



GETTING MEDTECH SALES STRATEGY RIGHT

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FORMULATING AND EXECUTING SALES STRATEGY

With aging Baby Boomers, unmet medical needs and increasing incidences of lifestyle diseases – such as cardiovascular disease, hypertension, obesity, and diabetes – the MedTech industry is positioned to grow in the coming years.

But all is not rosy. For hospitals, hospital systems, ACOs (groups of physicians, hospitals, and other healthcare providers who voluntarily join together to provide patients with coordinated healthcare where reimbursement is tied to quality metrics), standalone medical centers (e.g., surgery centers), and physician practices – what they buy, how they buy, and what they are

willing to pay for it is changing. MedTech salespeople will find themselves responding to hospitals and other MedTech customers that are addressing several trends, including:

- shifting decision-makers
- rising number of new influencers
- pricing pressures
- increasing consolidation
- consumerizing healthcare
- redefining strategic focus

A Closer Look at the Six Trends - and the Implications for MedTech Sales

Shifting decision-makers – Once the primary decision point, physician preference is fading as the sole basis for making purchasing decisions. Today, physicians are one of the competing voices in hospitals. Salespeople must manage not only physicians – who are becoming increasingly cost conscious, but also procurement, the C-suite, and other healthcare practitioners (e.g., nurses, techs). Many of these people will have pre-conceived notions about you and your competition. Some are your supporters, some are neutral, and some are adversaries.



Having more buyers involved in the process, with different buying priorities and decision criteria, results in an increasingly complex sales process. This increased complexity translates into the need for more time in each account and for salespeople to prioritize their time.

An additional decision-maker, especially in hospitals and hospital systems, is **committees** – like the VAC (value analysis committee). Committees also extend the buying process from when physicians spearheaded decisions. The focus of decisions will change – quality and patient satisfaction will be viewed through a financial lens. Finally, the rise of Committees means a lot of decisions are made when the salesperson isn't there. Therefore, working with **internal champions** to effectively present your solution is critical!

Rising number of new influencers. In addition to the multiple buyers inside the hospital, there are powerful outside groups – GPOs (Group Purchasing Organizations who contract with

suppliers to pool the purchasing power of a consortium of member hospitals) and independent consultants (who promise to identify cost savings) who will play a role in the buying process.

Ignoring them is the big pitfall. Regardless of your point of view, these influencers aren't going away. Aiming to get them on your side isn't so easy. Plus, they are measured against criteria that may or may not work in your favor. You must understand what drives them and their position at the hospital or hospital system. Once you know where you stand and where they stand, you can craft a strategy which takes their influence into account. Whether you build on the influence or try to neutralize it, your strategy will be different in each account.

Pricing pressures. Reducing the cost of care without impacting the quality of care requires transforming both the clinical and administrative sides of the business. That's the challenge hospitals face.

Salespeople must be aware of these pricing pressures and craft strategies to help physicians and hospitals find ways to minimize costs and grow patient census. So salespeople need to be more savvy about hospital economics. They must look at the bigger business picture. For example: How profitable is implanting your device to the hospital? Does the implant bring pull-through revenue for other hospital services? Or, perhaps, does the new equipment bring prestige to the hospital or to the physician – building a new revenue stream?

Increasing consolidation. As hospital consolidation continues, a single point of contact for coordinating business relationships within the IDN is becoming increasingly prevalent. Planning, directing and implementing business strategies for the IDN to maximize sales volume – across MedTech product lines – is becoming necessary as providers look to reduce their spend. Some companies have responded by adding **key account executives** to coordinate their companies' position inside an account. But even for salespeople who sell in environments without key account executives, becoming more knowledgeable about their companies' overall position in the account and leveraging the value of that position is critical for future success.

One other point about consolidation – in an effort to **manage risk, yet increase revenue**, hospitals are altering their models of care through ACOs, bundled care (including all components for specific procedure or treatment at a set price), and other innovative models.

Consumerizing healthcare. Patients are moving from playing a passive role in healthcare decisions to a more active one as they pay an increasingly larger portion of their healthcare costs and have more options available. This translates into demanding that hospitals provide an improved patient experience, not just deliver better outcomes at lower costs.



Redefining strategic focus. Given these trends, hospitals and hospital systems must reassess their business models “as the future unfolds” – identifying a clear strategy for how they want to compete, including ways to differentiate (e.g., high volumes at low cost, center of excellence) to win market share.

Two Thoughts about Sales Strategy

Before exploring the specifics of getting strategy right in major MedTech accounts, a few words about the nature of major MedTech accounts and a definition of account strategy.

- **Major MedTech accounts are not just big small accounts.** From the customers’ perspective, patient demands, insurer demands, competition, and government regulations keep shifting. On the seller side, the sales process is long, involves multiple players on both sides of the table, and almost always includes a competitive threat. So top sales performance is not just doing something “faster or better” than what is required for success in smaller accounts. It is about doing something different! These differences impact all aspects of the sales process: whom you sell to, who is doing the selling, how you sell, the nature and importance of sales strategy.



- **Sales strategy has many definitions.** There are as many definitions of sales strategy as there are books about sales. Some definitions have sales strategy residing with sales leadership – they focus on the entire company and its go-to-market strategy. A second type of sales strategy is developed by the salesperson and it is the focus for this white paper. Let’s label it account strategy. **An account strategy is a plan of action for getting to the right person, at the right time, with the right message.** Its focus is thinking and acting strategically throughout the entire sales process.

The importance of selling strategically is a theme echoed time and time again – the larger and more complex the MedTech sale, the louder the advice. However, advising someone to sell strategically is somewhat akin to suggesting they “sell smart” – a great idea, but a little vague unless you can provide some specifics about the how-to.

In this white paper we will examine the specifics from two perspectives – what it takes to develop a MedTech account strategy and what it takes to execute it. It’s divided into two sections:

- Section 1 – Formulating MedTech Sales Strategy
- Section 2 – Executing MedTech Sales Strategy

FORMULATING MEDTECH SALES STRATEGY

When thinking about what it takes to formulate a winning sales strategy in a MedTech major account, a good starting point is remembering that you are dealing with a **complex buying environment**. As we said in the Introduction, many decision-makers and influencers are involved, the needs and issues are multi-layered and often conflicting, and the solution configuration and implementation management is likely to be complex and sophisticated.

In major MedTech accounts, one-size-does-not-fit-all is a cornerstone proposition. Major MedTech accounts have **no generic customers; hence there are no winning generic account strategies – each customer is unique and each major account strategy must take that uniqueness into consideration.**

So, let's look at ways to develop a winning account strategy by looking first at pitfalls and then at best practices that will increase the probability of success.

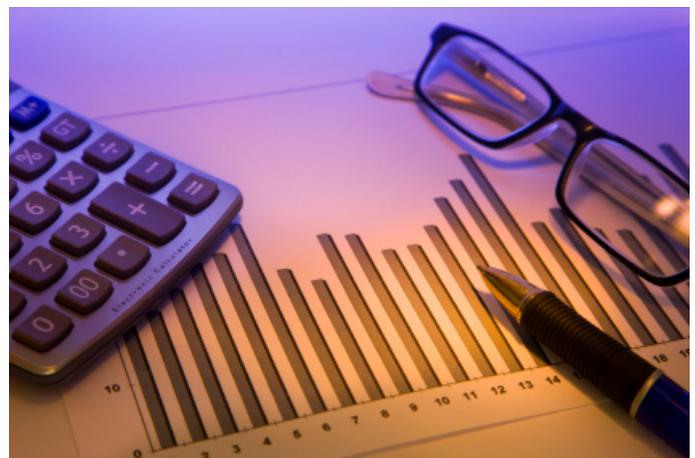
Pitfalls

Underestimating the importance of information. Collecting, analyzing, and using information about the customer is the starting point for the development of any effective plan of action for **getting to the right person, at the right time, with the right message**. And, getting that right requires the recognition that **breadth comes before depth**.

There is neither the need nor the time to find out everything about everything all at once. It's important to get a broad information base about the customer early in the sales cycle. This provides the foundation for formulating an initial strategy and provides guidance as to where and how to get in-depth information.

The trap is getting a lot of information about the wrong things from the wrong people.

Writing vs. thinking. Another common trap is defining strategy formulation as synonymous with "filling out a form." Yes, you have to write some things down but most of your time needs to be committed to getting the right information and thinking about what needs to be done and reviewing those ideas with others. Time is the most valuable asset for any salesperson so it



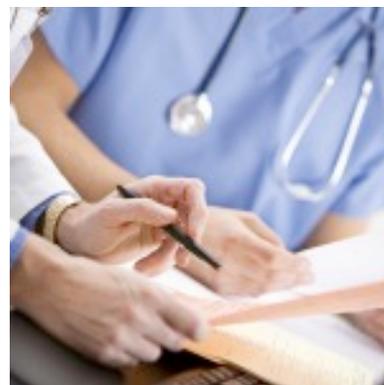
needs to be spent wisely – spending most of the time filling in blanks and checking boxes does *not* meet that criterion.

Confusing goals and strategy. A list of goals is not a strategy. It's just a long list of things to do. These lists usually grow out of the need to get something done in a hurry. The answer we often see is the “cut and paste” approach to crafting sales strategy. Yes, it gets the task done, but what does the new account strategy look like? Most likely it's very similar to the hospital account strategy that you just “borrowed” from to cut and paste. That's why the strategy for this hospital looks a lot like the one you're pursuing at other hospitals.

A good account strategy, in contrast, focuses on a few pivotal goals and then delineates the challenges, resources, and actions necessary to achieve a favorable outcome – what needs to be done and how are you going to do it.

A correlated trap is substituting blue-sky goals for pivotal goals or using buzzwords like customer-centric that are just some fluffy statement of a desired end state.

Assuming the future looks like the past. We live and sell in a time of “compressed history.” Changes in the MedTech market make the past a bad predictor of the future. Competitive advantages that once lasted a long time now disappear quickly. In any MedTech account – and certainly in major MedTech accounts – assuming that what worked in the past will work in the present is a risky assumption. An account strategy that worked well yesterday might fail today.



Best Practices

The best practices for formulating strategy center around developing an understanding the customer. Top performers develop a comprehensive picture of the customer and average performers develop snapshots. Let's examine what it takes to develop a comprehensive picture: understanding the buying process, understanding the business environment, and knowing the decision criteria.

Understanding the buying process. **It is hard to sell if you don't know how people buy.** If an effective major account strategy is to be developed you must know who the players are, what role they will assume in the buying process, what their opinion of you is, and is there consensus among decision-makers?

You also need to know what the buying process looks like – assuming that it mirrors your selling process is a common mistake. For example, assuming that the buying process is linear is a risk in many major accounts. Last, and importantly, you need to find out if budget has been committed.

It is also well to remember that although the number is somewhat notional, approximately 75% of the times, customers make their final decision halfway through the buying process. This means many salespeople may be doing the right thing but doing it too late. This is one reason why getting a general picture of the buying process early on is a good idea.

To begin, here are five key questions every salesperson needs to answer in any major account sale – including MedTech sales.

- **Who will be involved in the buying decision** – Is it a clinical decision? What's purchasing's involvement? Will a VAC (value analysis committee) be involved?
- What is the **importance of the role each will play** – Is Dr. Smith the key decision-maker or simply an influencer?
- What are the players' **opinions of your company** – Are they internal champions, adversaries or neutral?
- What is the **timetable** – Is it immediate? six months? next year?
- Is **budget** allocated – Have funds been set aside for the purchase?

Understanding the business environment. If you're trying to get better at selling strategically, a great first step is to abandon the price sale and move to **selling value**. How do you make the switch?

Events occur in the business environment that impact – positively and negatively – your probability of capturing the business. Top sales performers are aware of and manage these events and adjust their strategy accordingly.



For starters, keep it simple – **selling value is first and foremost about developing a thorough understanding of the customer's business.**

Whether an IDN, hospital, ACO, standalone center, or physician practice, get to know the customer's business better than anyone else. For example:

- What's different about the hospital's future direction vs. where they've been in the past?
- What's the ACO's value proposition to patients?
- How is the surgery center trying to differentiate itself from others?

To sell value salespeople must develop a broader and deeper understanding of the business environment in which their customer is operating. But understanding the business environment doesn't end there. Top sales performers take three factors into account to more fully understand their customers' business environments:

- **Business Context** – e.g., change in Medicare reimbursement
- **Company** – e.g., a new product is introduced
- **Your Customer** – e.g., your internal champion leaves



Without being knowledgeable about these three factors, along with the customer's business strategy, salespeople can't sell value – consequently, they're trapped into selling price by default.

Two more key points about selling value ...

- Top sales performers know that the factors having an impact on the business environment are **continuously changing**. This is particularly true in the MedTech market spaces and is one of the reasons that account strategies can not be developed and then stored away but instead must be constantly reviewed and updated.
- **Value is positional and situational.** This means that value is defined differently by an EP, a Lab Manager, and a VP of Cardiovascular Services, for example. Different positions in the same hospital have different views on value. So do two people holding the same position at different hospitals. Just think of any two EPs you've worked with lately! And, of course, value differs from one practice or hospital to another. The implication – **there are no generic customers; how you sell value must be customized to every individual and to every organization.**

Knowing the decision criteria. Competition usually is present in major accounts – and major MedTech accounts are no exception. So, it is important to know the decision criteria the customer will use to decide between you and them and how you stack up compared to the competition.

The first step is determining how you fit against the customer’s decision criteria. The fit is a two-way street:

- Objectively determine the degree of fit between the customer’s decision criteria and your capabilities.
- Obtain the customer’s perception of that fit.



It is often the case that the two assessments are not in alignment and a part of your strategy is what to do about the misalignment.

For example, there are times where it is legitimate to help a customer change their point of view. A misperception about one of your capabilities is one example. A second example is when a customer has deemed a particular decision criterion to be extremely important and it is your experience that priority is misplaced. This, of course, is a road to be walked with care. If the customer would end up making a better decision if they changed their assessment, then that brings value to the customer and to you and that’s legitimate. Obviously, it is not legitimate if the viewpoint shift is strictly in your self-interest.

The second step is obtaining the customer’s perception of how the competition fits with their decision criteria. With all that information at hand you can make a good assessment of your competitive position as viewed by the customer.

EXECUTING MEDTECH SALES STRATEGY

When asked: “What differentiates the selling practices of top MedTech salespeople from average ones?” we consistently hear: **The best salespeople think and act strategically and the best sales managers help them learn how to do it.**

If you have the fortitude to wade through a stack of “how-to” selling books, the importance of selling strategically is a theme echoed time and time again. But, advising someone to sell strategically is somewhat akin to suggesting they “sell smart” – a great idea, but a little vague ... unless you can provide some specifics about how to do it!

So what are the specifics? How do you get sales strategy right? Those who are good at it have several things in common. Some are by-products of innate talents, such as creativity. Realistically salespeople must bring those abilities to the table. On the other hand, a vast majority of the selling skills needed to sell strategically are learnable. For 10 tips applicable to all major account sales, [click here](#).

But now let’s narrow the focus to MedTech sales. Here are eight key areas highly correlated with executing winning MedTech sales strategies – and they’re learnable!

- Staying on track
- Networking
- Building and sustaining relationships
- Managing the competition
- Selling with clinical data
- Selling to the VAC (value analysis committee)
- Selling at the senior level
- Making the business case



Let’s take a closer look at each.

Staying on track. Ask yourself this question: Can I turn on my computer and pull up my sales strategy for developing business in my major accounts? Unfortunately, even among many very senior sales people the answer to that question is often “no”. The answer needs to be “yes”. The first step for staying on track is to have a track in the first place.

But as every experienced salesperson knows, having a track to run on is not the most difficult part of staying track. There are two definite challenges to staying on track. First, time and financial pressures can lead to “cutting corners”. Most salespeople know that it’s tough not to cut a corner here and there. But they can also usually share three or four examples where corners were cut and the sale was lost.

The second challenge for staying on track is recognizing that effective sales strategies require constant updating. Success cannot be achieved by filling out a form and periodically checking off key milestones. It requires understanding and reacting to the changes occurring constantly in the MedTech account and reviewing the responses to those changes with your sales manager and others involved in the sale, like clinical specialists and/or salespeople representing other devices or products sold to the same buyers.

Networking. Networking requires knowing who’s who and building relationships where you have superior access and credibility.

In Section 1 – Formulating Sales Strategy – we shared three best practices that are the foundation for getting the right message to the right person at the right time:

- Understanding the buying process
- Comprehending the business environment
- Knowing the decision criteria

Five best practices for networking (**knowing the right person**) are:

- **Remembering it’s a network.** Again, many players are involved in the decision in major MedTech accounts. A few are key decision-makers. Others are influencers. Still others are gatekeepers who can’t say yes, but can say no. Salespeople must know who is playing which role, the relationship between the players, and what they think about you and your competition. An average performer has a general understanding. A top performer has a comprehensive understanding.
- **Leveraging institutional resources.** Increasingly, selling to hospitals and hospital systems is a **team sport**. Yes, of course salespeople have to work hard, but the question is: Are they working smart by leveraging all the resources at their disposal? In addition to the salesperson, clinical specialists, marketing staff, senior management, and technical experts ranging from product design and manufacturing to reimbursement, may be



involved at various times during the sales cycle. In building and maintaining the network, top MedTech salespeople are good at leveraging internal resources – whether those resources are people, internal systems, or internal programs like corporate executive visits, fellowships, proctorships, referral dinners, continuing education credits, practice development, and the like.

- **Developing and rehearsing internal champions.** It's always a good idea to develop an **internal champion** but in major accounts it's a must-do. Because the network of those involved in the buying process is substantial and complex, a lot of "selling" in major accounts is going on when the salesperson is not there. Salespeople need someone there to "tell their story" because most of the time they're not there. Remember, developing internal champions is resource consuming, so salespeople must avoid the trap of spending time developing people who are "willing" but are not "able" to tell their story. Although this may sound like an easy task, in the middle of the chase it is sometimes difficult to distinguish unbridled enthusiasm from competent support.



- **Documenting good news.** Particularly in existing accounts, the reality is that good and bad stuff happens. The troubling part is that bad news documents itself – good news doesn't. Everyone can remember a horror story where something went wrong with a trial implementation and "all of a sudden" the bad news was broadcast far and wide. In many cases salespeople may not be able to do much to stop the bad news – anyone who has gone through a recall knows what this is like. So what can they do? The answer is – **handle the bad news skillfully** and then, as soon as possible get the focus back to the good news. Skillfully share data or leverage the **power of storytelling**. Since good news doesn't document itself – salespeople must take responsibility for making sure everyone involved in the buying process knows the good news story. This is one of those situations where it's okay to toot your own horn.
- **Being proactive.** Buying processes are going through significant changes; in some markets, like healthcare, the changes are transformational. This means Public Enemy #1 is complacency. There is no room for mindsets like: "The business is ours to lose" or "Sure there have been a few changes but we are still number one" or "Our competitor is still on the outside looking in." Even a few changes in the customer organization can have significant ripple effects. The moral of the story is – be proactive.

Building and sustaining relationships. Everyone knows it, some from experience and some by a leap of faith: A big piece of winning is about **building and managing customer relationships**. What are some of the key success factors? First, some fundamentals.

- If you don't know – don't pretend
- Do what you say you are going to do
- Own up to problems and mistakes
- Remember, while it is a business, it really isn't – physicians, clinicians and hospitals are dealing with patients and outcomes
- Appreciate the arts of discretion and timing – contacting a physician following a tough procedure, for example, is less than desirable

The thing about the fundamentals is not the knowing – it's the doing. The key, for example, is to do what you say you are going to do – and to do it consistently and reliably – delivering on that promise day in-day out. You can do a lot of other things really well plus have a great device product but if the fundamentals are lacking, winning against competitors is a hit and miss proposition.



Beyond the fundamentals, three best practices for building and sustaining relationships in MedTech major sales are:

- **Separate business issues from relationship problems.** Relationship problems stem from misperceptions, poor communication or lack of understanding – a better business deal won't correct a relationship problem. For example, frustrations can run high if you fail to deliver on a promise. A concession on price is unlikely to resolve such a fundamental communication problem. Instead, search for ways for all parties to “vent” their frustrations as a first step towards addressing the situation.
- **Leverage common ground.** In all complex sales there often is some disagreement around an issue that is important to everyone. On the other hand, there is almost always some common ground – the customer wants something that you can provide or appreciates something you have done. Leverage common ground to build the relationship and to provide a foundation for addressing unresolved issues.

- Be **upfront about “showstoppers.”** Showstoppers are constraints where, due to some legal, regulatory, or company policy, there is no room for discussion. Get these issues on the table since they’re not going to disappear. Top sales performers share showstoppers early, and equally as important, they help the other party do the same. By sharing these constraints, you can reset expectations and avoid surprises that will probably look like a trick to the customer. Plus, the conversation can then shift from what cannot be done, to what can be done.

Selling with clinical data. Physicians – and other medical staff – report that clinical studies in peer reviewed journals and evidence-based medicine are increasingly important in making decisions. So, today’s MedTech salespeople must become skilled in selling with clinical data.

There are times when salespeople don’t have data to rely on. Those situations certainly are difficult. Surrogates, while not ideal, sometimes are a next best case. Examples of surrogates are industry data, anecdotal data, references from thought leaders.

Unfortunately even when clinical data is available, too many MedTech salespeople do not optimize the use of clinical data during their interactions with medical staff. Three common traps are:

- **Not leveraging attribution.** By using words like: I, me, we, and us in presenting the study findings, the third party value is diminished – and the results may even be perceived as biased. Rather, MedTech salespeople should leverage research done by a third party through attribution, such as: NIH reported ... or Drs. Gonzalez & Jones found ... or at St. Mary’s Hospital they found ...
- **Failing to craft an attention grabber.** Like any other communication with a physician, someone at the senior level, or anyone that is very busy you must be able to quickly grab attention within 30 or 60 seconds ... with the hoped for result being, “I have another minute or two – tell me more.” This requires a well-crafted and well-rehearsed upfront attention grabber.
- **Not sharing study findings in a sequence that is easy for physicians and other clinicians to process.** You have to plan ahead for what you would say if given the opportunity by a physician to continue talking about the study. Plus, you have to share the information in a way that’s easy for the physician to process. It’s important for MedTech salespeople to put themselves in the physician’s shoes and figure out the most effective sequence for sharing the



clinical information. For example, begin by sharing who conducted the study and where it was published. Then share the reasons for the study (e.g., problem it's looking at, the point it's trying to prove), a quick summary of the findings, and follow up with the author's recommendations (e.g., based on the study we recommend x over y because there are fewer side effects). When sharing the author's recommendations, it is important to be accurate so take the wording right from the study.

One thing is clear – selling with clinical data is becoming increasingly important. Physician preference is no longer the sole – or in some cases, primary, criteria for MedTech purchasing decisions. As the MedTech marketplace changes, hospital purchasing is becoming very different today from yesteryear. MedTech salespeople can no longer simply say, “my product is the best” or “Dr. Conti wants it” and seal the deal. Today, physicians, committees, and hospital administration are looking for objective proof of how a medical device, consumable, or piece of capital equipment can help solve a problem and deliver results – which means all MedTech salespeople must be able to effectively sell with clinical data.

Selling to the VAC (Value Analysis Committee). In the Introduction, we shared how the MedTech sale has – and will continue to change. And, in Section 1 – Formulating Sales Strategy – we mentioned that understanding the VAC is a critical component of understanding the hospital's business environment. The importance of committees like the VAC cannot be understated – and the implications for sales will continue to be substantial.



For a medical device, equipment or consumable to be purchased by a hospital, physicians and/or clinicians must want to use it and 99.9% of the time it must be reimbursable. Simultaneously, it must address industry-wide pressures to reduce costs while improving patient outcomes. Hospital value analysis committees (VACs), also referred to as technology assessment committees, are an outcome of this cost containment/improve patient outcomes push.

VAC are not new to hospitals, but their processes and evaluation criteria are becoming more sophisticated. While they initially focused on standardizing products and reducing costs, the VAC now is emphasizing measuring and attaining quality improvement.

A few points about VACs:

- Any technology may be analyzed by the VAC – including medical devices, capital equipment and consumables.
- New technologies and those up for contract renewal are usually brought before the VAC.
- Clinical and administrative staff usually are represented. Clinical staff conduct clinical evaluation and report back. Administrative staff contribute cost analysis and often lead negotiations.
- Physician involvement varies by VAC, but as more physicians become hospital employees, their involvement is increasing.

What are the implications for MedTech salespeople? Understanding the VAC at each of the hospitals or hospital systems to which you are selling can yield a competitive advantage. This means MedTech salespeople should be able to identify:

- VAC members
- VAC decision process (for your device, equipment or consumable)
- VAC evaluation metrics (for your device, equipment or consumable)
- Opportunities for formally and informally presenting data and your value proposition
- Opportunities for formally and informally meeting with VAC members

And, of course, MedTech salespeople must be able to quantify the product-value proposition moving beyond clinical outcomes to also include economic outcomes, such as cost savings.



Managing the competition. As the old saying goes: “you have to keep your eye on the ball” and the ball is the customer when it comes to executing an effective sales strategy. It is easy to take your eye off the ball and fall prey to the trap of getting defensive and reacting to the competition. It is critical to stay focused on the customer’s needs, challenges and concerns. Top sales performers focus on the customer and **manage the competition**.

If you focus on the customer and can answer these four questions about your competitor it’s likely that you can execute a MedTech sales strategy where you win and they come in second – think **CAPS**.

- **Capacity** – What is your competitor’s major capabilities and limitations?
- **Assessment** – What does the customer think about the competition regarding this opportunity?
- **Performance** – What is the competition presently doing exceptionally well and poorly and why?
- **Strategy** – What is their strategy for the hospital?

In addition, here are best practices for dealing with three unique competitive positions:

- **Dealing with passive competition** – Sometimes the most challenging competition is when the customer maintains the status quo. For example, a hospital is stuck on pay-to-play rather than committing to one or two vendors where you might substantially increase share. In those situations you need a strategy for driving towards a decision.



- **Differentiating on added value** – Some customers see the difference in your device – such as better quality to easier to use. Other customers may see little difference between your device and your competitor’s version. It is then critical to differentiate yourself by profiling the value of all the other services and assistance you extend the customer – such as clinics, referral dinners, or marketing development programs.
- **Broadening the definition of competition** – Sometimes your competition is a “competition for funds.” This happens most often when selling capital equipment where decisions are being made as to whether or not they should invest in a new piece of medical equipment or perhaps a new software system. In these cases, the competitor is selling an entirely different product but you are competing for the same budgeted funds.

Selling at the senior level. In major MedTech sales, the probability of capturing the business is significantly reduced if you cannot successfully sell at the senior level – in both the clinical and carpeted halls. If your competitors have that access and you don’t, there is a significant limitation on your ability to differentiate yourself, your company, and your products.

In some situations the first challenge is to gain access. How can you gain access to the right senior person at the right time? Here, the research is clear and straightforward. **The two most effective approaches for gaining a meeting with a senior person are a recommendation from inside the organization or a relevant referral from the outside.**

Assuming you've gained access, and it's time to meet with that senior executive, what makes for a successful meeting? Is it the same as calling on anyone else in the hospital? The short answer is yes and no. Of course there are some similarities. More importantly, however, there are some distinct differences as to what drives successful calls at the senior level.

Senior executives bring a different set of pressures, opportunities, needs, and responsibilities to the table than staff at lower levels in the organization. They look at the big picture vs. individual snapshots. They are more concerned about the unknown than the known. And, most importantly, they seek to understand a different set of problems.

If that is the person with whom you are about to have a business conversation, how do you stand out from everyone else? How do you bring a piece of value others will not? Let's take a look at what doesn't work, and then explore what might work.

Most people in major MedTech sales have been well-schooled in having the discovery conversation. Discovery conversations begin with the salesperson asking questions about a problem they believe the customer is concerned about. They continue with a further exploration of the problem and then a discussion about how the problem can be solved.

With this type of discussion, it's unlikely you will differentiate yourself from your competitors. Why? Your conversation sounds like the same conversation every other salesperson who enters that office has – and it probably is, if you're all asking very similar questions. For the senior executive, the time spent doesn't outweigh the value received during the call because the senior executive spent the time educating the salesperson about a problem the senior executive already understands. This is a quick way to have a short meeting and find yourself having difficulty scheduling a second one.



So what do senior executives expect? They expect salespeople to know and understand their institution's needs, goals, and business strategy. They also expect that salespeople enter their office with a comprehensive understanding of all of their company's capabilities plus what you have done and are doing for their institution. For example, do you know how much your company is saving the hospital – including cost savings as well as items the hospital is not charged (e.g., credits issued)? Can you identify what you are doing that may not be quantifiable, but has value (e.g., studies, in-service)? And, of course, if something is not working – why is that?

One other point – Senior people are concerned about a set of issues driven by their position. Value at this level is more about business and financial impact than solving day-to-day problems; more about developing a shared vision of how to work together than how to buy something; and more about institutional fit with your company than simply individual relationships with physicians.

An alternative approach? The point of view conversation. The **point of view discussion focuses on helping senior level executives gain a new perspective on their challenges and issues and a compelling insight as to how to move forward.**

This approach, of course, requires help for the sales function from others in the company (e.g., clinical specialists, marketing staff) that can provide the required information.

Making the business case. Quantifying your value proposition requires creating and communicating a clear, compelling picture of how your solution will drive your customer's business results – allowing MedTech salespeople to **make the business case**. It requires translating the benefits of your solution into high impact, measurable outcomes that matter to the customer. When done effectively, it enables you to maximize the competitive advantages that differentiate you from your competitors.



A second reason for making the business case emerged during the past few years and has produced new challenges for MedTech salespeople. Here's an example ...

Background – Let's say you're seeking to sell a large piece of capital equipment that runs lab tests to Holt hospital. Holt used your lab equipment but went to a competitor a few years ago. You think your new model is a good fit – especially since you learned that Holt's been unhappy with your competitor. But you don't know the specifics.

You talked with many of the decision-makers and potential users and now understand the multiple buying rationales – the Lab Director is focused on day-to-day operations (remote diagnostic capabilities, ease of calibration and on-site support availability), the senior Lab Techs are interested in ease of use and turnaround times, while the Pathologist is concerned about reduced errors and Purchasing is interested in price and contract terms.

Through the sales calls, you and those at Holt involved in the purchase have developed a shared vision of the issues surrounding the existing equipment. But you also know that closing the sale

will be tough given the installed competitor. Plus two other companies are seeking to break into Holt, so you need to spend time to differentiate yourself from the others.

Several weeks ago you presented your solution and the feedback was very positive. The Lab Director said your solution was technically and operationally better than your competitors and will present your solution to the VAC.

Sales dilemma – You were pleased, but subsequently the sale stalled. This sales dilemma is not new but it has occurred more often during the last five years in major sales across industries and is likely to continue with greater frequency.

In any major account sale, you must **conduct two sales** – persuade the prospect that:

- **the issue is important and they need to address it**
- **your solution offers the most effective approach to solving the issue**

If you win the “second sale” without bringing closure to the first, the most likely outcome is that you will get selected, but you won’t close the deal.

Salespeople naturally tend to gravitate to the second sale. But without making the first sale, efforts expended on the second sale fall on deaf ears – like building a house without a foundation.

What does addressing the first sale involve? **Make the business case.** In major accounts (including major MedTech major sales) it’s unlikely the sale will be closed without making a strong business case to invest in the solution. It involves making a clear connection between the benefits of your device and the measurable clinical and business outcomes that matter to the hospital. It includes contrasting the risks associated with your device versus the risk of doing nothing. It compares the costs of your device versus how you are equipping the hospital to spend less or increase revenue. **Making the business case focuses on the benefits of taking action – as well as the consequences of inaction.**

Summary. In a major MedTech sale you have to have a well thought out plan of action for achieving a competitive advantage. Simply planning one sales call at a time will not suffice to increase your success rate in a highly competitive MedTech marketplace where there is steep competition for funds. You need a strategy for winning and the recognition that great strategies are always a work in progress.



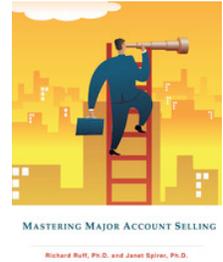


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ABOUT SALES MOMENTUM

For more than 30 years [Dr. Richard Ruff](#) and [Dr. Janet Spirer](#) – co-founders of [Sales Momentum](#) – have worked with the Fortune 1000 to design and develop sales training programs that make a difference. By working with companies – such as Smith & Nephew, Boston Scientific, Medtronic, and Owens & Minor – we have learned that today’s standard for a great sales force significantly differs from yesterday’s picture.

Take a deeper dive into major account selling – download our **FREE ebook and smartphone app** – **Mastering Major Account Selling**.



You can find a lot more information about major account selling on our blog, the Sales Training Connection.

Comments? Questions? We'd love to hear from you. Contact Richard at rruff@salesmomentum.com, Janet at jspirer@salesmomentum.com, or call us at 480-513-0900.