

UNIFYING SALES AND OPERATIONS IN MEDTECH

Model **N**

EBOOK



Contents

Medtech manufacturers are constantly on the lookout for opportunities to improve sales engagement with healthcare providers, integrated delivery networks (IDNs), and group purchasing organizations (GPOs). More importantly, they also need to be able to maximize revenue from every deal.

Unfortunately, the cumbersome medtech selling process often thwarts these efforts.

- A lack of insights means field reps can't easily see if customers deserve a certain price based on their historical commitments.
- Because there's no price and product guidance, reps can't tell if they're violating price floors or other price strategies that were established by corporate.
- Sales (front-office) and operations (back-office) systems aren't integrated, which means every contract must be manually recreated in multiple systems.

These challenges lead to incorrect pricing, unauthorized incentives, and contract commitment non-compliance – all of which have a significant impact on revenue. And they also can negatively impact healthcare provider satisfaction.

Siloed processes and information create unnecessary bottlenecks. As a result, responses to providers' common requests for price catalogs, rebate

payments, credit-rebill analysis, and contract and amendment execution take much longer than they should. When customers finally get responses, there's a strong possibility they will contain pricing discrepancies and incorrect information.

It's time for a new approach – one that increases efficiency and communication between field sales and operations teams. By bridging the gap between the front and back office, you can generate more data, more deals, more dialogue, and more value.

With Deal Management, sales teams are now enabled to have more proactive engagement with customers, which in turn increases satisfaction, loyalty, and sales. Instead of firefighting sales requests, operations teams can focus more on value-added tasks like analyzing data and evaluating deals. All this leads to tangible and positive business outcomes.

This ebook will identify key areas in the execution and management of the sales process that can benefit from this new approach.

76%

of U.S. healthcare providers were either **not satisfied or neutral** with the medtech selling process.¹

¹M. Gulati, J. Henry, C. Llewellyn, N. Peters, C. Simon and G. Tolub, "Creating "beyond the product" partnerships between providers and medtech players," McKinsey & Company, 2019.

MORE DATA

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More data

Data gathering, reporting, and pricing management are often tedious processes that require extensive manual effort from the operations team. Furthermore, this intelligence isn't easily accessible to field sales teams. If sales is going to capitalize on the value of this information to facilitate topline revenue growth, they must rely on operations.

Last-minute and ad-hoc requests place undue stress on both teams: Operations teams end up working longer hours as they try to keep up with contract implementation and management and meet the sales team's demands. And sales cannot reply to customers as quickly as should be expected, placing strain on valuable customer and prospect relationships.

\$10M

Better intelligence on pricing, eligibility, and contract compliance could mean an increase to your revenue of 0.5% to 1% – or \$10 million a year or more, depending on the size of your organization.

How do you put more data in the hands of sales and relieve the burden on operations?



Deliver real-time visibility into tiered pricing and rebate data directly to the sales team through their customer relationship management (CRM) application. Now they can track customer purchasing patterns and trends, address concerns, and analyze pricing and contracting data to ensure a deal is profitable from the start – without intervention from the operations team.

Armed with intelligence on pricing, eligibility, and contract compliance, sales can write better deals, enforce contracts, and reward your best customers. And that can really pay off: By enriching the application that sales teams spend most of their time in with more data, you can increase total revenue by 0.5% to 1% – or \$10 million a year or more, depending on your organization's size.

MORE DEALS

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More deals

The lack of automation, resources, and collaboration creates bottlenecks in the sales process. Compounding this issue, contracts are becoming more complex.

\$2M+

Automated tools can help you save more than \$2 million a year if you employ 8- to 10 full-time employees for manual contract creation.

How can you help your sales teams accelerate time to market?



Provide sales with the tools they need to execute deals. Armed with current pricing, rebates, and fees, sales teams can streamline preapproved programs. This frees your operations teams to focus on more complex deals and value-added activities.

Effective pricing management decreases turnaround for contracts and amendments by standardizing pricing and rebate structures and presetting terms and conditions.

Automated contract creation improves efficiency and helps save more than \$2 million a year for higher tier manufacturers that need to employ 8 to 10 full-time employees for manual contract creation. Plus, it eliminates the need to manually re-enter contracts in back-office applications, which not only takes time but is also an error-prone process.

MORE DIALOGUE

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More dialogue

To prepare for meetings with providers, sales must reach out to the ops team – who, as you know, is busy implementing and managing contracts – to generate reports. Rolling 12-month sales, rebate trending, and net pricing analysis reports require significant time to prepare, review, and package for delivery.

How do you empower sales to make customer meetings more impactful, without creating more work for operations?

Put pricing, membership, and performance data and analytics in the hands of the field sales teams. With this information, they can foster deeper, more profitable relationships by holding more proactive discussions with providers:



- Analyze new activity within the account.
- Review rebate, tiered pricing, and capital equipment status, giving providers the opportunity to adjust purchasing activities to earn the pricing and incentives defined in their contracts.
- Better serve providers through upsell and cross-sell.
- Uncover sales anomalies.

Through always-available access to price books, sales teams can keep providers aware of their actual price – reducing price discrepancies and increasing provider satisfaction. And because they can respond to providers' requests much faster, relationships now have greater levels of trust and transparency.

MORE VALUE

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More value

The current medtech selling process is overly reliant on commercial operations teams for customer data and analysis. But there's a cost: Your operations team is likely stretched too thin. Ad-hoc requests from sales distract them from focusing on their jobs. As a result, they're overworked and stressed, yet slow turnaround times and unmet expectations remain.



Breaking down silos between sales and operations empowers these teams to spend more time on contract execution, management, and deal profitability analysis.

How do you create a better balance between sales and operations?



By breaking down silos between the front and back office, you can empower your sales team to be more proactive with providers and free your operations team to spend more time on contract execution, management, and deal profitability and analysis.

Your order-to-cash process is now more streamlined. It will take less time to execute, and that means more time is available for value-added tasks that directly and positively impact the success of your business.

BRING INNOVATION AND EFFICIENCY TO YOUR SELLING PROCESS

Model **N**

Bring innovation and efficiency to your selling process

Model N Deal Management is purpose-built to alleviate the challenges that face sales and operations teams. Unlike solutions that are meant to support sales or operations independently, Deal Management brings these groups together to increase efficiency and improve provider engagement.

“Process improvements and delivery of data directly to the field represent a new approach to growing topline revenue by integrating both revenue management and CRM applications.”

Michael Townsend, research director, Life Sciences Commercial Strategies, IDC

This innovative solution fits directly into Model N Revenue Cloud for Medtech and delivers:

- **On-demand intelligence** – Real-time contracting and pricing data and insights are embedded directly into Salesforce or any leading CRM, helping drive value in your investment by ensuring your CRM is used.
- **Greater control** – Pricing letters, capital agreements, and approved incentives are available to the sales team, reducing their reliance on operations.
- **Integrated applications** – Sales-facing tools are connected to pricing and contracting systems, eliminating the need for duplicate entries and siloed processes.

With Deal Management, you will not only improve topline revenue, but also enhance provider relationships by promoting proactive conversations about contract performance and preventing unwanted surprises that could disrupt future sales opportunities. Plus, through enhanced collaboration, you will eliminate friction and stress on your valuable operations and sales teams.

Ready to align your front- and back-office teams?

Schedule a meeting to see Model N Deal Management in action.