

Client: IMS Health

Project: White Paper on Big Data

Objective: Lead Generation

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## **Big Data Delivers Big Solutions for MedTech Sales Strategies**

MedTech sales forces are trying to find their footing amid significant regulatory and industry shifts of the past few years. The Affordable Care Act (ACA) of 2010 touched off a renewed vigor to contain costs and improve clinical outcomes. Hospital mergers and acquisitions, GPOs, IDNs, ACOs, and VACs have new prominence. Together, they dislodged the traditional MedTech sales and marketing strategy from its moorings and set it adrift in unfamiliar waters.

MedTech sales teams are adapting to the industry's new dynamics, but can easily overlook the distinctive benefits offered by advances in Big Data. These continued advances in Big Data technology and analytics can help MedTech companies:

- Identify new markets based on timely and accurate data
- Produce potent value propositions for their sales messages
- Reduce risk by aligning sales, marketing, and IT resources under the best strategies
- Develop data-driven models for deploying and compensating the sales force
- Acquire data that equips them to target their marketing and sales efforts with precision
- Understand who their true customer is

## **It Used To Be So Straightforward. What Changed?**

Ten years ago, the primary MedTech buyers were physicians who made decisions based on their clinical preferences for features and benefits. If Dr. Jones wanted it, Dr. Jones got it. Simple.

But today, the MedTech buying decision is more likely to be made by a group of administrators and clinicians who comprise either a Value Analysis Committee (VAC), or one of the nation's more than 900 Accountable Care Organizations (ACOs), or one of the more than 1,000 Integrated Delivery Networks (IDNs) ... as long the product is on the Group Purchasing Organization (GPO) contract. Not so simple.

There can be many people – and an accompanying matrix of perspectives, concerns, and issues – involved in the MedTech purchasing decision. MedTech manufacturers have the difficult task of adapting as purchasing groups are formed and dissolved, and as markets are consolidated (65% of community hospitals were in a system in 2016; in 2000, it was 52%). The sales message must demonstrate value as defined by members of a decision-making group who require information about outcomes analysis, asset utilization, and care coordination. They're looking for clinical advances, but also need to see evidence of a comprehensive set of economic benefits that add value across multiple dimensions.