



STRATEGIC MARKET ASSESSMENT UNCOVERS SUBSTANTIAL POTENTIAL FOR OB-GYN STARTUP

CHALLENGE

Women in the United States suffering from benign uterine tumors usually face two choices: cope with severe pain and heavy menstruation or undergo major surgery — typically a hysterectomy to remove the entire uterus. Neither option is desirable, especially for women interested in bearing children.

However, a women's health startup recently developed a breakthrough technology to treat uterine fibroids noninvasively. While the leadership team believed it had a game-changing technology and a strong understanding of its clinical potential, they wanted third-party validation of the therapy's true market potential prior to launching it or negotiating with possible acquirers.

SOLUTION

To evaluate the market size, identify barriers to adoption, and estimate the technology's total value, Navigant conducted a strategic market assessment. This proprietary methodology utilizes comprehensive, fact-based data to examine the critical factors of adoption, including disease epidemiology, new value proposition vs. current standard of care, healthcare economics, patient care pathways, technology adoption dynamics, and the psychology of clinician behavior change.

Navigant first investigated the veracity of conventional wisdom, which held that 75% of women have fibroids. Navigant's research exposed the often-quoted, belief to be rooted in a single study that lacked contextual relevance, scientific justification, or clinical validation.

The team also needed to determine how many women struggled with symptoms severe enough to seek medical intervention; and of those, how many had the type of fibroids the startup's new technology could treat. To find out, Navigant looked holistically at uterine fibroid patients and evaluated the criteria most relevant to the new procedure, including:

- Discomfort severe enough to compel a patient to seek medical treatment.
- Age or situation in which a patient preferred to maintain fertility.
- Location of the fibroids, as the technology could best treat only certain fibroid types.

Using these and other criteria, Navigant defined ideal patient segments for the new therapy, thus characterizing the detailed landscape of the potential patient population.

Lastly, Navigant assessed the barriers to market adoption, and found many were nonissues for the new technology. In fact, several factors were in its adoption favor:

- Demographic data indicated women with the financial means to pursue other options were less likely to get a hysterectomy than those in lower income brackets. Navigant surmised that, given an effective and affordable new choice, most women with treatable fibroids would opt for the startup's therapy over hysterectomy.

About Navigant

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- A large patient pool of insured women who regularly sought preventive OB-GYN care existed. As a standard part of these annual checkups, physicians inquired about menstruation health. If a patient reported issues, physicians could perform a standard ultrasound screening to scan for fibroids, which also is generally reimbursed. So women were already in the right patient-care pathway getting help from the right specialists, and most had appropriate healthcare coverage.
- Because no such technology existed in the United States, and this new therapy alone could prevent women from living with severe pain and/or heavy menstruation or undergoing a hysterectomy, the new technology was well-positioned to become the standard of care for treatable patients.

The strategic market assessment uncovered an initial U.S. market potential of \$428 million in annual revenue by 2028. That estimate represented 24% of the addressable global patient population.

Ironically, the only major factor that would potentially inhibit the therapy's market growth was the size of the company itself. If the startup attracted a buyer with a larger sales and marketing organization, Navigant estimated the technology could reach an annual market revenue of \$708 million — 65% more than the startup could achieve on its own.

RESULT



With the comprehensive analysis derived from the Strategic Market Assessment, the startup leadership team **fully understood its value and the best path to realize its true market potential**, including the quantifiable pros and cons of a potential acquisition.

 Healthcare@navigant.com

 [linkedin.com/company/navigant-healthcare](https://www.linkedin.com/company/navigant-healthcare)

 twitter.com/naviganthealth

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