

Four Pillars for a Successful Medtech Market Product Launch

Successfully introducing a product into the medtech market can be challenging. Now, experts are carving out a clearer pathway.

Building a successful commercial strategy for a medtech device requires careful planning and execution. One of the biggest challenges medtech companies face is the exorbitant costs associated with bringing their disruptive product to market, with many spending as much as 40% of revenues on sales efforts. This cost can be debilitating, especially for early-stage companies with lean resources facing today's economic uncertainty, supply chain issues, and the threat of a global recession.

Brennan Marilla, chief commercial and operating officer of **Ossio**, an orthopedic fixation implant company, and Rob Brown, chief commercial officer at **Bolt Navigation**, developer of a surgical navigation system, discussed how they've successfully executed innovative go-to-market strategies using smart tools and techniques to drive down the cost of commercialization.

Depending on a variety of factors, such as product complexity, target market size, and segmentation, the commercialization process differs for every medtech innovation, but Marilla and Brown identified four common strategic pillars as foundational for a successful medtech device launch.



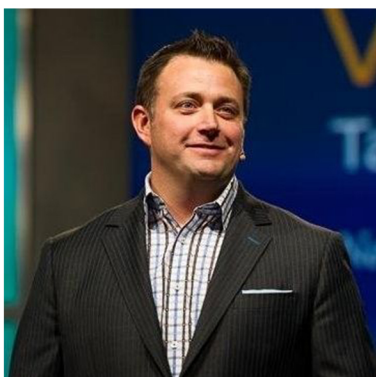
Rob Brown
Chief Commercial Officer
Bolt Navigation

1. Conduct analytics-enabled market research

The first step to building a successful medical device launch strategy is conducting a comprehensive market analysis to fully understand target audiences, competition, key pain points, and unmet needs. It's also critical to segment the market based on demographics, geographic location, user characteristics, and target audiences.

"The most important part of any commercial launch comes down to knowing your target market size, segmentation, and scalability," Brown said. "We uncover this detailed information from a data-driven commercialization platform designed for the medtech industry. It not only identifies surgical procedures by volume, but also specifies the surgeons performing the surgeries and where the operations are taking place. Sophisticated analytics tools that identify this depth of procedural insight are relatively new and save tremendous time finding physicians and patients who can benefit from our innovations."

Marilla added, "In the past, we typically purchased third-party market research and sometimes the findings were vastly different than reality. With an advanced



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data analytics platform, our findings are incredibly accurate, not only down to the surgeon level, but also including the value of the procedures being performed. The time saved on identifying prospects has been a huge productivity boost for sales reps.”

Indeed — data analytics is expected to be key to doing more with less in today's market. According to the [2023 Healthcare Marketers Trends Report](#), 55% of survey respondents (30% from medical device companies) said leveraging analytics was a big opportunity as marketing budgets fell 8% from 2021 to 2022.

2. Define unique selling proposition, intelligent branding

A critical part of any successful commercial strategy is defining your device's unique selling proposition (USP). What sets it apart from competitors? What are its unique features? What are the benefits that make it attractive to customers? These might include superior functionality, improved patient outcomes, cost-effectiveness, or ease of use. The USP should resonate with each unique target audience, whether they are healthcare providers, hospitals, clinics, or patients, and focus on their specific needs. It's also important to understand their preferences, purchasing behavior, and the decision-making process when tailoring marketing messages.

Once the product's USP is solidified, it's time to get creative with product branding and marketing. Marilla advised spending resources upfront on initial branding and positioning. “While agencies can be expensive, hiring a professional branding agency really helped us think carefully about our message and our brand personality,” he explained,

Some medtech devices are more technically exciting than others, and may require some marketing imagination. “Yes, devices are regulated. Yes, we can't mislead or be overly edgy, but why does medical device marketing have to be so boring?” Marilla continued. “If you have a technology that is really disruptive and innovative, I think you should have fun with it.” For example, Marilla and his team showcased their creativity in Los Angeles, CA, where they displayed a promotional video on the sides of buildings all over town during a trade show. They even played the video on buildings where competitors were hosting dinner programs!

3. Build strategic distribution channels

Building effective sales distribution channels can be the most challenging component of a launch — especially with the lasting impact of the pandemic, which made it exponentially more difficult to access healthcare facilities and increased the layers of ‘gatekeepers’ responsible for the purchasing process.

“Before COVID-19, we could rely on a strong key opinion leader (KOL) physician who championed our product to help schedule a meeting with the facility's Value Analysis Committee (VAC). Now, the number of stakeholders and securing in-person meetings has become far more difficult,” Brown said.

It is now crucial for medtech companies to reevaluate their commercialization strategies and lean into advanced data-driven technologies to enable a more efficient and effective go-to-market approach.

When launching a product during COVID-19, Brown solved this challenge by hiring someone to focus 100% of their time on accelerating the VAC approval process. This key hire, focused on continuous facility outreach, coupled with an investment in a data analytics sales platform to help map prospects to direct sales efforts, resulted in Brown's team dramatically accelerating the number of approvals, despite the challenges posed by the pandemic.

With the sales process becoming more fragmented, it's even more important to take the time to pinpoint the greatest sales opportunities, target those areas, and be flexible with your mix of distribution channels. The three most common approaches include hiring a direct sales force (employees), contracting with distributors, or taking a hybrid approach that blends direct sales with distributors. Smaller medtech companies with limited resources often see reliance on a direct sales team as a luxury, according to Marilla. A hybrid sales model, however, provides economies of scale while maximizing the advantages of both direct sales and distributor teams.

For example, distributors add value since they already know the target market from selling complementary products in a related therapeutic area. Having established relationships, distributors already have pathways into the facilities. In addition, they tend to be more flexible and easier to get up-and-running as needed. Challenges with this model can be finding distributors with the right experience for each target geographic region and getting them fully up to speed on particularly complex technologies; and once they are trained properly, they may get recruited by larger companies with enhanced incentives that can't be matched by an early-stage company.

The benefits of having a direct sales team are evident. Since they are 'in-house' and only focused on company products, they are more skilled at translating and selling the technology to prospects. The more complex the product, the more important this becomes. While this approach might be more costly than hiring distributors who work on commission, having a steady inside sales team responsible for hiring, training, and supporting contracted distributors can be critical.

The puzzle to master is building the right mix of distribution channels.

4. Conduct limited releases, pilot programs

Both Brown and Marilla support limited product releases or pilot programs in select markets to help inform and educate leaders and sales teams on the process.

"Look at your market intelligence data, concentration of procedures, and decide where you can most easily demonstrate your device's clinical value, acceptance, and adoption by surgeons. If you go too broad, you're going to spread yourself too thin, be ineffective, and importantly, burn through resources too early in the process," Brown said.

Marilla added, "Intuitive sales leaders want to go, go, go, but no matter how well you've planned, you'll come across unexpected challenges one hundred percent of the time. Sometimes you've got to slow down, absorb what you've learned, and alter your strategy accordingly."

When conducting a pilot program, it's important to establish mechanisms for post-market surveillance, feedback collection, and customer support to improve the distribution process. Monitor product performance, address customer concerns promptly, and continuously enhance the product based on real-world user feedback.

Once a pilot program is fine-tuned, hit the accelerator with a scalable model now in place.

Evaluate, learn, and adjust

The cost of commercializing a new medical device innovation is steep — and the pressure to do more with less is greater than ever as marketing budgets are still well below **pre-pandemic** levels (\$12.5 million in 2019 versus \$8.3 million in 2021). On top of these challenges, medtech companies face extensive and unprecedented **supply chain disruptions**, including raw material shortages, labor challenges, and sterilization constraints. And, more broadly, the threat of a global recession still lingers.

It is now crucial for medtech companies to re-evaluate their commercialization strategies and lean into advanced data-driven technologies to enable a more efficient and effective go-to-market approach. Success also requires ongoing evaluation and adaptation based on market dynamics, customer/patient feedback, and competitive landscape fluctuation. Always monitor market trends, gather customer insights, and iterate commercial strategy to stay ahead of the game.

About AcuityMD

Founded in 2019, **AcuityMD** is a leading technology partner to the commercial MedTech industry. Thousands of sales and marketing professionals use AcuityMD's commercial platform to identify target markets, surface top opportunities, and grow their business. With customers ranging from pre-commercial to enterprise, AcuityMD is committed to providing MedTech companies with unparalleled visibility to accelerate adoption of medical technology. For more information, visit acuitymd.com.

