

# AI ROI in Pharmacovigilance: Building the Business Case

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ai in pharmacovigilance

pharmacovigilance roi

case processing automation

drug safety ai

pv cost reduction

ai business case

healthcare ai metrics



## Executive Summary

Pharmacovigilance (PV) is a mission-critical, resource-intensive function in the life sciences industry. Companies often spend the **majority of their PV budget on case processing activities**, with recent reports citing that PV teams allocate roughly **40–85% of their budgets to case intake and case processing** <sup>(1)</sup> [www.thepharmaletter.com](http://www.thepharmaletter.com)). Moreover, case volumes are **growing rapidly (8–15% per year)** as new products and data sources proliferate <sup>(1)</sup> [www.thepharmaletter.com](http://www.thepharmaletter.com) <sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov). This creates an urgent need for efficiency: manual processing not only drives up costs but can also delay safety reporting, potentially compromising patient safety.

Artificial intelligence (AI) and related automation technologies (machine learning, natural language processing, robotic process automation, etc.) offer promise to **dramatically reduce the burden of routine PV tasks**. For example, AI-powered case intake systems can extract relevant data from safety report documents without human typing, while advanced analytics can speed **signal detection and literature monitoring**. When applied effectively, AI can **save thousands of staff-hours**, accelerate turnaround times, and **reduce overall PV operating costs**. The key questions are: *what is the expected return on investment (ROI) from AI in PV, how quickly will the investment pay back, and how should organizations build a compelling business case for adoption?*

This report provides a deep, data-driven analysis of AI ROI in pharmacovigilance. We review the current PV landscape and cost drivers; define ROI and payback period concepts in a healthcare context; survey frameworks and metrics for AI ROI; and present evidence from surveys, studies, and pilots in the industry. We find that **operational (administrative) AI tends to generate very high ROI within 12 months (often 200–400%)**, while clinical outcome-oriented AI may take longer (often 2–3 years to break even) ([thinking.inc](http://thinking.inc)). In PV specifically, analysts and practitioners **anticipate on the order of 10–30% cost savings** once GenAI and automation are fully deployed, though obtaining executive buy-in often requires carefully linking AI improvements to business outcomes <sup>(3)</sup> [default-uat.indegene.com](http://default-uat.indegene.com) <sup>(4)</sup> [default-uat.indegene.com](http://default-uat.indegene.com)). Building the business case requires capturing both **hard benefits (labor cost savings, outsourcing cost avoidance, improved compliance)** and **soft benefits (quality/accuracy, patient safety confidence, talent effects)** in a structured framework ([thinking.inc](http://thinking.inc)) <sup>(5)</sup> [www.europeanpharmaceuticalreview.com](http://www.europeanpharmaceuticalreview.com).

We also include quantitative examples and two summary tables. Table 1 outlines *value streams* for AI in PV (efficiency, patient safety, risk mitigation, strategic value) along with example metrics. Table 2 contrasts *typical ROI metrics* for administrative versus clinical AI applications, illustrating how quickly projects can pay back.

In conclusion, **AI holds the potential to transform PV**, but the financial payoff depends on careful planning. Early data and case studies suggest that PV organizations can expect material reductions in case-processing costs within 1–3 years of implementation, but leaders must align on realistic ROI goals, integrate “human-in-the-loop” **governance**, and benchmark against pre-AI baselines to quantify the impact. Our recommendations include establishing clear KPIs, using phased pilots with control groups, and modeling payback under different scenarios (see §Metrics and Business Case). Over time, more potent tools such as generative AI may unlock further gains, but companies should prepare now by grounding AI projects in rigorous ROI analysis and robust business cases.

## Introduction and Background

Pharmacovigilance (PV) – the science of detecting, assessing, understanding, and preventing adverse drug effects after products are on the market – is a cornerstone of patient safety and regulatory compliance <sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov) <sup>(6)</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov). Ever since the thalidomide tragedy in the 1960s, PV has evolved into a global effort involving drug makers, regulators, healthcare providers, and patients. Modern PV encompasses activities such as **case intake and evaluation** (coding and assessing individual case safety reports, or ICSRs), **aggregate reporting** (periodic safety update reports, risk management plans), **signal detection** (looking for new safety signals in data), and **risk management** (communication and mitigation actions). Figure 1 (below) illustrates the complex case processing workflow from case

receipt to report submission, highlighting that multiple decision points and manual tasks are involved at each step<sup>(17)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)).

— *Figure 1. Simplified PV case processing flow (excerpted from Schmider et al. (<sup>(9)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/))).*

(<sup>(9)</sup> [default-uat.indegene.com](https://www.default-uat.indegene.com/))

Intensive regulation and increasing data volumes have caused PV workload and costs to **escalate sharply**. Global PV budgets are large – some industry estimates put the size of the overall PV market at ~\$10–11 billion in 2025 (with projections to ~\$20–26B by the early 2030s)<sup>(10)</sup> [www.tepsivo.com](https://www.tepsivo.com/))<sup>(11)</sup> [www.precedenceresearch.com](https://www.precedenceresearch.com/)) – and PV costs have been rising due to more complex reporting requirements (e.g. [post-market surveillance](#), real-world evidence integration, periodic product monitoring for newer modalities). Surveys indicate typical pharmaceutical companies spend on the order of **several hundred thousand to millions of dollars per year** on PV, often outsourcing a large share of ICSR processing to CROs<sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/))<sup>(1)</sup> [www.thepharmaletter.com](https://www.thepharmaletter.com/)). In fact, it is widely recognized that **ICSR case processing is the single largest internal cost driver of PV operations**. One recent study reported that, on average, “case processing spends... consumes most of a pharmaceutical company’s overall PV budget”<sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)), with internal PV teams devoting up to two-thirds of their resources to processing safety cases<sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)). Similarly, a pharmacovigilance expert notes that many mid-sized PV groups have become “data processing centers”, as costly manual case entry dominates their workload<sup>(12)</sup> [www.linkedin.com](https://www.linkedin.com/)).

This heavy focus on case workload is exacerbated by growing volumes of reports. Case volumes are rising roughly **10–15% per year** in many organizations<sup>(1)</sup> [www.thepharmaletter.com](https://www.thepharmaletter.com/)), driven by more products on the market and broader reporting (from [clinical trials](#), postmarketing, social media, etc.). The result is an “arms race” of cost: PV departments must continually scale headcount or outsource more work just to keep pace, with limited improvement in output quality. Not surprisingly, life-sciences leaders have become keenly aware of AI as a means to improve PV efficiency. A recent industry article noted that PV teams currently allocate **40–85% of their budgets to case processing**, and that most are now looking to automation to cut costs and relieve timeline pressure<sup>(1)</sup> [www.thepharmaletter.com](https://www.thepharmaletter.com/)).

At the same time, the regulatory sector has begun to scrutinize the use of AI in PV. The US FDA and European agencies have issued guidance encouraging novel safety signal detection methods, but have emphasized that AI tools in PV must be validated, transparent, and preferably keep a “human-in-the-loop” review to ensure compliance<sup>(13)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/))<sup>(14)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)). For example, FDA reviewers have studied the use of AI for processing ICSRs in FAERS, noting that AI can help triage and extract information but currently cannot fully replace human judgment<sup>(13)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/))<sup>(14)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)). In essence, the AI-driven future of PV is contingent on both technological readiness and a sound business justification: **pharma companies must be convinced that AI projects will actually pay back their investment**.

In this report, we explore how organizations can quantify the ROI of AI in PV, how to calculate payback periods, and how to craft an evidence-based business case. We first clarify ROI concepts (definitions, formulas, value streams) in a healthcare context. Then we examine where AI can be applied in PV workflows (\$AI in PV), and what parameters matter (cost structure, personnel, compliance penalties). We survey available data on expected savings and ROI, from market analyses to pilot studies. We also describe methodologies for measuring PV automation gains (\$Metrics, case studies). Throughout, we cite published statistics and expert observations. By diving deeply into each subtopic, we aim to leave no gap in the understanding of **how AI adds value to PV and what it takes to recoup the costs**.

## The Pharmacovigilance Landscape: Costs, Challenges, and Opportunity

## Budgets and Cost Drivers

Pharmacovigilance spending is substantial and rising. A meta-analysis of multiple industry sources reports the global PV market was roughly **\$9–11 billion in 2025**, with forecasts doubling to \$20–22B or more by the early 2030s (<sup>[10]</sup> [www.tepsivo.com](http://www.tepsivo.com)) (<sup>[11]</sup> [www.precedenceresearch.com](http://www.precedenceresearch.com)). Several factors drive this growth: more new drugs (including complex biologics and precision therapies) necessitate intense monitoring, regulators demand more post-market data, and companies have largely outsourced PV case processing to CROs, adding overhead. Indeed, spending on PV is so significant that market-research analyses note PV as a fast-growing segment of pharma services (<sup>[10]</sup> [www.tepsivo.com](http://www.tepsivo.com)) (<sup>[11]</sup> [www.precedenceresearch.com](http://www.precedenceresearch.com)).

Crucially, most of the PV budget is consumed by **case intake and processing**. Case processing includes receiving ICSRs (from healthcare providers, consumers, literature, etc.), validating causality and seriousness, coding events and products, writing narratives, performing duplicate searches, and preparing reports. By one estimate, “*case processing activities constitute a significant portion of a company’s PV resource use, ranging up to two-thirds*” (<sup>[2]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). When outsourcing is included, case processing “consumes most of a pharmaceutical company’s overall PV budget” (<sup>[2]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). A recent PV leader confirmed this primacy: mid-sized companies often spend “*40 to 85% of budgets towards case processing*” (<sup>[1]</sup> [www.thepharmaletter.com](http://www.thepharmaletter.com)). With case volumes growing ~10–15% annually (due to more products, broadened reporting, and digital sources), the situation is only getting worse (<sup>[1]</sup> [www.thepharmaletter.com](http://www.thepharmaletter.com)).

Table 1 summarizes the main PV value streams and how AI could create savings. Note that *operational efficiency* (case processing automation) offers the most immediate cost-reduction opportunity, whereas *clinical and compliance benefits* are more indirect but still important to quantify.

Value Stream	Description	Key Metrics / Examples
Operational Efficiency	Time and labor saved by automating manual tasks (e.g. case intake, data entry, coding).	Staff hours saved; reduction in case cycle time; cases processed per FTE; cost per case (before vs. after) ( <sup>[15]</sup> <a href="http://ciberspring.com">ciberspring.com</a> ) ( <a href="http://thinking.inc">thinking.inc</a> ).
Clinical/Patient Safety	Improved detection accuracy and timeliness of adverse events.	Earlier identification of safety signals; fewer missed ADRs; quantifiable improvements in patient outcomes (e.g. reduced harm). ( <sup>[16]</sup> <a href="http://www.europeanpharmaceuticalreview.com">www.europeanpharmaceuticalreview.com</a> ) ( <sup>[17]</sup> <a href="http://link.springer.com">link.springer.com</a> )
Risk Mitigation & Compliance	Avoided regulatory penalties, fines, and late-reporting costs.	On-time submission rates; reduction in compliance violations or warnings; money saved from avoiding regulatory fines ( <a href="http://thinking.inc">thinking.inc</a> ).
Strategic/Intangible	Hard-to-quantify benefits that empower the organization.	Employee engagement and retention ( <sup>[18]</sup> <a href="http://www.europeanpharmaceuticalreview.com">www.europeanpharmaceuticalreview.com</a> ); better data quality for decision-making; enhanced corporate reputation and agility. ( <sup>[5]</sup> <a href="http://www.europeanpharmaceuticalreview.com">www.europeanpharmaceuticalreview.com</a> )

Table 1. Key value streams and ROI metrics for AI in pharmacovigilance. Multiple value streams contribute to overall ROI, ranging from direct cost savings to risk avoidance and strategic gains ([thinking.inc](http://thinking.inc)) (<sup>[5]</sup> [www.europeanpharmaceuticalreview.com](http://www.europeanpharmaceuticalreview.com)).

## Regulatory Impacts and Hidden Costs

While efficiency is paramount, regulators remind us that PV’s ultimate goal is patient safety. According to FDA-affiliated authors, capitalizing on AI in PV should “*benefit patients by enhancing safety signal detection*” even as it lowers costs (<sup>[17]</sup> [link.springer.com](http://link.springer.com)) (<sup>[14]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). For example, TransCelerate—a consortium of large pharma—emphasized that smart automation can “*not only lower costs but also help reduce errors and improve consistency*”, thereby directly aiding patient safety (<sup>[17]</sup> [link.springer.com](http://link.springer.com)). Thus, any ROI assessment must incorporate not just bottom-line savings but also the value of improved quality.

On the cost side, compliance and regulatory risk add another layer. One estimate (from EU regulatory data) suggests an eCTD submission rejection can cost ~\$80,000 and 6+ weeks delay (<sup>[19]</sup> [numantratech.com](http://numantratech.com)). In PV, delays or errors in

safety reporting similarly carry costs: late or inaccurate reports can lead to regulatory warnings or fines, product recalls, and litigation. These intangible compliance costs can be substantial, especially for high-profile products. By automating and error-proofing workflows, AI can help **avoid these costs**. For instance, models that flag missing data or check for format errors can reduce rejection rates, as seen in regulatory eCTD processes (<sup>[20]</sup> [numantratech.com](#)). While quantifying these savings is complex, they form an important part of the business case: a robust ROI calculation should estimate how many incidents or sanctions are prevented by faster, more accurate workflows.

Furthermore, as noted in healthcare AI studies, many *hidden costs* of AI projects exist (data pipeline setup, governance, change management, human oversight) ([thinking.inc](#)). In PV specifically, overhead such as validating AI decisions (e.g. medical reviews), maintaining data quality, and training staff can amount to 25–40% of the total investment ([thinking.inc](#)). These costs lengthen the payback period if not planned for. PV leaders must therefore model not only the license or development fees of AI tools but also the full implementation costs (see §Estimating Payback).

In summary, pharmacovigilance is characterized by a high baseline cost—driven mainly by case processing—and stringent quality mandates. The **AI opportunity** is to slash those costs and improve accuracy, but realizing that potential requires careful evaluation of both direct savings and broader impacts.

## Defining ROI and Payback in Healthcare/Pharma

### What is ROI and Payback Period?

**Return on Investment (ROI)** is a standard metric for evaluating investment efficiency:

$$\mathbf{ROI} = \frac{\text{Net Benefit of Investment}}{\text{Cost of Investment}} \times 100\%$$

Put simply, ROI measures how much profit (or savings) is gained per unit cost. For example, if an AI project costing \$100K yields \$50K in annual savings, its ROI after one year would be 50% (<sup>[21]</sup> [www.techtarget.com](#)). ROI can be computed for a project, a department, or even an entire organization; what matters is comparing the incremental benefits to the incremental costs.

In a capital-budgeting context, **payback period** is often used alongside ROI. The payback period is the *length of time required for an investment to “pay for itself”*, i.e. to recover the initial outlay through net cash inflows (<sup>[22]</sup> [beanvest.com](#)). For instance, if a \$100K AI tool saves \$25K per year, the payback period is 4 years (since \$100K/\$25K per year = 4 years) (<sup>[22]</sup> [beanvest.com](#)). Shorter payback periods are generally favored because they imply the investment becomes profitable sooner and involves less risk exposure. In fast-moving fields like AI, companies often prefer a rapid payback as technology and requirements evolve.

However, ROI and payback can be deceptively simple. In healthcare and PV, many valuable benefits (improved patient outcomes, better data for decisions, avoiding lawsuits) do not translate easily into immediate cash. As Bartek Pucek notes, healthcare ROI cannot be measured solely by revenue uplift; one must account for **operational savings, clinical outcomes, risk mitigation, and strategic factors** ([thinking.inc](#)) ([thinking.inc](#)). For example, avoiding an ICU admission saves society \$30–80K per case, but a hospital or PV department may not capture all of that value directly ([thinking.inc](#)). Thus, organizations must decide which “stakeholder” they’re measuring ROI for (provider, payer, patient, or company) and align on which flows of value count.

Poised within pharmacovigilance, ROI analysis often differs from consumer tech: we care about cutting labor and compliance costs, but also about patient safety and regulatory goodwill. Indeed, some experts argue that ROI is not “just

a number” – it’s a narrative that must include intangible and long-term effects <sup>[4]</sup> default-uat.indegene.com). For example, a PV leader might justify an AI system partly on the basis that it **frees skilled safety scientists** to focus on high-value medical review instead of keystrokes. That benefit (better use of human capital) may not be directly monetizable, but it contributes strategic value over time.

Despite these complexities, it is crucial to attach numbers to AI investments for sound decisions. Table 2 (below) illustrates typical ROI outcomes for two broad categories of AI use cases, as reported in healthcare case studies (thinking.inc). Highly structured administrative tasks (e.g. data entry, report generation) often yield **200–400% ROI within the first year**, with payback in under 12 months. In contrast, clinical AI applications (e.g. predicting outcomes, complex analytics) may deliver more modest ROI and take 2–3 years to breakeven (thinking.inc). Pharmacovigilance case processing lies closer to the administrative side of the spectrum, suggesting leaders can expect relatively rapid payback if projects are chosen well.

AI Application Category	Typical ROI (Year 1)	Payback Period (approx.)
Administrative/Back-office AI (claim processing, automated data entry)	200–400% (thinking.inc)	≤ 12 months (thinking.inc)
Clinical/Patient-care AI (decision support, outcome prediction)	~150% average (thinking.inc)	24–36 months (thinking.inc)

Table 2. Typical ROI and payback for different types of AI in healthcare. Administrative automation often breaks even within 1 year (200–400% ROI), whereas clinical use cases usually take 2–3 years to repay the investment (thinking.inc).

## Healthcare-Specific ROI Considerations

In pharmacovigilance, the financial benefits of AI accrue across multiple “value streams” (Table 1), making ROI assessment multifaceted. A recent guide to AI ROI emphasizes four streams: **operational efficiency, clinical outcomes, risk mitigation, and strategic value** (thinking.inc). Operational improvements (hours saved, faster throughput) are the easiest to quantify (thinking.inc). For example, if an automated case intake system saves 2,500 staff-hours per year at an average cost of \$25/hour, that alone is \$62,500 in annual savings (thinking.inc). Clinical outcomes – such as reduced morbidity from earlier safety signal detection – are valuable but harder to monetize directly (thinking.inc). Risk mitigation includes avoided fines and litigation; for instance, if AI prevents late submissions, it avoids penalties on the order of \$50K–\$2M per incident (thinking.inc). Finally, strategic value (hiring/retaining talent, regulatory leadership) is not easily monetized but is critical for long-term ROI <sup>[23]</sup> www.europeanpharmaceuticalreview.com).

Another nuance is the distinction between **project ROI vs. portfolio ROI**. Many organizations undercount the true value of AI by measuring each initiative in isolation. As the Thinking, Inc. guide notes, the first clinical AI project carries heavy FDA or MDR compliance costs (e.g. \$200K–500K for EU MDR certification) (thinking.inc). If a PV team treats each tool separately, the payback on the first one will look poor. However, if the company considers all PV AI tools together, these fixed compliance costs can be amortized across projects. In short, *calibrating the ROI calculation to a portfolio view can dramatically shorten the apparent payback for individual projects* (thinking.inc). PV leaders building a business case should capture such synergies.

Finally, timing matters. The payback period metric assumes linear cash flows, but in PV the benefits of AI ramp up over time. During initial deployment, productivity may dip (training staff, debugging models), and sensitivity of AI needs careful tuning. In mature operation, process improvements compound. Thus, ROI projections should be multi-year. Some sources suggest looking at *at least 3–5 year* horizons for PV AI, with ROI curves that may accelerate as AI models improve and the system scales (thinking.inc).

## AI Applications in Pharmacovigilance

To quantify ROI, we must understand where AI can be applied in PV. Table 3 outlines the main PV use cases for AI and automation. Many of these are related to case processing (the prime cost center), such as **AI-augmented case intake** (e.g. auto-extraction of fields from reports), **coding and triage** (suggesting MedDRA codes automatically), and **de-duplication** of reports. Other applications include **literature monitoring** (NLP to scan scientific papers for new adverse reaction mentions <sup>(2)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/)), **social media mining** (identifying patient-reported AEs online), and **advanced signal detection** (machine learning on aggregate data). Emerging use cases involve generative AI: for example, large language models (LLMs) can draft case narratives and preliminary assessments, and transformer-based systems can automate report writing.

PV Process	AI/Automation Tool	Potential ROI Driver
Case Intake & Triage	Computer vision/OCR; NLP to pull data from forms, PDFs.	<b>Reduces manual data entry time.</b> Increases speed of case registration; lowers per-case labor cost <sup>(24)</sup> <a href="https://pubmed.ncbi.nlm.nih.gov/">pmc.ncbi.nlm.nih.gov</a> .
Data Coding & Validation	NLP classifiers (e.g. MedDRA coding); rule-based QC.	<b>Improves accuracy, cuts QC workload.</b> Automated coding can flag inconsistencies, reducing error-checking time <sup>(17)</sup> <a href="https://link.springer.com/">link.springer.com</a> .
Literature Monitoring	Text-mining from journals, abstracts, EHRs.	<b>Automates broad scanning.</b> Saves literature search hours; catches cases regulators might miss <sup>(16)</sup> <a href="https://www.europeanpharmaceuticalreview.com/">www.europeanpharmaceuticalreview.com</a> <sup>(17)</sup> <a href="https://link.springer.com/">link.springer.com</a> .
Signal Detection	Statistical ML on safety database (disproportionality, ML models).	<b>Enhances detection power.</b> Speeds discovery of rare signals; prevents costly adverse events via earlier action.
Aggregate Reporting (PSURs, etc.)	Workflow AI and OCR for forms, digital dashboards.	<b>Speeds report generation.</b> Frees staff from manual compilation; accelerates submission timelines.
Quality Control / Audit	Predictive analytics for error-prone cases; anomaly detection.	<b>Prevents non-compliance.</b> Flags likely late or incomplete cases, avoiding regulatory findings.
Other (e.g. Labeling, Communication)	Generative AI; chatbots; intelligent search.	<b>Frees expertise for strategy.</b> E.g., AI can auto-generate safety summary texts, allowing medical writers to focus on review.

Table 3. Illustrative AI use cases across pharmacovigilance workflows. Each application reduces manual effort or error risk in key tasks (sources: literature review and industry surveys <sup>(24)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/) <sup>(16)</sup> [www.europeanpharmaceuticalreview.com](https://www.europeanpharmaceuticalreview.com/) <sup>(17)</sup> [link.springer.com](https://link.springer.com/))).

In applying AI, most ROI analyses focus on the **first bullet of Table 3 – case processing** – because it dominates cost. For instance, the Pfizer pilot in 2018/2019 evaluated commercial AI solutions for extracting data from ICSR source documents, finding that AI models could indeed identify valid cases and critical fields <sup>(24)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/). Although that pilot was primarily about feasibility and accuracy scoring, it validated that “*automation of pharmaceutical safety case processing represents a significant opportunity to affect the strongest cost driver*” [3†L104-L112†L155-L163. In other words, automating case intake could significantly shift PV resource use.

Beyond case intake, AI in **signal detection and medical review** may yield more qualitative benefits. Historically, machine learning in PV has included algorithms to predict whether a case is valid, or to cluster similar cases for triage <sup>(25)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/) <sup>(13)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/). Modern AI (especially large models) could go further – e.g. automatically evaluating the plausibility of causality by cross-referencing external knowledge. While these advanced uses are still in developmental stages, early products claim to reduce the human workload required to sift through large safety databases <sup>(13)</sup> [pmc.ncbi.nlm.nih.gov](https://pubmed.ncbi.nlm.nih.gov/) <sup>(16)</sup> [www.europeanpharmaceuticalreview.com](https://www.europeanpharmaceuticalreview.com/)). Implementing such tools can reduce **time-to-discover** a safety issue and improve completeness of reporting.

The **introduction of generative AI** introduces new payback considerations. Generative models (e.g. GPT-like LLMs) can undertake nuanced language tasks: drafting narratives, translating documents, summarizing findings, or even simulating adverse event reports for training. These capabilities can, in principle, save enormous time (imagine automatically generating a case summary instead of manual assembly). As an example, an LLM could read a complete medical record and draft an ICSR narrative in seconds – a task that might take a junior safety scientist 1–2 hours. Early pilots of GenAI in PV have demonstrated quality outputs for literature review and schematic charts <sup>(26)</sup> [default-uat.indegene.com](https://default-uat.indegene.com/)), though comprehensive payback data is not yet published. Given regulator caution, companies often start GenAI use with non-

critical tasks (like draft narratives or literature alerts) under human oversight, expecting more tangible benefits as trust builds.

In summary, **every major PV process from intake to reporting has AI potential**. Our ROI analysis concentrates on the most impactful processes (case intake, coding, reporting). However, clinical and safety professionals will also gain indirectly: for instance, by reallocating experts to deeper analysis and strategic decision-making once routine tasks are handed off. This reallocation itself is a payoff: many surveys show that when repetitive tasks are automated, **80–90% of AI-assisted employees report better work quality and lower stress** <sup>(18)</sup> [www.europeanpharmaceuticalreview.com](http://www.europeanpharmaceuticalreview.com)). In essence, AI can multiply the productivity of a safety team even if measured savings appear modest.

## Measuring AI ROI in Pharmacovigilance

### Establishing Baselines and Metrics

A rigorous ROI analysis begins with establishing a baseline: quantify current performance (time, cost, error rates) of the PV process before AI. For case processing, this means measuring current metrics such as *hours per case*, *cost per case*, *cases per FTE*, and *cycle time*. Without a baseline, “savings” claims are meaningless. Industry experts advise defining **3–5 key metrics** per project upfront (financial, operational, and patient-safety related) <sup>(27)</sup> [ciberspring.com](http://ciberspring.com)). For example, measure one or more of: (a) dollars spent per priority ADR case, (b) average days from case receipt to database entry, © percentage of cases auto-validated by AI vs. manual, and (d) number of safety signals identified per year <sup>(15)</sup> [ciberspring.com](http://ciberspring.com)) <sup>(28)</sup> [ciberspring.com](http://ciberspring.com)).

Specifically, **common ROI metrics in PV include** <sup>(15)</sup> [ciberspring.com](http://ciberspring.com)): hours of manual labor replaced per month, average case cycle time (days), the number of ICSRs processed per full-time employee, the percentage of adverse events captured automatically, and cost per case or per report. Figure A (below) gives an example of how these metrics might be tracked in a project. After deployment, one would measure these same metrics again and calculate differences. For instance, if case cycle time drops 20% and FTE needs drop by 15%, the labor cost savings can be computed and annualized. Such before-and-after comparisons with proper control (to account for workload changes) form the core evidence of ROI <sup>(29)</sup> [ciberspring.com](http://ciberspring.com)).

**Example:** Suppose pre-AI a PV department takes 90 minutes on average to intake and validate one ICSR (including clerical entry and initial triage). After implementing an NLP-based intake assistant, the average time falls to 30 minutes. This 60-minute reduction per case at \$50/hour labor rate corresponds to \$50 saved per case. If the company processes 10,000 cases/year, that’s \$500K saved annually (ignoring any AI maintenance cost). This simple calculation provides a back-of-envelope payback: a \$500K initial AI project investment would break even in ~1 year at these rates.

In practice, one must also track **error rates and quality**. If AI mislabels data or misses fields, it could introduce new costs downstream. Therefore, ROI frameworks emphasize the need for “human-in-loop” checks during rollout <sup>(13)</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). Measures such as “percentage of cases requiring human correction” or “accuracy of key data fields” should be monitored. Over time, one expects these errors to drop as models are refined. Every reduction in rework or re-intake due to AI directly counts as additional savings (fewer audit findings, fewer notes to correct).

According to industry surveys and case studies, **proving ROI relies on disciplined tracking**. We highlight the following best practices drawn from multiple sources (and summarized in Table 4):

- **Set clear KPIs and baselines:** Define specific, measurable goals before pilot start (see [33†L81-L90]). Choose at least one financial metric (cost per case) and one operational metric (cycle time, error rate).
- **Use control comparisons:** Where possible, compare against a parallel process or past data; e.g., if only part of a team adopts AI, use the non-AI group as a control. Or compare year-over-year normalized for case volume.

- **Measure continuously:** ROI is best demonstrated by trends over time. A dashboard that monitors metrics monthly (as recommended by [33†L88-L98]) can show how savings accumulate.
- **Include hidden costs:** Factor in the ongoing costs of AI (maintenance, retraining, cloud fees, etc.) as part of the denominator of ROI ([thinking.inc](#)).
- **Translate metrics to business outcomes:** Always tie technical gains to dollar values or regulatory consequences. For example: “6-hour reduction per case → 1,200 FTE-hours saved annually → \$2.4M reduced outsourcing cost” (<sup>[30]</sup> [ciberspring.com](#)).

Any ROI report should thus be **evidence-based and transparent**. As one ROI guide notes: “proving ROI requires a step-by-step framework anchored in measurable evidence” (<sup>[27]</sup> [ciberspring.com](#)). In PV, this often means months of data collection. Still, as soon as the AI tool starts processing cases, even a partial-year result (e.g., a 3-month pilot) can show trends. Over the long term (2–3 years), companies should see compounding returns as AI systems improve and scale.

## Quantifying Cost Savings and Payback

Translating AI’s impact into financial terms requires estimating both cost reductions (numerator of ROI) and project costs (denominator). Key sources of cost reduction in PV include:

- **Labor savings:** Reduced FTE requirements (e.g. needing one fewer case entry specialist) or overtime hours avoided.
- **Outsourcing offset:** If a company outsources cases, each automated case is a direct \$ savings of the vendor invoice. Industry participants note that many companies pay \$15–\$25 per case to CROs for intake and submission (<sup>[12]</sup> [www.linkedin.com](#)), so a 50% automation rate could cut those bills roughly in half.
- **Efficiency on full-time staff:** Even if headcount remains, reclaimed hours can be reallocated to higher-value work (no longer needed for simple data entry). This improves ROI indirectly by increasing throughput without hiring new people.
- **Avoided corrections and fines:** As mentioned, each late report or submission error has potential penalty costs. If AI reduces error rates, the business case can include the expected value of avoiding one infraction or recall per year.
- **Faster time to complete reports:** In some jurisdictions, timely submission of aggregate reports avoids rolling penalties. For example, if AI saves days on quarterly safety report assembly, that is demonstrable compliance gain.

On the cost side, expenses include: software licensing or development fees, hardware/cloud resources, service contracts, training staff, change management, and ongoing maintenance. These should be annualized (e.g. one-time setup vs recurring). As a rule of thumb from Deloitte, planning and hidden costs (training, data integration) can run 25–40% of the total project cost ([thinking.inc](#)).

With these numbers, the **payback period** can be calculated. For instance, consider a hypothetical PV AI project: initial implementation cost \$X, annual savings \$S. The payback period (years) = X/S. Several industry sources provide ballpark examples of such calculations. For example, administrative AI in health systems has shown ROI up to 400% in 1 year, implying payback in a few months ([thinking.inc](#)). In PV, one speaker estimates that automating data intake could save \$200K–\$400K annually in a mid-size company (<sup>[12]</sup> [www.linkedin.com](#)); if the AI investment were \$300K, that would pay back in ~1–2 years.

It is important to stress that these are illustrative; actual ROI depends on each company’s case volume, labor rates, and platform costs. As a guiding metric, some PV leaders aim for **2x ROI within 24 months** as a business-case threshold. If a pilot shows less than that (say only 10% year-1 ROI), firms often decide to halt or pivot the project. Conversely, projects delivering >100% ROI and sub-12-month payback typically move forward to scale across the organization (as noted by Bain’s survey of AI ROI (<sup>[31]</sup> [www.bain.com](#))).

Finally, changes in scale can shift ROI. For example, Doubling the number of integrated products or external sources the AI covers can significantly increase benefits with only moderate additional cost (software licenses may scale cheaply). Thus, when building a business case, executives should consider not just a single use case but a scaled program (e.g. "PV process engine") that can serve clinical operations, regulatory affairs, and PV concurrently.

## Costs of Automation: Investment and Ongoing Expenses

Given the significant upfront and ongoing costs, ROI calculations must account for the full cost structure:

- **Initial investment:** This includes costs of selecting or licensing an AI platform (one-time fee), customizing it for PV processes, and integrating with safety databases and literature repositories. It also includes project resources (project management, IT support). A conservative estimate for a moderately complex AI project might run \$200K–\$1M capital, depending on scope.
- **Ongoing costs:** Land fairly new territory in PV, ongoing costs can include cloud compute for NLP processing, annual software subscriptions, and human oversight. Teams should budget for at least 10–20% of initial costs per year as maintenance. For example, data model retraining and validation might cost \$50K/year for PV data specialists.
- **Regulatory and quality assurance costs:** Unlike consumer software, AI in PV may be considered "high-risk" (per FDA/EMA), requiring documented validations and audits. The first system deployment could incur regulatory compliance expenses (e.g. submission of the methodology to authorities, or internal quality release notes). Bartek Pucek notes that EU MDR assessments alone can be \$200–500K for the first system ([thinking.inc](#)). If the PV AI is deemed a "predominantly reactor" clinical decision, it may likewise attract costly validation efforts. These costs delay payback and should be amortized over 3–5 years.
- **Hidden and opportunity costs:** PV departments should not underestimate the cost of change management. Training PV staff to work with AI tools and possibly redefining roles (a "shift-left" from pure data entry to more analysis) takes time. Survey evidence from Deloitte suggests many organizations *underestimate these overheads*, which can amount to 25–40% of total spend ([thinking.inc](#)). Budgeting for this explicitly (often as a line item in project cost) is prudent.

In constructing a financial model, companies should tabulate a multi-year cash flow: negative cash flows in the first 1–2 years (AI capex + labor to integrate it) followed by positive flows (savings) thereafter. Net Present Value (NPV) analysis can be applied by choosing a discount rate reflecting the cost of capital. However, given that pharmaceutical portfolios are R&D-heavy, many teams simply focus on payback and 3–5 year ROI percentages as decision criteria.

## Data-Driven ROI Analysis and Evidence

### Industry Surveys and Expert Insights

Although academic case studies of PV ROI are scarce, several industry surveys and expert reports provide valuable data points. For example, a recent Indegene survey of PV executives on generative AI found:

- **Key KPI priorities:** 60% of respondents rated *efficiency gains* as a top metric for GenAI projects, while 50% prioritized *cost savings* (<sup>[32]</sup> [default-uat.indegene.com](#)). This underscores that leaders equate success with labor/time savings (Table 1) over, say, marginal improvements in accuracy.
- **Anticipated savings:** Companies were "cautiously optimistic" about achievable savings from GenAI. About 27% expected **10–20% cost reduction** and another 27% expected **21–30% reduction** within 1–3 years (<sup>[3]</sup> [default-uat.indegene.com](#)). In other words, the median expectation is roughly a 15–25% budget cut due to AI. (For those companies it is much more than "just edging at the margins" of PV spend.)
- **Barriers to ROI:** In the same survey, roughly one-third of respondents cited lack of data quality or AI expertise as top challenges. Notably, "*justifying GenAI ROI remains the biggest hurdle in securing funding*" (<sup>[4]</sup> [default-uat.indegene.com](#)), indicating that even with anticipated savings, teams find it difficult to build a business case without hard evidence.

Similarly, Bain & Company research (2025) surveyed hundreds of life science and healthcare leaders and found that **54% of organizations realized measurable AI ROI within one year** of their first generative AI initiatives (<sup>[33]</sup> [www.bain.com](http://www.bain.com)). This suggests that when AI is well-aligned with business needs, payback can occur rapidly. However, the same report noted only 24% of pharma POCs reach production, and data readiness is a major obstacle (<sup>[33]</sup> [www.bain.com](http://www.bain.com)). Thus, case studies of success tend to involve well-prepared data and clear target use cases – lessons PV teams should heed.

An important insight from AI deployments in life sciences is that **ROI often clusters in a few high-impact projects**. Clinithink (a clinical NLP vendor) reports internally that roughly 10–15% of AI projects account for ~85% of the total value delivered (<sup>[34]</sup> [ciberspring.com](http://ciberspring.com)). The key is aligning AI with core value drivers rather than peripheral tasks. This aligns with PV priorities: automating every task is less important than fully automating the *highest-volume, lowest-complexity* tasks. Indeed, TransCelerate's automation survey (2019) highlighted that PV teams see the greatest automation benefit in steps like case intake and coding – tasks that are labor-intensive and rule-based (<sup>[35]</sup> [link.springer.com](http://link.springer.com)) (<sup>[17]</sup> [link.springer.com](http://link.springer.com)).

## Case Examples and Pilot Programs

Though detailed ROI figures from pharma participants are proprietary, some illustrative cases and pilots have been reported:

- Pfizer Pilot (2018):** In the proof-of-concept study (<sup>[24]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)), Pfizer tested three commercial AI solutions for adverse event case processing. The focus was on extracting four critical data elements (AE, drug, patient, reporter). All AI models were trained using the company's safety database rather than manually annotated documents. In evaluation, two vendors achieved F1 scores above 0.7 on information extraction, and roughly 30–34% of cases were ≥80% complete after AI processing (<sup>[36]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). Pfizer concluded AI was *“feasible to apply... to automate safety case processing”* (<sup>[24]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)) (<sup>[36]</sup> [pmc.ncbi.nlm.nih.gov](http://pmc.ncbi.nlm.nih.gov)). While purely technical in nature, this study shows that **the technology exists to significantly speed up case workstreams** – implying that a deployment could convert many hours of review into automated checks.
- Industry-Academic Signal Detection (2025):** Schooling the bigger context, a 2025 pharma technology review noted that advanced AI can reassign *“skilled resources”* away from rote case entry and toward critical safety analysis (<sup>[37]</sup> [www.europeanpharmaceuticalreview.com](http://www.europeanpharmaceuticalreview.com)). In one survey, over 80% of safety staff felt AI augmented their productivity, and ~60% said it reduced stress (<sup>[18]</sup> [www.europeanpharmaceuticalreview.com](http://www.europeanpharmaceuticalreview.com)). These findings, while not direct ROI numbers, emphasize that experienced PV professionals can handle more volume with the same headcount when freed from low-value tasks.
- Regulatory Affairs ROI (Analogy):** A case study in regulatory affairs (not PV) provides perspective: an EU mid-sized pharma automated its dossier submissions using AI, reducing preparation time from 10 weeks to 4 weeks and cutting annual labor/resubmission costs by \$200K (<sup>[20]</sup> [numantratech.com](http://numantratech.com)). Similarly, a biotech cut clinical study report assembly time by 70% and saved 300+ QC-man hours (<sup>[38]</sup> [numantratech.com](http://numantratech.com)). These examples show time savings of 60–70% are achievable in regulated documentation processes. Extrapolating to PV, if case entry or literature review times are cut by comparable percentages, the financial impact would be significant.
- AI-Driven PV Automation Vendor Claims:** Vendors like IQVIA and ArisGlobal claim large PV clients have achieved “substantial” efficiency gains with their platforms. For example, industry sources state that **AI case processing can cut cycle times and improve data quality** (<sup>[39]</sup> [ciberspring.com](http://ciberspring.com)). One report specifically noted that IQVIA's safety AI reduced manual review effort and increased consistency, framing the ROI in terms of compliance confidence (<sup>[39]</sup> [ciberspring.com](http://ciberspring.com)). While these are vendor-sourced examples, they reinforce that leading PV operations are capturing measurable ROI on key KPIs once AI is implemented.
- Survey of PV Professionals (India, 2017):** A descriptive study of PV case processors noted that a single adverse reaction report required **median 69 minutes of background work** (<sup>[40]</sup> [academic.oup.com](http://academic.oup.com)). If AI could even halve that workload, the savings per report would be real.

Although published case studies with dollar figures are rare, the convergence of these insights suggests the following illustrative scenario for ROI calculation: automating even half of the current case intake labor (a plausible first goal) could reduce personnel costs by 25–30%. For a budget of \$2M dedicated to case processing, a 30% reduction is \$600K saved annually. If the AI solution costs \$500K to implement, the payback period would be less than a year (which is consistent with reported admin AI payback) ([thinking.inc](http://thinking.inc)).

## Quantitative Market Data

Market research also indirectly validates the ROI narrative. The global **PV services market** was projected at about \$10.4B in 2025 (<sup>[11]</sup> [www.precedenceresearch.com](http://www.precedenceresearch.com)), with compound annual growth ~9–14% through 2030. A substantial portion of that spending is addressable by AI: in surveys, over 80% of life sciences CIOs plan to **significantly increase investment in automation/AI for PV** over the next 5 years (<sup>[41]</sup> [www.arisglobal.com](http://www.arisglobal.com)). Already, vendors tout that AI is one of the key drivers pushing the pharmacovigilance market forward (<sup>[42]</sup> [www.alliedmarketresearch.com](http://www.alliedmarketresearch.com)). These market trends imply that meaningful ROI is expected to justify those investments; i.e., companies must see enough value to fund doubling down on AI for safety.

In sum, while the precise ROI depends on company context, existing data and industry voices provide confidence that **AI can deliver multi-year benefits on the order of tens of percent of PV budget**. The power of AI is not a vague promise but a calculable outcome by treating automation projects as major process-improvement initiatives and tracking their impacts as described above.

## Discussion: Building the Business Case

Given the opportunity, companies need rigorous business cases. Below we outline key considerations and recommendations for demonstrating ROI and making the investment case convincing.

### Aligning Goals and KPIs

Start by **identifying the primary business objectives** for AI in PV. Is the goal to reduce headcount? Improve quality? Comply with tighter regulations? Often, multiple goals exist. Engage stakeholders (PV leaders, Finance, IT, Quality) early to set shared expectations. Document specific KPIs linked to these goals, including both primary (cost, time) and secondary (accuracy, user adoption). For instance, if an executive's concern is backlog of cases, a KPI might be "weeks to zero backlog". Fish up multiple perspectives: global PV rule (safety) and finance (cost) priorities must both be addressed. As one analyst put it, ROI is a "*narrative*" – it should tell the story of how AI moves the needle on these priorities (<sup>[4]</sup> [default-uat.indegene.com](http://default-uat.indegene.com)).

It may be helpful to **select an initial pilot that clearly ties to a strategic goal**. If reducing operating costs is the goal, initiate with case intake automation in a high-volume product line. If improving report quality is the objective, pilot NLP QC checks. The pilot's success metrics then feed into the business case: "*This pilot delivered 1500 hours saved and error rate cut in half*".

Another tactic is to anchor PV AI ROI to broader business metrics. For instance, if faster signal detection potentially prevents even one product liability lawsuit per year (each potentially multi-million-dollar), that should be counted in the model. In regulated industries, linking time-to-market can also be persuasive: every day a report is faster means meeting a regulatory deadline sooner and avoiding informal sanctions. While these are harder to quantify precisely, they can be ballparked to include in ROI.

### Calculating Payback Scenarios

Building the numbers, teams should construct a **financial model** that compares costs and benefits year-by-year. Use conservative estimates for savings (e.g. 70% of the theoretical best) and realistic timelines. Include sensitivity analysis: e.g. "If labor cost per case is \$20, then a 30% reduction saves X; if it is \$30, the saving is Y". Show best-case, base-case, and worst-case scenarios.

For payback calculations, consider non-linear effects. The first year may yield partial implementation; second year sees full run-rate. Include any financing costs if the project required capital. Also account for the depreciation of one-time costs (e.g. spread a \$1M cost as \$200K/year over 5 years).

It is often useful to present **Annual Cost/Benefit tables**. For example:

Item	Year 0 (Setup)	Year 1	Year 2	Year 3	3-Year Total
<b>Costs</b>	\$500K	\$100K	\$100K	\$100K	\$800K
– Software/license purchase	\$300K	–	–	–	\$300K
– Implementation & training	\$200K	–	–	–	\$200K
– Maintenance/updates	–	\$100K	\$100K	\$100K	\$300K
<b>Labor Operations Savings</b>	–	\$400K	\$400K	\$400K	\$1.2M
<b>Compliance/Quality Savings</b>	–	\$50K	\$50K	\$50K	\$150K
<b>Net Cash Flow</b>	–\$500K	+\$350K	+\$350K	+\$350K	+\$550K
<b>Cumulative Cash Flow</b>	–\$500K	–\$150K	+\$200K	+\$550K	–

Table 4. Hypothetical 3-year cashflow for an AI Pv automation project (in thousands USD). The project pays back in ~2 years under these assumptions.

In Table 4, the project cost is \$500K up front, with moderate \$100K/year maintenance (covering cloud and oversight), and annual direct savings of \$450K (labor plus avoided compliance costs). The payback occurs when cumulative net becomes positive (between Year 1 and Year 2). Such a model makes clear to decision-makers the time horizons.

## Capturing Intangible Benefits

In addition to quantifiable metrics, a business case must articulate qualitative gains. For example:

- **Quality Improvements:** Describe how AI reduces human error (citing [77] TransCelerate findings on fewer mistakes (<sup>[17]</sup> [link.springer.com](https://link.springer.com))) and thereby improves safety. Perhaps include potential downstream cost reduction (e.g. fewer remedial safety studies).
- **Staff Redeployment:** Quantify if possible or at least estimate how many experienced PV staff-hours per year will be freed from mundane work to do higher-value tasks. For instance, “each senior PV scientist spending 20% of time on data loading vs. review is suboptimal – AI could convert that to fully reviewing complex cases, which could lead to X more signals detected or faster safety communications.”
- **Morale and Retention:** Cite any data linking automation to employee satisfaction (<sup>[18]</sup> [www.europeanpharmaceuticalreview.com](https://www.europeanpharmaceuticalreview.com)). Even if not easily converted to dollars, note that happier, more fulfilled employees reduce turnover costs (recruitment/training).
- **Reputation:** If applicable, note that being a technologically advanced company can improve public perception and even investor confidence. While abstract, this can be part of the narrative.

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Finally, stress that ROI is not static. It evolves as the AI systems learn and improve. For instance, an NLP model's accuracy typically grows as it ingests new cases. A one-time pilot might show 15% productivity gain, but a scaled mature system could reach 30–40%. Emphasize that the business case should be updated annually with real results (and this in itself is a sign of a mature AI program).

## Future Directions and Implications

Investing in AI for PV is not just about immediate ROI; it positions a company for future competitive and regulatory advantage. Below are some implications and trends to consider:

- **Regulatory Evolution:** Both FDA and EMA are anticipated to publish more guidance on use of AI/ML in PV. Early adoption and rigorous documentation of AI in safety processes may smooth future audits. In contrast, companies reluctant to use AI may face greater pressures as regulators and peers adopt these tools.
- **Generative AI (GenAI):** The rise of LLMs (e.g. GPT-4 level models) will expand PV AI capabilities. We are already seeing prototypes of GenAI systems performing literature screening or drafting safety narratives. These could reduce not just FTE costs but also cycle times in aggregate reporting and labeling. Given the pace of GenAI evolution, PV teams should plan gradually to integrate these into workflows. Early ROI may come from automating simpler summarization tasks, with larger gains in subsequent years as the models become more reliable and better fine-tuned to regulatory language.
- **Data Integration:** The ultimate ROI of PV AI depends on access to high-quality data (electronic health records, claims, registries). Companies that invest in data infrastructure now (to feed into AI) will unlock new signal detection channels (e.g. real-world data). These strategic investments, while heavy, can multiply value streams in safety. A forward-looking business case might include RWD analytics as a future benefit.
- **Benchmarking and Continued Measurement:** As more organizations deploy AI, industry benchmarks will emerge. Groups such as TransCelerate and professional networks may start aggregating anonymized ROI data (e.g. average time saved per 1,000 cases by AI, or typical payback period). PV leaders should participate in such benchmarking efforts to validate assumptions.
- **Organizational Change:** Real ROI will only materialize when processes and people adapt. The past five years have shown that simply installing AI software is not enough; companies need to build AI-savvy teams and governance (see [36] on culture change). Business cases should therefore include a plan for updating SOPs, training staff, and iterating AI usage guidelines. The companies that view AI as a complement to human expertise – rather than a magic bullet – will achieve the best cost/value outcomes.

## Conclusion

Pharmacovigilance is a high-cost but high-stakes domain. AI and automation offer the means to **reshape the PV function** by drastically cutting manual workload and enhancing analytic capabilities. The ROI narrative in PV must capture both the hard cost reductions (labor, outsourcing, errors) and the soft value (patient safety improvements, compliance resilience, employee engagement). Our comprehensive review shows that many PV organizations expect **double-digit efficiency gains (on the order of 10–30% of PV costs)** from AI within a few years of deployment (<sup>[3]</sup> [default-uat.indegene.com](https://www.default-uat.indegene.com)). Preliminary evidence from pilots and expert surveys suggests that well-targeted AI projects can break even within **12–36 months**, especially for administrative tasks ([thinking.inc](https://www.thinking.inc)).

To build the business case, PV leaders should rigorously measure baseline performance, define clear KPIs (as in Tables 1–2), and conservatively model cost savings. They should highlight examples wherever possible: for instance, showing how a pilot reduced case cycle time by X% or prevented Y fines. Engaging finance partners with these quantified projections is crucial, as is planning for the investment profile (including training, maintenance, and compliance costs).

Ultimately, the return on AI in PV will compound as technology and skillsets mature. Companies that do their homework now – establishing metrics, running pilots, and iterating their approach – will not only recoup their investments but also gain a sustainable edge in drug safety operations. The future of PV is increasingly digital; those who **ground action in data and ROI** will lead the way.

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**Big Data & Analytics:** Large-scale data processing, predictive modeling, clinical trial analytics, and real-time pharmaceutical market intelligence systems.

**Dashboard & Visualization:** Interactive business intelligence dashboards, real-time KPI monitoring, and custom data visualization solutions for pharmaceutical insights.

**AI Consulting & Training:** Comprehensive AI strategy development, team training programs, and implementation guidance for pharmaceutical organizations adopting AI technologies.

Contact founder Adrien Laurent and team at <https://intuitionlabs.ai/contact> for a consultation.

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