



BLACK BOOK™ RESEARCH

June 29, 2020

Regarding questions raised about Black Book Research in a recent Bloomberg News story, here's what you need to know.

In 2019, our website was attacked by ransomware and our backup files were deleted. Our outsourced website vendor (Century Soft) began the process of rebuilding our web pages. In the process some draft pages were temporarily on the site in February 2020, including a staff member holder page from a previous year. While we often use outsourced contractors, any claim that we use fake staff members is completely false.

Black Book Research never charges companies in advance for the rankings they receive from our research. We do not engage in pay for play agreements. Nobody has to pay for their rankings and nobody gets special treatment. Black Book has never requested or accepted prepayment including upfront commissions for the results of any user experience survey prior to general publication.

Black Book provides crowd-sourced client satisfaction and product/service opinion surveying to industry stakeholders. We utilize proprietary web survey instruments, survey apps, direct calling, outsourced survey firm support, and publicly available surveying products to gather and merge user opinion data into product and service categories through extensive polling. Black Book also polls on general trends and industry topics of interest for healthcare industry media outlets. Our mission is to elevate the patient care experience through improvements in health care technology and services.

Black Book is NOT an analyst-based research firm and does not interpret the scoring of vendors submitted by users. We do NOT have secret business relationships with any vendor. We will not sell industry perspectives or subscriptions to vendors prior to any formal reporting and will not demand collaboration with vendors in our approach to gathering satisfaction data. We are vendor agnostic and we don't ask for their client lists.

There is no Black Book sales force. Companies that want to promote their rankings can do so with or without any help from Black Book. They can order our reports online, but the majority of top ranked vendors promote their honors without purchasing a report from Black Book. Many companies choose to let people know about their rankings by sending a press release or posting something on their website.

Our methodology is transparent, uncomplicated and is available on our website. We interview thousands of end users including clinicians and business managers. We examine 18 key performance indicators and then use those metrics to rank companies on their service or product lines. Then we present our findings in a standard report format.

Since 2004, Black Book has served over 10,000 clients including the nation's top financial institutions, largest hospitals, top insurers, top universities, and the world's largest technology firms. We are proud of our reputation for accuracy and customer service, and we know that without your trust none of that matters. We are committed to working as hard as we can every day to earn and keep that trust.

As always, please reach out to me directly with any questions or concerns.

You can also read our responses to the Bloomberg reporters' questions dated March 12 and June 16, 2020 below or on our website at <https://blackbookmarketresearch.com/FAQ> and see the detailed, fact-checked information that was omitted from the story.

WHAT DOES BLACK BOOK DO?

Black Book is a healthcare IT niche research firm providing crowd-sourced, client satisfaction and product/service opinion surveying to industry stakeholders. Black Book utilizes proprietary web survey instruments, survey apps, direct calling, outsourced survey firm support, and publicly available surveying products to gather and merge user opinion data into product and service categories through extensive polling. Black Book also polls on general trends and industry topics of interest for healthcare industry media outlets. The Black Book overall mission is to elevate the patient care experience through improvements in health care technology.

DO YOUR PEER RESEARCHERS AND ANALYST FIRMS EMPLOY QUALITATIVE CRITERIA OR IS BLACK BOOK UNIQUE IN THAT PROCESS?

Yes, all eight major research houses use qualitative performance criteria. We are not different.

DO YOUR PEER RESEARCHERS AND ANALYST FIRMS CONTAIN DISCLAIMER AND NO LIABILITY WAIVERS TO THEIR BUYERS AND READERS?

Yes, all major research houses use remarkably similar wording to their disclaimers. I encourage you to Google a name of any research firm + DISCLAIMER to find this yourself.

IS ALL BLACK BOOK RESEARCH ORIGINAL OR IS IT AGGREGATED FROM OTHER RESEARCHERS?

All research is original unless otherwise stated as a collaboration with other firms. Understanding your question's intent better we can confirm that after running reports through the last three years of history electronically, we find no copied or plagiarized sentences. To answer your direct question, In a 350 page report, that 1 sentence out of over 7,228 sentences may have been identical to another single sentence in an unassociated study two years prior is possible given they covered the same subject.

ELABORATE ON BLACK BOOK'S RECENT CONSUMER AND PROVIDER SURVEYS ON TELEHEALTH IN THE FIRST MONTHS OF COVID?

This research was a collaboration of three independent industry research firms. Sage Growth Partners of Baltimore and Black Book Research teamed up and conducted this set of 3 panel surveys spaced weeks apart in Q1 and 2 and the panels of participants were conducted by yet another third party marketing research firm, ReRez Inc of San Diego. ReRez collected the thousands of responses, Black Book reviewed the crosstabs, and the Sage did perform the analysis and reporting.

IS YOUR DIRECTOR OF FINANCE STILL EMPLOYED AT BLACK BOOK?

For one duty only, part-time, we engaged offshore outsourcing firms since 2011 to handle a one day per week function of invoices billing and collections with the above job title. Our collections outsourcer from India provided that person's name and a photo. We included it on our website so that report-buying customers could have a reference if there was a billing issue. At no time have we ever met the Indian offshore team members personally and had no knowledge the photo they provided us was that same person.

We can confirm those billing and collections duties were fully performed and that position interacted with our customers as they can attest.

There is no fake employee, just an incorrect photo they submitted. We have not had that individual or that outsourced billing company engaged since March 2018 and as mentioned previously, that holder page of staff was only visible nine days until updated in February 2020.

IS BLACK BOOK AN ANALYST ORGANIZATION OR A CUSTOMER EXPERIENCE SURVEYOR?

Black Book is not an analyst-based research firm and does not interpret the scoring of vendors submitted by users. Black Book does not recommend any vendor nor does Black Book have any mutually beneficial business relationships with any vendor. Unlike many analyst-based research firms, Black Book will not sell industry perspectives or subscriptions to vendors prior to any formal analysis and will not demand collaboration with vendors or client lists in our approach to gathering satisfaction data.

DO VENDORS PAY AN EVALUATION FEE TO BE INCLUDED IN BLACK BOOK SURVEYS OR TO PROMOTE THEIR RANKINGS?

Never. Vendors can submit a briefing form to be included in the survey process, available on our website.

DO VENDORS HAVE TO PAY TO PROMOTE THEIR BLACK BOOK RANKINGS?

in 2019-20, 86% of all top ranked vendors, including all publicly traded and privately owned vendors, did NOT buy any Black Book research products. In Q2 2020, Black Book calculated that nearly 90% of top ranked vendors promoted their ratings in some format with or without purchase from Black Book. Most of these vendors post the award to their websites and/or release media announcements with no communication with Black Book.

HOW CAN I CONTACT A BLACK BOOK SURVEY MANAGER?

Black Book manages the crowd-sourced survey processes with an efficient number of full-time staff supplemented by several outsourced market research support firms, part-time staff, contractors, and consultants. Many individuals work independently with Black Book and do not publicize their Black Book working relationships in social media for professional and privacy reasons. Black Book protects the identity of most employees to keep them from the reach of influence of vendors and consultants as well.

HOW IS BLACK BOOK CHANGING IN 2020 TO IMPROVE THE WAY MARKET RESEARCH FIRMS PROVIDE TRANSPARENT, COMPETITIVE VENDOR DATA TO SUBSCRIBERS?

Black Book is changing the practice of selling off-the-shelf customer report cards in 2021. Black Book's goal is to be the industry leader in transparency and access to client feedback as well as to deliver product rating data that meets the more precise needs of individual IT buyers and stakeholders. After nine years of collecting thousands of experience score cards from healthcare IT users, Black Book engaged with Google Cloud's Looker in Q4 2019. Black Book, through Google Cloud's Looker, will offer a data platform of our vendor satisfaction survey output to be made available to subscribers including healthcare software, managed services, consulting, and capital equipment. From this data platform, all stakeholders will have the ability to run their own reports based entirely on the specific data parameters, and key performance indicators important to them. We anticipate this major market research differentiator, now in progress, to be available by Q4 2020.

HOW DOES BLACK BOOK ATTRACT A HIGHER PARTICIPATION RATE IN SURVEYS FROM HOSPITALS AND PHYSICIANS THAN ITS PEERS?

Black Book's participation levels are higher than our competitors because we seek the opinions of frontline system users (nurses, clinicians, business office/finance, operations, ancillary technologists, physicians, clerical users, management and staff) which is a very large pool of over 6,000,000 users. That includes 3.3 million nurses and clinicians, 209K managers, 1.4 million in support positions, and 126K in business related positions. Our known competitors seek the input of a much smaller pool of high-level IT leadership or C-Suite officers and seek direct commentary through lengthy telephone and questionnaire interviews. Many CIOs are survey-fatigued according to our polling in 2016, which may also contribute to their lower response figures. Announcements for surveys are sent to our ambulatory provider database including physicians and their business staffs for responses. Our surveys take only a few minutes to complete online. There are over one million practicing physicians with support staff in the US. The Medical Group Management Association and the American Association of Family Physicians use the benchmark of 4.3 support staff members per physician, making a total pool of 5,300,000 contact points for Black Book to survey annually.

HOW DOES BLACK BOOK MANAGE TO REMAIN UNBIASED?

Black Book is not a pay-to-play vendor scoring scheme or analyst-based research firm. No vendor is asked to pay to be included, ranked, or handled with special treatment. Buying a distribution license is optional after ratings are announced in the media and on our website. Black Book does not have a sales team soliciting vendors to engage with Black Book or to become clients. We notify vendors via email of their ranking after they are published in the public domain and media is notified. It is optional for the vendor to acquire a report license.

WHAT PROFESSIONAL MARKET RESEARCH ORGANIZATIONS DOES BLACK BOOK BELONG TO?

The American Association for Public Opinion Research and the MRA Insights Association, as well as globally, with ESOMAR: The World Association of Research Professionals, based in the Netherlands.

DOES BLACK BOOK EVER ENGAGE PARTICIPATION THROUGH PANELS?

Black Book engages independent, third party market research panel companies who can source thousands of exact users in a short window of time (at a cost to Black Book) when time is critical to gather data.

WHAT ARE THE KEY PERFORMANCE INDICATORS FOR HEALTHCARE IT VENDORS?

These standard 18 KPIs are: Strategic Alignment of Vendor Offerings to the Client's Mission and Goals; Innovation and Optimization; Training and Education; Client Relationships and Cultural Fit; Trust, Accountability, Ethics and Transparency; Breadth of Offerings; Deployment and Implementation; Customization; Integration and Interfaces, Interoperability and Connectivity; Scalability and Client Adaptability, Vendor Staff Expertise and Performance; Reliability; Brand Image and Marketing Communications; Marginal Value Adds; Vendor Financial Viability and Managerial Stability; Data Storage Services; Support and Customer Care; and Best of Breed Technology and Process Improvement.

HOW MANY MARKET SURVEYS DOES BLACK BOOK PRODUCE ANNUALLY?

Our survey apps and online polling instruments have the capacity and established product and service categories to gather user feedback on over 300 solutions. In Physician Ambulatory EHR for example, there are over 30 just in that one software poll as listed by specialties from Allergists to Urologists.

HOW DOES CROWDSOURCED INDEPENDENT CLIENT EXPERIENCE SURVEYING DIFFER FROM OTHER RESEARCHERS THAT RECEIVE CLIENT LISTS DIRECTLY FROM VENDORS AND INTERVIEWING THOSE VENDORS' PRE-SELECTED CUSTOMERS?

In depth academic and scholarly research has been performed on the validity and potential of consistent questions and crowdsourced surveying techniques. We have been consistent for nearly ten years on our KPIs. Google Scholar lists several academic studies to provide us much more insight on crowd-sourced surveying, in general.

WHAT IS THE MINIMUM SAMPLE SIZE FOR EACH OF THE SURVEY REPORTS?

Black Book requires twenty unique client ballots to be ranked in the top ten. These ten would then have 200 in the sample minimum. Our full competitive rating of 20 vendors will include those 200 plus a minimum of five each from the remaining ratings 11-20. That totals a minimum of 250 responses per survey rating, far exceeding the benchmark of some market research organizations of 30 participants.

ARE BLACK BOOK'S INDICATORS AND RANKINGS "QUALITATIVE"?

Black Book's key performance indicators are qualitative. We measure the perceptions of users and clients. These are in line with our industry and consistent with the measurements of our peers.

HOW DOES BLACK BOOK RECRUIT SURVEY PARTICIPANTS?

Black Book does not actively recruit participants. We have daily survey announcements on Twitter and social media. We send quarterly email reminders to anyone who has participated previously or is in our opt in data base of individuals interested in survey information. We never have requested or have accepted a client list. Black Book has welcomed independent scientific evaluation of our methodology by vendors and providers for over ten years.

WHAT DOES IT MEAN THAT BLACK BOOK'S RESPONSES ARE SUBJECTED IMMEDIATELY TO INTERNAL AND EXTERNAL AUDIT?

We outsource the validation processing of online scorings to assure the removal of duplicates and to detect mismatches in ten different user identifiers.