

# THE STATE OF E-LEARNING IN THE PHARMACEUTICAL INDUSTRY

## White Paper



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### 1. Introduction

As we get older as a population; as we demand more from our bodies and minds; as health issues globalize; as more effective drugs go into

development each day, it's clear that the pharmaceutical industry itself is in tremendous health.

As we know, to maintain good health requires activity. Technology already plays an essential part in the health of the pharmaceutical business. Now progressive companies within the industry are deploying newer technology solutions, such as mobile computing. These solutions are creating better ways and means to streamline clinical and commercial processes, to speed time-to-market, to empower sales forces and to aid compliance procedures. Their implementation is proving to be a necessary exercise. Mobile computing is uniquely suited to the geographically diverse work involved in research, clinical trials, detailing, and sales. Mobile Learning gives remote access to training, collaboration and meetings without travel; it reduces costs, and often improves results.

This paper suggests that smart implementation of new technologies can address the key challenges facing pharmaceutical companies today, avoid the pitfalls associated with aggressive organizational change, and transform the business to a 21st century model.

#### Staying Ahead in the Pharmaceutical Industry: Key Challenges

- Speed to market—getting new drugs into the hands of physicians fast
- Competing on a global level
- Competing through e-business
- Supervising 21 CFR Part II compliance
- Content management for reach, frequency, and recall
- Dynamic marketing needs
- Individualization—creating information that speaks directly to the client physician
- Cost containment
- Maintaining high standards of ethics

## **2. New Solutions**

E-learning is the use of digital technologies to deliver knowledge effectively and efficiently to pharmaceutical company employees—from sales

execs to clinical trial investigators—and to their customers (primarily physicians).

While computer-based access to the Internet is the basis of most e-learning solutions, MP3 players, tablets, and other handheld devices, representing mobile learning, can provide even more convenient access to e-learning. Intelligent combination of these learning landscapes, in addition to traditional face-to-face training, is the basis of a third option: blended learning.

Many U.S. companies are already seeking out the benefits of e-learning, mobile learning and blended learning solutions. According to PC Magazine, 61.5 million people in the U.S. alone are expected to be accessing the Internet via wireless devices in 2006. The Brandon Hall Research Group ("The 2005 U.S. Market for Mobile E-Learning") recently reported that, "the strong conventional e-learning market is the foundation of the emerging mobile learning market... The current market conditions are conducive to rapid growth..."

### **3. The Mobile Revolution is here.**

PDA's, Smart Phones, MP3 players, portable game devices, handhelds and tablets. The mobile revolution is finally here. Mobile learning solutions take the power, flexibility, and effectiveness of e-learning even further and is one of the most significant developments in educational technology today. Mobile learning can yield measurable business results, with speed to market and cost reductions.

"One day, as many as 3 billion people will have cell phones, and they are not all going to have PCs. The mobile phone will become their digital life."

- Jess Hawkins, inventor of the Palm Pilot

In 2005, most of your employees have some type of handheld computer, hybrid mobile phone/PDA (smart phone) or PDA. These technologies

represent more than convenient connectivity: they mean business transformation. Mobile training solutions exist as offline courses that can be downloaded to a user's device, or can be accessible online via a portal/LMS. It is estimated that there are 1.5 billion mobile phones in the world today, which is more than three times the number of personal computers. Today's most sophisticated phones have the processing power of a mid-1990s PC. Solutions now exist that will deliver learning materials within a browser, enabling in-house training programs to be easily ported between different, existing handheld devices.

#### **4. Sales and Marketing**

Training for sales personnel is critical and expensive. But it should also be efficient. Sales teams are often dispersed geographically, and need frequent updates to stay abreast of the latest technologies, regulations, or other factors that might affect sales. Taking them from their workplace for six weeks of training is costly, even once—but in a world where learning is a life-long exercise, with complex new products arriving in the market place each week, innovative training methods and tools are essential. E-learning and mobile learning both offer new ways to keep sales reps informed, while minimizing expensive classroom time. Multiply any savings by 5000 sales reps in a large pharmaceutical company, and the figures speak volumes. A dynamic presentation, created especially for display on a handheld device, can speak a company's message and describe its product clearly and energetically—both to its sales people and to their information-saturated clients. The effectiveness of a sales visit will increase as price, availability, or history of a drug is recalled at a moment's notice. And mobile technology can also provide continuous, long-term sales performance. Imagine: A sales executive in a cab on his way to meet a prospective client browses his company's Intranet. He finds a relevant drug has just been released. Not only can he download all necessary information about the new product onto his PDA right then, but he can even take a just-in-time online course on selling its benefits to the physician he is about to meet.

#### **Training Cost Figures for Sales Reps in Pharmaceuticals**

- Average annual cost of employing sales rep: \$160,000 (salary and overhead)

- Number of reps employed by pharmaceutical companies in U.S.: 65,000
- Cost to pharmaceutical companies to employ reps: \$12 billion
- Amount currently spent on training reps: \$1 billion
- Amount of that figure spent on actual content/knowledge costs: \$150 million
- Amount of that figure spent on travel: \$850 million.

(Source: Merck Capital Ventures)

## **5. Development of Next Generation Technologies, Blended Learning Approaches and Compliance**

The faster and more efficient your research and development process, the quicker and more cheaply essential drugs can be put on the market where they are needed, the faster one can achieve ROI. Mobile devices at data source importing and exporting content to a learner's device will begin to supercede hundreds of costly hours in face-to-face meetings. This will negate the need of pulling physicians away from their critical work. Integrated data can also lay the groundwork for clinical trials, where e-learning can provide essential protocol, project management, and analysis tools. As a further benefit, good e-learning services work within FDA Good Clinical Practice guidelines, which mandate documentation of the participation and completion of vital exercises.

Some e-learning and mobile learning programs also offer researchers, physicians, and other personnel access to guidelines, protocols, training materials, and a variety of forms essential in the compliance process of drug development. It is federal law that processes and records are kept on drug development. For a digital archive to be considered valid by the FDA, an organization's documentation must comply with FDA Title 21 "Code of Federal Regulations," Part 11, the 1997 rule covering electronic records. Pharmaceutical companies can now use e-learning solutions to ensure compliance with complex scientific, legal, safety, and regulatory issues.

### **The Physician User**

Competitive pharmaceutical companies are, naturally, looking to integrate technologies complementary with their clients. According to a 2004 poll

by Harris Interactive, some 26% of physicians already use handheld computers, and an estimated 75% will use such devices by 2006. As physicians get more and more comfortable with the speed and convenience of mobile solutions in a profession that is increasingly dependent on electronic information, they will be able and willing to browse information on the latest products via PDA, without face-to-face calls.

## **6. Developing a Strategy**

Developing a clear strategy for implementing new learning and business transformation solutions requires some research. Consider some of these questions:

### **What are the challenges?**

Challenges and barriers to implementing e-learning include:

- Having a learning program up and running quickly
- Communication across your organization
- Delivering a product satisfactory to you, your clients and senior executives
- Providing the expertise to users/administrators
- Understanding your cost constraints.

### **Is now the right time?**

Right now, clients venturing into mobile learning and willing to explore handheld-based systems will find the market in their favor: numerous e-learning vendors are offering services to a still limited market.

### **Which service provider do I want?**

Before making a choice among service providers, you need to decide:

- Whether customized or off the shelf content is appropriate
- Which technologies to deploy
- Rollout planning and implementation
- What ROI you require.
- Do you need to build rich, case-driven, multimedia experiences?
- What is the best device to purchase, or should you build learning content on your employees' existing devices

Of the various vendor selection criteria, it is essential to focus on the elements

of price, service and trust. Key evaluation considerations for any system include: functionality, scalability, integration, maintenance, and service.

### **Why Palatine Group?**

For pharmaceutical companies seeking customized mobile and e-learning solutions, Palatine Group offers a careful, high-end comprehensive approach. Palatine Group is a professional services firm offering business and project management simulations, sales and product training, performance support and technology-based learning. We have over 30 years experience in designing technology-based solutions. We've set our sights high: to build the best, most innovative mobile learning solutions in terms of ideas, design, content and functionality. We will target each learning solution to a specific platform type, rather than developing a generic version of the solution. This strategy works well, given the immature nature of standards development in the mobile phone/PDA arena. Our solutions include learner tracking functionality and a tool that allows instructors to create/import/export courses and modules to a learner's device. We offer both online (through our client's existing infrastructure) and offline access to training courses for a higher level of user experience.

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