



NAVIGANT HELPS MEDTECH COMPANY DETERMINE BEST POTENTIAL ROI PATHS FOR CHRONIC CONDITION INNOVATION

CHALLENGE

A global company specializing in interventional medical technologies to treat critical care conditions found itself third to market with its latest innovation. The innovation provided a new delivery method for treatment of an early stage chronic condition. At first, the company launched with intent to compete for share of the condition's primary procedure market, and struggled to make traction.

The company leadership and product team also were deeply frustrated with the uneven performance of the product, and everyone had a different idea of what the problems were and which strategies should be undertaken to accelerate growth. The company's leadership team came to Navigant for help investigating different approaches to accelerate growth and improve profitability.

SOLUTION

Navigant performed a strategic market assessment (SMA) using comprehensive, fact-based data to research and analyze the existing competitive landscape and disease model. Through the unique research and analysis methodology, Navigant uncovered several critical insights to use to outline potential opportunities and the tradeoffs of each. These included:

- A majority of the U.S. population will develop some form of the disease in their lifetime – 75 million already had the disease, with the average age being 67.
- Current technologies on the market mostly focused on the initial primary procedure for the disease, not the secondary

procedure or treatment of the associated and often highly recurring comorbidities resulting from disease progression.

- The procedural impact of the therapy's delivery method played a less significant role in its clinical attractiveness than the client had anticipated, which helped explain the original launch's adoption issue, i.e., physicians had no compelling reason to change.
- Only one treatment option on the market shared the therapy delivery method, a generic version that carried a major economic advantage.
- The unique delivery method could reach areas of the body in-use technologies could not, and could treat – and prevent – the comorbidities related to disease progression.

Based on these findings and others, Navigant made the following recommendations for the company to consider.

1. Convert current users. Originally, the company did not see enough value in trying to convert physicians away from its generic competitor. But research showed many more of those secondary procedures were taking place than the company realized.

Furthermore, the company had now applied for and been granted a reimbursement code, which effectively made the technology more profitable than its generic peer for physicians. While this option targeted only a fraction of the overall market for the condition, it carried the most lucrative short-term potential. So, the company could focus on this market opportunity for two years to drive growth, and then use funds to invest in other strategies.

About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant's professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage, and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the firm primarily serves clients in the healthcare, energy, and financial services industries. Across a range of advisory, consulting, outsourcing, and technology/analytics services, Navigant's practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at navigant.com.

2. Change patient care expectations and results by promoting the technology as an intervention solution to prevent and treat the disease progression-related comorbidities. No other technology on market could do this, so the root issue was never solved, and patients remained in a cycle of comorbidity and specialty care management. In addition, as part of care management, patients were required to comply with a therapy that many found inconvenient, uncomfortable, and difficult to maintain unassisted. As a result, compliance was limited and inconsistent, and recurrence rates were higher.

This point of differentiation alone could provide the global company with a lucrative business model, while saving the healthcare system at large an average of \$23,000 per patient annually – or billions of dollars a year. However, this opportunity required a long-term business strategy to nurture the market and compel adoption, as well as investment in additional clinical studies to provide further evidence of efficacy and validate results.

3. As traction is gained by converting generic therapy customers and redefining patient care expectations, compete for a larger share of the primary procedure market by expanding treatment use among existing customers.

RESULTS

Navigant helped the company gain a much better understanding of the hidden but most important barriers, along with its best market opportunities and trade-offs of each. In addition, the strategic market assessment brought the leadership and product teams into strong alignment around the true market landscape and the best path forward. With a strong niche market identified and path set, the leadership and product teams confidently moved forward to realize the full potential of the product.

