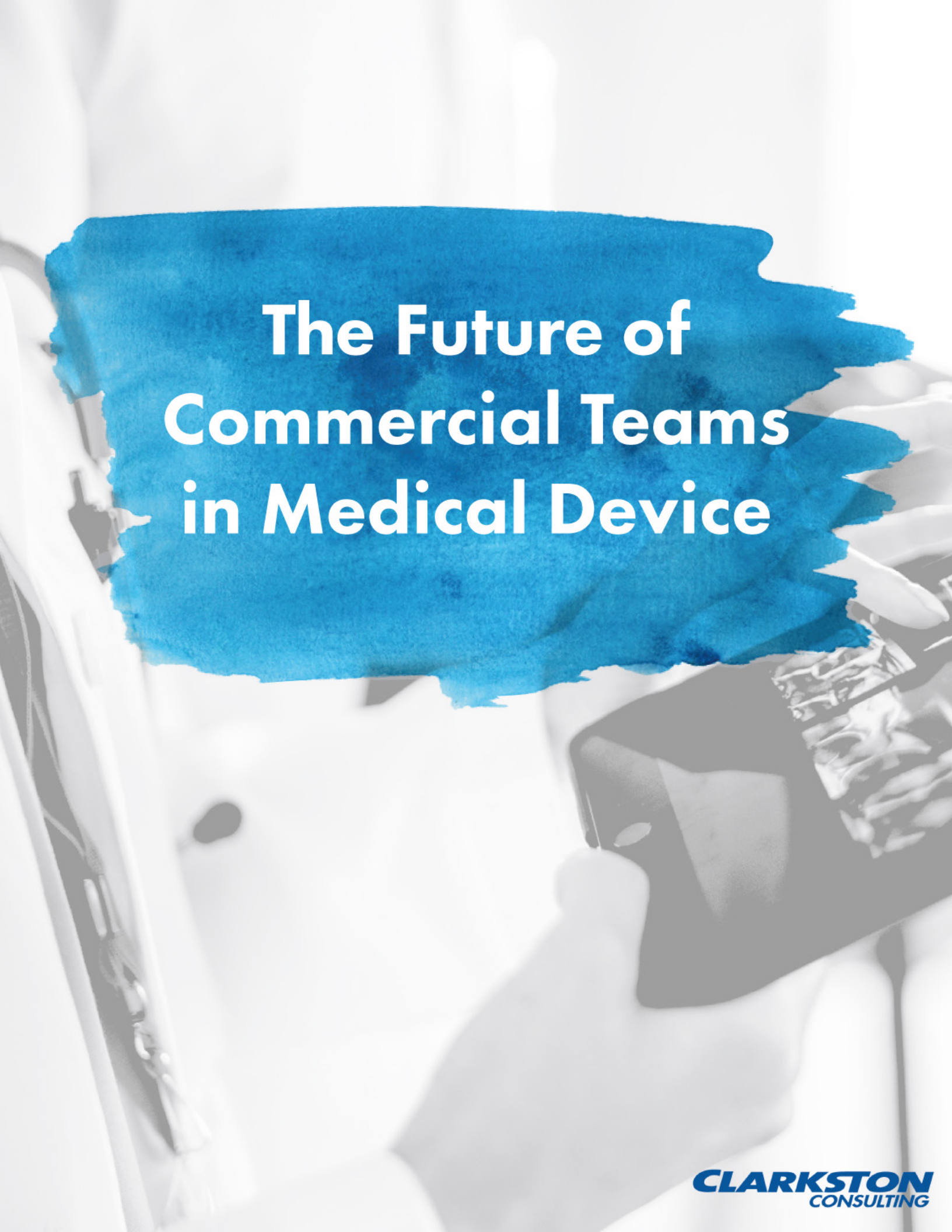
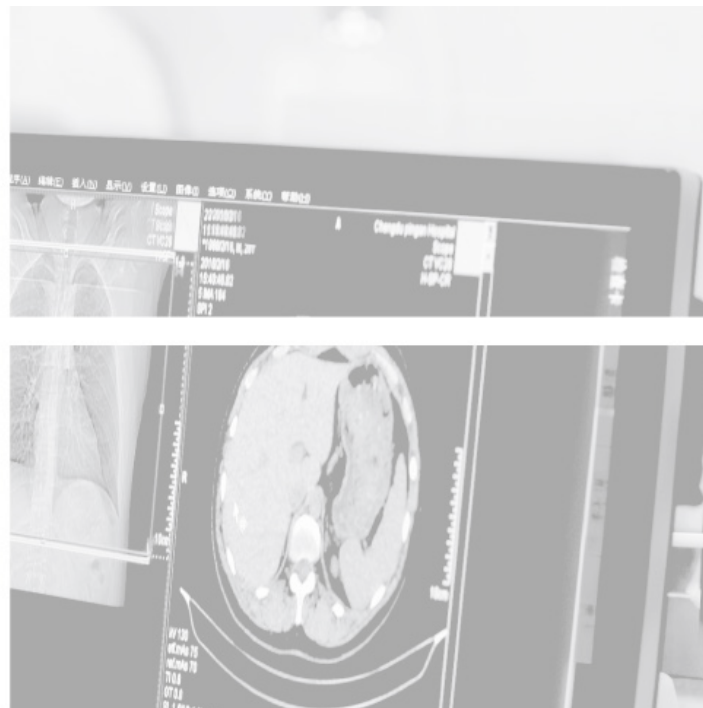


A grayscale background image showing a hand holding a smartphone, with medical equipment and a person in a white coat visible in the background. A large, textured blue brushstroke is overlaid on the left side of the image, containing the title text.

# The Future of Commercial Teams in Medical Device



Over the last decade, medical device companies have launched thousands of revolutionary products, transforming the lives of the patients that need them. While the pace of product innovation has accelerated due to improvements in technology, increasing competitiveness in the sector, and a boom in M&A, by and large the commercial model has not evolved much from decades past. While there have been some incremental improvements, there are still many opportunities for medical device companies to transform their commercial organizations and seize a competitive advantage.

Those who focus on creating the sales and marketing team of the future will build a distinct edge compared to those who focus only on executing the operating plan. As we speak with leaders across the industry, many express the desire to evolve faster and be more confident they are pulling the right levers when it comes to prospect engagement. Based on our research, we've outlined four key areas where medical device leaders in sales and marketing can focus their efforts to create true commercial differentiation for their organization.

## 1. ELEVATE TRAINING TO A STRATEGIC IMPERATIVE

Sales and marketing training is not just a “checkbox” exercise, it can amount to much more than modules,

courses, and exercises when approached with an innovative lens. First, training should be designed with deep thought given to the skills and traits required for those employees be effective operators in the market. Well-designed training plans can become a cross-functional corporate asset, and the best companies find ways to integrate insights gathered for training purposes into broader sales strategies and marketing plans. As an added benefit, this exercise can help bring clarity to the role profiles that organizations use to hire into critical customer-facing roles.

Second, companies can focus on innovating the delivery of training, in an attempt to improve learner retention, making training less academic and priming learnings for application in the market. Doing so will help to raise the abysmal rates of retention, which estimates that the annual turnover among American salespeople runs as high as 27%—twice the rate in the overall labor force. There are four key components of innovative training delivery companies can integrate to maximize effectiveness - experiential, individualized, weighted, and measured. Organizations that institute these elements in their training are setting the groundwork to ensure that their reps are customer-focused and act on what they learn.

Lastly, training is most effective when it's grounded in a deep understanding of the challenges that customers face. Traditionally, sales and marketing teams might focus on how

their product's features or benefits are superior to others, but this is no longer enough to earn a customer's loyalty. To command a strategic position in the future, teams must go beyond talking about customer intimacy and instead act to gain a deep understanding of customer issues. Through this understanding, organizations can educate teams to utilize all appropriate assets to solve for the customer's challenges, driving real trust and true partnership along the way.

## 2. REFRESH ORGANIZATIONAL STRUCTURE AND DESIGN

Ingraining organizational agility as a core capability can give companies a decided competitive advantage. Sales forces that can rapidly organize and reorganize around the right rationale, incentives, and supports can better respond to changing portfolio needs or market conditions. To achieve this, the key is customer centricity. The more customer-centric your operating model is, the more flexible it becomes. In 2017, tech leaders at Microsoft began re-training salespeople to work with the products alongside customers, creating a more knowledgeable and customer-friendly sales force. Medical device companies can find similar success by constantly looking to organize themselves in the way that is best for an evolving market, with constant attention to customer-centric approaches.

In our experience, commercial team organizational structures are most successful when the generalist sales population is organized around the patient journey (e.g., around kits or procedure-specific) and these generalists are supplemented by deeper specialists oriented for the buyer. Medical device leader Stryker exemplifies this with products like the Mako joint replacement robot, boasting an entirely specialized sales force that sells and supports only one product. Through this commercial approach, Stryker collected \$13.6 billion in net sales in 2018, up 9.7% from the previous year.

Medical device organizations can look further to the technology industries where omnichannel principles are quintessential to the business model. Leaders like Amazon and SAP have built omnichannel sales approaches to meet consumers in their preferred channels, whether these be in





a physical store, on social media, or in other online settings. In medical sales, the play is the same: connecting the dots between the channels your customers frequent, online or in the real world. We've seen medical device sales reps meeting residents in medical school to educate them on product opportunities early and engaging HCPs on mobile apps to maintain relationships outside the standard face-to-face experiences. Embracing omnichannel marketing is a key to nurturing and expanding those relationships and exploring new avenues to connect with customers can put your sales force at the head of the race.

### 3. SUPERCHARGE SALES AND MARKETING COLLABORATION

Cross-functional collaboration between sales and marketing requires teams to be fully aligned and working closely to create a targeted, collaborative plan to go to market. Medical device companies now have more access than ever to consumer and patient data, making it both possible and necessary for sales and marketing operations to embrace communicative teamwork. It becomes crucial that decision-

making is shared between these two teams to successfully coordinate resources and make the best possible decisions given all the information. This alignment can unlock more advanced sales and marketing strategies such as personalization, while also minimizing risk.

Organizations can leverage sales enablement tools to enhance their digital dialogue and ensure their external-facing marketing materials remain compliant in the face of evolving regulation. An example of this came in 2018, as medical device company Elekta partnered with Seismic, a leading B2B sales enablement software, to drive organization-wide collaboration, pipeline advancements, and accelerate revenue growth. Elekta's sales team is now able to create, find, and share content while their marketing team receives the full feedback of what the customer is engaging with and sharing. Elekta has since seen a 350% increase in their sales content ROI and usage as the silos between their sales and marketing teams decreased.

A sales-marketing partnership can also help teams drive more personalized targeting, using all available methods such as relationship mapping, social listening, data

aggregation, and advanced CRM to better understand the customer. Today, more medical device companies are using digital tools to track their sales force's interactions with HCP and offer a more holistic view of the customer at the individual level. Information can be gathered from marketing engagements and social presence to provide a strong knowledge base. With protective measures in place to monitor data use, this knowledge base can provide insights for the sales force team while supporting a common pool of expertise.

## 4. TRANSITION FROM SALES TO ACCOUNT MANAGEMENT

The first step in the transition from traditional sales to account management requires re-thinking of the client-company relationship. Challenge framing, design thinking, and customer-centric thinking can each lead teams down different paths than those provided by a traditional approach. Provider organizations are increasingly limiting sales rep access, adopting the mentality of enterprise buyers instead of single point of contact buyers. Sales teams must be able to transform their approaches to navigate this new landscape that no longer relies on the purchasing power of an individual physician, but rather a committee of decision makers at healthcare centers.

Teams should focus on building strategic alliances with customer organizations, rather than aiming to create general partnerships. Ultimately, teams should strive for relationships that are built on trust and are proven over time. This begins with a deep understanding of customer needs and evolves over time to become a partnership with continued demonstration of commitment to the customer's interest. No longer are representatives providing a possible solution to a customer's problem. Instead, they must bring alignment, commitment, and expertise to the table, helping the customer with both current and future issues.

The most mature strategic alliances have created co-innovation centers where cross-functional teams from both companies work alongside one another to solve joint challenges. For less mature sales and marketing operations, issues often arise in prioritizing challenges, aligning leadership teams, and creating a model where the

companies share in the benefits and risks from projects. Although collaborative integration requires time, thought, and refinement, our experience has shown us that ideas that are jointly evaluated, commercialized, and launched into market have a deep and lasting impact on a both companies and the patients they serve.

As the landscape of sales becomes narrower and marketing becomes more targeted, the structure through which teams operate should reflect on what impact that evolution has on their commercial teams and how they're preparing for the future. As you reflect, look for ways to integrate the latest approaches to training, organizational design, collaboration, and account management to build an organization ready to face the challenges of the market and deliver the best possible care for patients.

## ABOUT CLARKSTON CONSULTING

*Businesses across life sciences industries partner with Clarkston Consulting to enhance strategic decision-making, improve operational efficiencies, implement new technologies, and promote business growth and market diversification. Leveraging deep functional and industry expertise, our people discover, design, and deliver solutions that fit your business, your goals, and your future. At Clarkston, your purpose is our purpose.*

**For more information about how we can help your company with the challenges and opportunities in medical device, please contact us.**

CLARKSTONCONSULTING.COM

919.484.4400

INFO@CLARKSTONCONSULTING.COM



**CLARKSTON**  
CONSULTING

