



TAKING THE "AD" OUT OF ADVISORY

GETTING MORE OUT OF YOUR AD BOARDS:
a white paper for pharmaceutical companies



sixsense
strategy
group

insights and strategy for pharma

PURPOSE

AD BOARDS IN BRIEF

Comprised of well-respected, experienced health-care professionals, these meetings provide valuable insight to pharmaceutical companies in terms of planning, development and execution of scientific and business strategies.

This white paper argues that the true potential of Advisory Boards (or Ad Boards) is under-realized by North American pharmaceutical companies today.

While holding the promise of deeper strategic knowledge and unparalleled insight into customer behaviour, too often the lucrative benefits of Ad Boards remain out of reach because of inadequate planning, uneven implementation and mismatched expectations.

Expensive mistakes often ensue. Companies can spend hundreds of thousands of dollars and use up many weeks of valuable resources, only to wind up with ambiguous output and follow-up that lacks specific steps. Just as harmful, an improperly managed Ad Board carries the risk of damaging a company's reputation in the industry—requiring additional time and other resources to recover.

This white paper identifies key problems with the way Ad Boards are run far too often. It also provides a practical strategy that pharmaceutical companies can implement to untap their real potential.

Customer-powered insight, shared with you

Make this white paper part of your company's strategy to gain a competitive edge in the marketplace, boost sales and elevate its reputation in the industry. As a firm skilled in facilitating and managing Ad Boards, Sixsense Strategy Group has taken the extraordinary step of consulting directly with Ad Board

participants themselves, as well as marketing and medical affairs within the scope of the pharmaceutical industry.

We did this as part of our ongoing internal efforts to refine how we serve the needs of this group. But the results we obtained are just too valuable to keep to ourselves. This white paper provides *rare insight*: unfiltered, frank and constructive advice on how Ad Boards can be better structured to meet and exceed the expectations of those whom the pharmaceutical industry is seeking understanding.

This document is the product of over 30 direct interviews with professionals who design, conduct and attend Ad Boards. This includes marketing and medical affairs professionals from six different pharmaceutical companies, along with physicians representing five therapeutic areas. These individuals boast a combined attendance of over 1,300 Ad Boards across Canada and the United States.

The trouble with the way things are: frank talk about Ad Boards from participants

We conservatively estimate that more than \$1 billion is spent annually on Ad Boards in the United States and Canada. Despite this price tag, the results they achieve tend to be mixed. While some Ad Boards generate customer insight, others have no actionable output. When knowledge isn't shared, that output has little impact on strategy—and that's

to the detriment of the company hosting the Ad Board. In our interviews with participants, we identified **four core problems** with the way Ad Boards are run typically:

1. Misaligned expectations
2. Budgets often drive the exercise
3. Process does not match outcome
4. Compensation doesn't buy engagement

Let's look at each one of these problems in depth...

Problem #1: Misaligned expectations

Our interviews with physicians who participate in Ad Boards revealed that many perceive these as thinly disguised marketing exercises in which obtaining their professional advice is treated as a secondary rather than a primary objective. The following comment reflects a broad sentiment in this area:

"They present us with silly marketing stuff that doesn't make sense. When they do that, they're not playing on the up-and-up and they're wasting my time."

On the other hand, our interviews with marketers who run Ad Boards suggested another problem: a disconnect between information shared at the events and an understanding of what to do with that information.

Many cited cases where follow-up activity consisted of a meeting transcript and report that just ended up on the shelf.

The following comment is an example of the mixed feelings expressed by these participants:

"In terms of my satisfaction with the outcome of the Ad Boards I've run so far, I would say that I am probably not fully

satisfied. I mean the objective of getting them together and engaging with them is usually met. How engaged they are, I've seen it done to a varying level of success. Overall typically, I wouldn't say they are done extremely well on average."

In addition to the challenge of mixed results, there is the very real risk that a disappointing Ad Board can reflect poorly on the meeting host. Most physicians interviewed agreed that the quality and experience of participating in an Ad Board reflects directly on the reputation of the hosting company. Attendees think positively about your company when they have a positive experience attending your Ad Board. In contrast, a poor experience can lead to conclusions such as this one expressed by one physician:

"The company must be dysfunctional if they can't put on a decent Ad Board."

Misaligned expectations among participants and event host can have frustrating consequences. An exercise designed to receive and internalize advice can instead be perceived as "marketing pushed in your face," resulting in comments like this:

"I've heard the complaints—this is a CHE event disguised as an Ad Board. You basically paid us to come here and listen to a message."

Granted, there is a bottom line that drives all businesses—the pharmaceutical industry is no exception. There are sales quotas to be met and bonuses to be earned from sales. However, positioning an Ad Board too deeply in the realm of marketing carries the real risk of putting you at odds with the expectations of the attendees.

Remember, the term “advisory” implies that someone is being asked their opinion and whose advice is listened to—thus expectations are violated when a session is peppered with marketing messages that communicate-out rather than listen-in.

Physicians who participate in your Ad Board do understand that it is your job to represent your company and your products and they expect some level of marketing-related discussion. The key is to find the right balance of science and marketing, as summed up by feedback received from these physicians:

“Don’t make it about your product all day long.”

“Don’t make it only a sales relationship meeting—that’s easy to see. Minimize sales and marketing time and have some real meat.”

You increase your likelihood of success by aligning with the intended purpose of Ad Boards. If Physicians think better of your company and therapy as a result of the Ad Board, that’s probably because you asked good questions and listened to what they had to say, and more importantly, acted on it through demonstrated output and follow-up.

Problem #2: Budgets often drive the exercise

Here’s a familiar situation: you’re in the third quarter of your fiscal year and are doing tactical planning for the forthcoming year. You’ve identified tactics, but need to put in placeholders for the ones you think are needed to secure funding, and address the specifics later. In this scenario, it is at this point that a decision is made to conduct an Ad Board—before clear objectives have been established.

In other words, budget and funding imperatives are driving the exercise when it ought to be strategy-driven instead. To be clear, this white paper is not calling for changes in your tactical planning process or in how your company manages its budget. Rather, it argues that Ad Boards can be improved by making them part of strategic planning and by clarifying their role in the process.

So why *does* your organization conduct Ad Boards?

If your answer is “because it’s planned or budgeted,” you may be doing it for the wrong reasons. If the answer is “because what we learn will lead to building a better offer for our customers,” you are off to a good start.

Problem #3: Process does not match outcome

The number of Ad Boards a company will choose to run depends on factors such as budget, compliance restrictions, size of the physician population, where a brand is in its lifecycle and the nature of the business challenge.

For some brands, Ad Boards are seen as “something we need to do every year.” Our research has highlighted two reasons for this – 1) many believe they are the most valuable tactic available to them, and 2) it’s accepted that every brand does them. Rather than treating it as a process leading to an outcome you want, it becomes just another task to complete. This can result in disappointing results, poor physician experience and little understanding of what was accomplished or what to do with the output.

When it’s all about the process, it’s hard to really understand what was achieved. As the saying goes, “*if you aim at nothing you are likely to hit it*” and measuring success becomes increasingly subjective. Consider the following feedback received from a marketing participant:

"I think the measure is a quiet, soft measure. It's really how successful a brand team feels."

Having an outcome orientation is an alternative way of planning for Ad Boards. This approach emphasizes what you want to learn and what will be done with that knowledge in the context of creating a marketing strategy. With this approach, Ad Board participants are far less likely to say, as one marketer did:

"I've heard us say: it's April again, we have to schedule an Ad Board for June."

Problem #4: Compensation doesn't buy engagement

Physicians who participate on Ad Boards receive fair compensation in exchange for their advice. It's a fair exchange. But while compensation ensures attendance, it does not guarantee a certain level of engagement in the proceedings.

Engagement carries a passion or interest in the topic: a feeling of being heard, and a willingness to generate discussions with peers. It is better to aim for engagement as a goal. In doing so, you can create a positive experience that generates great results. Consider the following powerful statement we received from one physician who attended an Ad Board run by our firm, Sixsense Strategy Group:

"I would come to this type of meeting without being paid."

Building better Ad Boards

Well-planned and professionally implemented Ad Boards can be a powerful tool. The feedback we received from physicians while researching this white paper underlines the meaningful results that can be achieved. Here are key quotes from a wide range of participants:

"I learned something really valuable to me and my practice."

"We engaged in a healthy, honest, and respectful discussion."

"They really valued my time both at the session and getting there and back."

"It was well organized, the agenda made sense and we stayed on time."

"I had a chance to socialize with colleagues."

"The moderator was top notch."

What makes an Ad Board effective? As a result of our interviews with participants, coupled with our direct experience planning and facilitating Ad Boards for pharmaceutical firms, we've identified **five actions** you can implement right away to make this happen:

1. Have a clear purpose
2. Be selective about participants
3. Invest wisely in event preparation
4. Anticipate details
5. Ensure follow-up

Let's look at all five solutions in detail...

Solution #1: Have a clear purpose

Purpose is about being able to successfully answer the following question: what do you want to do with this Ad Board? Stemming from this, additional questions can help further define that sense of purpose. Examples:

- What do you want to learn and why do you want to learn that?
- Strategically, what will you do with what you learn? Are you defining, refining or validating a strategy?
- Who else in your company would benefit from this learning, and how might they be implicated going forward?
- How would you know if you accomplished what you set out to do? How would you measure success?

In our professional experience, successful Ad Boards are ones that are part of a strategic approach to business. A good business strategy outlines how you will make your customers an offer that's so enticing that they cannot refuse. To design that great offer, you first need to have a deep understanding of your customers—how they make prescribing decisions, knowing what their motivating factors are, and most importantly, what matters most when a

prescription is contemplated. Ad Boards are a great way to obtain this knowledge.

Ad Boards are not just events. They should be treated as valuable components in your strategic planning process—starting with objectives, customer insight and planning, progressing to tactics and activities to align people, departments and organizations in service of that strategy.

Solution #2: Be selective about participants

Audience management can make or break an Ad Board. Among the marketing and medical affairs participants interviewed for this white paper, virtually all agreed that participant selection had a significant influence on outcome. This was summed up by one participant thus:

“I think the first and most important thing is the selection of people you have at your Advisory Board.”

The following guidelines can help steer your decision making on extending invitations for your Ad Boards.

Who to invite as an Ad Board participant

Factor	Considerations
Audience size	Will there be enough people to get a range of perspectives but small enough so everyone can be heard? And is it in line with compliance standards for your company and the industry?
Expertise and knowledge	Will they add value to the conversation on the topics being covered?
Relationship with company and product	Co-operation is important but it's important to look for different perspectives. Do you just want physicians who agree with you, or do you want to invite all perspectives even if they are contrary to yours?
Relationship with peers	Based on past experience, would this person collaborate well with their colleagues?
Key opinion leaders	Do you need key opinion leaders on hand to influence others or are you looking to have the perspectives be reflective of the entire physician population?

AN IMPORTANT NOTE ABOUT KEY OPINION LEADERS

There are many key opinion leaders who are sought-after to attend Ad Boards. They are valued participants with a great deal of expertise to share and positive influence among peers. Of the key opinion leaders we interviewed, each received 15-25 invitations annually, with an acceptance rate just over 70%.

What steps can you take to ensure your Ad Board attracts the right participants for a successful gathering? Based on our interviews with physicians, we've identified the following key factors.

Availability: Quite simply, is the physician available to attend, or do they have a scheduling conflict? The easiest way to get through the scheduling gate is to follow the advice shared by one physician: *"Give us enough lead time to co-ordinate our schedules."*

Observe the 3Cs: You are better positioned for satisfactory results when you offer content, compensation and convenience to a prospective participant.

Your content should demonstrate the following:

- Is the topic of interest or the product relevant to me?
- Can I contribute to the discussion or learn something that will help me or my practice?
- Who else is attending, and do I believe that I can share something with my peers or learn something from them?
- Is the balance between academic/scientific vs. marketing/sales acceptable to me?

"Be upfront about what the meeting is about and what the goals are. Don't insult my intelligence; make the distinction between consultation meetings and marketing meetings."

The compensation you offer should indicate:

- Is the honorarium reflective of my time and the value of my expertise?

- Does it consider that I am taking time away from my practice or family to help your company?

"Treat us like the consultants we are and compensate us for our expertise and time."

The convenience in your offer should indicate:

- Is the location easy to travel to and from, or does it involve two flights and a long drive?
- Am I being asked to commute during rush hour, or is the session at a time that I can arrive and leave more conveniently?

Make trade-offs: Sometimes compromises are required when planning an Ad Board. In these cases, you need to make some trade-offs with one of the 3Cs, identifying what you are prepared to give up and what remains non-negotiable.

For instance, if your content is really compelling, there are many who would still attend even if both compensation and convenience were lower than they are accustomed to. The participants you'd attract would be the ones who are more likely to attend for the love of the topic and for the appeal of learning.

On the other hand, if your content is less compelling and the location inconvenient, you might have to consider bumping-up compensation to ensure good attendance. Just remember that you are now making money the driver for attendance, which as you read earlier, doesn't necessarily get you the level of engagement you want. There may be compliance restrictions to doing this as well.

Summing up: Be honest and clear with physicians regarding the topic as well as the expectations on the consultation/marketing balance. Compensate them adequately for their time and expertise and wherever possible, make the location as convenient and accessible as you can. By combining the 3C's with lots of lead time, you can increase your chances of getting the right audience to achieve your objectives.

**Solution #3:
Invest wisely in event preparation**

The success of your Ad Board is determined largely before the event takes place. Decisions you make early on can have a significant impact on the session and beyond, so when

the future of your brand and your company's reputation is at stake, no detail is too small to plan in advance. Here are some key considerations when making the decision to invest wisely in event preparation:

Know your resource requirements:

When planning your event, you will likely need additional resources to help with execution and follow-up. It's best to think about this early, so you have the best chance of securing those resources—especially when it comes to in-demand speakers both internal and external. Here is a list of potential resources you might need depending on the objective, audience and nature of the Ad Board:

Ad Board resource requirements

Resource	Contribution
Project manager	Managing logistics, such as: approvals and compliance documentation, venue, travel, accommodations, invitations, set-up, signage and participant communication.
Medical writer	Transforming the event dialogue into a transcript so all key points are captured.
Internal subject matter experts	Company experts in the topic area (e.g., researchers, company scientists or medical affairs).
External subject matter experts	External speakers or experts in their field relevant to the topic. The calibre of the speakers and the reputation of the hosting company are motivating factors for physicians when considering whether to attend.

Put a cap on company attendees: Limit the number of people from company who will be attending as observers, and ensure that you strike the appropriate balance of marketing and medical representation. Having too many people in the room can disrupt the session and sometimes inhibit the candour that is necessary for a successful Ad Board. In our professional experience, it is best to limit the number of company attendees to those who have critical expertise and who are closely involved with the project or business. Knowledge gained from the session can be shared with others later through debriefs and session follow-ups.

Choose an experienced moderator/facilitator: It's crucial that you choose someone who knows what they are doing in this role. Moderators have a major influence on participant satisfaction and on whether Ad Board objectives are met. Moderators/facilitators tend to come from three places: key opinion leaders (most prevalent according to our research); company employees (usually marketing or medical affairs staff); and professional facilitators (those who facilitate group sessions).

In our interviews with physicians who attend Ad Boards, they generally indicated moderator effectiveness had more to do with actual skill of the person than their specific background. Here is a list of desirable traits they cited for this role:

- Gaining the respect of the audience
- Staying on topic
- Keeping the session on-time
- Making the sessions interesting, fun and interactive
- Knowing when and how to ask probing questions
- Having the required level of subject matter expertise
- Being able to draw out insights from all participants
- Drawing conclusions that make sense
- Not having a particular bias about the drug or the company

Here are factors that commonly guide pharmaceutical companies when choosing an Ad Board moderator:

- Companies often tend to moderate sessions themselves (i.e., with internal staff) when budget is a consideration, where knowing the science is a key part of the session and when they believe they have enough facilitative skill to carry an effective session.
- When choosing externally, they look at whether the candidate knows enough about the therapeutic area and the therapy itself (or can learn what they need to know) to track the discussion and gain the respect of the participants. Another factor: is this person skilled at group facilitation, including the ability to help the client think through the objectives and design of the session?

Solution #4: Anticipate details

Put yourself in the shoes of the physician whom you want to attend your Ad Board. They are busy professionals and are more inclined to make a decision in your favour when it's clear your event has been carefully planned, right down to the last detail. Consider the following logistical considerations that matter to them, based on feedback we've received from those who have participated in Ad Boards:

Good location	<i>"Locate it so we can get in and out fast. It's not a vacation, we're there to work."</i>
Suitable day of the week	<i>"Use Thursday and Friday so I don't have to work so many weekends."</i>
Proper pacing	<i>"It's nice to have time to socialize with friends and colleagues."</i>
Responsible use of time	<i>"Keep us on time. It's great to finish early especially on evenings and weekends."</i>

Suitable room set-up	<i>“Set up the room so we can all see each other, small roundtables work great.”</i>
Meals served at venue	<i>“Don’t be cheap. Put some thought into having a nice venue with good food.”</i>

Solution #5: Ensure follow-up

Physicians don’t necessarily expect you to act on all the advice they give during an Ad Board session, but they do expect that you acknowledge their input and demonstrate an understanding of what they have to say.

From a physician’s perspective, one of the most frustrating outcomes of attending an Ad Board is the sense that they are not being listened to. This is captured in a comment made by one physician participant:

“If they don’t listen, I don’t go”

Outcomes matter. The best way to demonstrate that you have acknowledged and have considered the advice of your participants is by generating a follow-up document, issued soon after the Ad Board session is over, indicating what you intend to do with the knowledge you’ve gained from the input of participants. Half of all physicians interviewed for this white paper said they would be interested if follow-up was shared with them. Here’s what one participant had to say:

“I want to know the effort I put in was useful but I never find out.”

Going the extra mile: further steps to improve Ad Boards

So far, this white paper has identified five steps that you can implement right away to build better Ad Boards that get the results you are looking for. But even with these steps in place, there will still be some unmet needs on Ad Boards where further steps are required.

Not all firms choose to do this. But in our professional experience and in the discussions we’ve had with participants, we’ve noticed that the most **successful** Ad Boards tend to be the ones where the hosting firm has made the decision to go the extra mile. They recognize how much is at stake when conducting an Ad Board and make the decision to make the added investment to obtain optimal results.

This is an opportunity for your company to go the extra mile.

The investment you make here in engaging the services of skilled professionals with direct experience in facilitating, planning and conducting follow-up support to Ad Boards—all services offered by Sixsense Strategy Group—is a significant part of what will ensure your success in addressing those unmet needs.

Going the extra mile involves exploring two otherwise untapped opportunities.

Opportunity #1: Creating tighter links between customer insight and strategy

Earlier in this paper, we stated that Ad Boards are not just events, and that they should be treated as valuable components in your strategic planning process. There is demand for tighter links between **customer insight** (what you learn from the Ad Boards) and **strategy** (the outcome of applying the knowledge you’ve gained and transforming it into a plan consisting of objectives, targets, tactics, messages and activities).

This is supported by the direct feedback we receive from Ad Board participants—particularly those on the marketing side of the pharmaceutical industry:

“I think the fit to strategy sometimes is a bit lacking.”

“Getting strategic suggestions would be extremely useful.”

“An agency that you know who can take the output of the Ad Board and provide good advice back into the company’s grand plan.”

Opportunity #2: Building a turn-key solution for your Ad Boards

As discussed earlier in this white paper, a quality Ad Board requires thoughtful, diligent planning and execution. Granted, that’s a tall order of work being piled on top of an already full plate. But you’re not alone in having to manage this. There are professionals you can count on who can help you plan and deliver a better Ad Board, obtain better results, and connect with audiences in a meaningful way.

A turn-key solution can be a powerful investment. It provides you with the opportunity to focus your time on the event itself—letting someone else to take on the project management role and deliver on the objectives you’ve identified. What organizers are looking for is:

“The whole package—quality facilitator, command of the room, a different approach with usable output at the end.”

“Having a turn-key start to finish setup that includes internal approvals.”

Next step: Ready to build better Ad Boards and go the extra mile?

At Sixsense Strategy Group, we’re pleased to share what we know and what we’re always learning about building better Ad Boards. The research we conducted on this white paper confirmed the following key points that guide our work:

1. Ad Boards are not just events, but an important part of designing great strategy.
2. The opportunity to learn from your customers is an extremely valuable one and worth making the investment in terms of planning and implementation.
3. Being disciplined about the purpose, participants and preparation in support of an Ad Board are all instrumental in making the magic happen in the room.

We’re a professional firm skilled at providing you with Ad Board facilitation, planning and management, recognized for how we transform customer insight into workable strategy. We’re fortunate to work with great clients who trust us to help transform the knowledge from Ad Boards into strategy. When it comes to the quality of our work, our clients say it best:

Marketing and medical professionals

“As a result of your strategic recommendations, we changed our go-to-market strategy.”

“I learned more in the first hour and a half today than any Ad Board. I’ve already sent emails telling people that we need to do more of these.”

Physicians

“I enjoyed the facilitator’s ability to tease information out of the group.”

Patients

“I really enjoyed the opportunity to be able to speak and be heard and not just sit and listen like most of these things. I really liked the fact that an outside company was used and not some rep from a big medical company.”

Checklist for building a great Ad Board

Get the results you're looking for from your Ad Boards. Consult this checklist when planning your next Ad Board. These tips are based on the field-tested results obtained by Sixsense Strategy Group in coordinating and planning Ad Boards for pharmaceutical clients, as well as on the best practices identified in this white paper.

Have you...

- ✓ Established that your primary intent is to gain customer insight, so that you can later on make a product offer so compelling that your market can't refuse?
 - ✓ Clearly stated your Ad Board objectives such that you can measure success afterward?
 - ✓ Selected the participants that will best achieve your business objectives and provide the desired experience of the Ad Board?
 - ✓ Thought through the 3Cs (content, compensation and convenience) when planning the logistics and invitations for the event?
 - ✓ Invited your participants early enough to accommodate their schedules (optimally 3 months in advance)?
- ✓ Lined-up all resources needed? This includes: project managers, medical writers, and internal/external subject matter experts.
 - ✓ Included only those internal attendees who can contribute to the learning experience? Established a plan to follow-up with participants afterward and if so, how?
 - ✓ Identified a way to use the knowledge obtained from Ad Board session and incorporate it into your company's strategic planning?
 - ✓ Secured a moderator or chair, skilled at:
 - Gaining audience respect
 - Staying on-topic
 - Staying on-time
 - Making the sessions interesting, fun and interactive
 - Knowing when and how to ask probing questions
 - Having the required level of subject matter expertise
 - Being able to obtain insights from all participants
 - Drawing conclusions that make sense
 - Not having a particular bias about the drug or the company

Find out more

Discover how **Sixsense Strategy Group** can help you get more out of your Ad Boards. Call our Toronto office today and speak with our Chief Breakthrough Officer Tom Hendrikson, directly at **(416) 703-6526**.

Email Tom at **tom@sixsenseinc.com**, or visit us online at **sixsenseinc.com** for more information.