development departments. One reason for this staffing transition is that frequent medical science liaison turnover makes relationship building a difficult task. Medical science liaisons across the industry tend to stay in their positions for a relatively short period of time, often fewer than two years, according to Cutting Edge analysts. Thought-leader development executives, on the other hand, are often industry veterans, many of whom believe that they are able to provide more stable relationships with thought leaders.

"In the past, drug companies built relationships with medical experts by increasing the number of peer-to-peer interactions with physicians," says Elio Evangelista, senior research analyst, Cutting Edge (cuttingedgeinfo.com). "The dropping MSL headcounts at today's pharmaceutical companies could lead to fewer face-to-face meetings."

With fewer liaisons, pharmaceutical companies will need alternative resources to maintain the same level of key opinion leader relationships or those relationships will dwindle, according to William D. Cooney, president and CEO, **MedPoint** Communications Inc. (medpt.com). Alternatives include more communications to key opinion leaders and more sponsored activities with these people, such as advisory meetings, speaker programs, and clinical research.

"A lot of creativity has surrounded development of KOL-specific Web portals, and if done right, these can help sustain KOL relationships," Mr. Cooney says.

A decline in the number of medical science liaisons was only a matter of time, according to Rick Kennison, president and general manager, **PeerPoint** Medical Education Institute LLC (peerpt.com).

"Governmental perception of medical science liaisons is that they are essentially glorified reps; this is obvious when FDA policies on MSL activities are read," Mr. Kennison says. "MSL forces are expensive to maintain, and the value is questionable at best. I'm not sure that a large negative impact would occur. MSLs generally don't have the authority to make the decision pertinent to key opinion leaders, and if they are important enough, there are people in the home office that manage them in addition to the medical science liaisons."

The demand for medical science liaisons may be slightly lighter due to a domino effect created by fewer new products or chemical entities being approved by FDA, according to Rick Keefer, chief operating officer, **Publicis Selling Solutions** Group (psellingsolutions.com). An arm of Publicis Selling Solutions called Scientific Oriented Solutions provides outsourced contract medical science liaisons to the industry.

Mr. Keefer has not personally seen a decline in demand for medical science liaisons. He does acknowledge that

companies can have many touch points for their key opinion leaders.

“Many times, it’s a representative from medical affairs and/or regulatory divisions within the pharma company,” Mr. Keefer told Med Ad News. “There are very high-science promotional reps that interact with key opinion leaders to help with their development and interaction with the company. Some companies have promotional or commercial individuals on the commercial side that interact routinely with key opinion leaders. And, of course, the marketing teams as a product approaches launch and early-stage launch phases also interact with the key opinion leaders.”