

Identifying Commercial Opportunities with Hospital Segmentation

A wake up call

Sleep apnea is a potentially serious disorder in which breathing stops and starts during sleep. Our client, ResMed, is a \$1.6bn medical technology company that provides hospitals with innovative therapy solutions.

Where did the most promising sales opportunities lie for their portfolio of products and services? ResMed wanted to understand how hospitals' product needs were evolving and how likely each would be to adopt new technology – without having to undertake extensive, and therefore costly, primary research with patients and clinicians.

Playing devil's advocate

In our experience, clients often have a wealth of underused information lying dormant. This is something we're expert at tapping into. While ResMed had some formal data, they also had an enormous informal pool of knowledge based on the collective experience of their sales, marketing and technical support people.

We pulled together a core committee that included ResMed UK's General Manager, the heads of Marketing and Sales, as well as key hospital and patient support staff. We also interviewed each area sales manager.

In a collaborative working group, we invited the ResMed team to challenge our emerging segmentation, always pushing back and testing any assumptions they made – this process of iteration and evolution ensured we avoided generic models, and the resulting framework was successfully tested in qualitative interviews with key hospital staff.

Creating light bulb moments

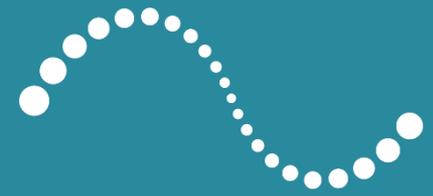
Our consultants are experienced workshop facilitators. We helped the client team tell the story of each segment, articulating the 'what, when, where and why', and then prioritising each segment based on likely technology adoption. It's in these workshops that people usually experience a light bulb 'a-ha' moment when theoretical segments really come to life.

With a framework in place, we worked with ResMed's sales team to allocate every UK hospital to a segment, then used sales data and competitor intelligence to develop an economic model. The result was an actionable tool to identify current value and potential opportunities – by segment.

Changing behaviour. Changing sales.

The whole process wasn't just about targeting sales but about changing internal behaviour. ResMed was able to distinguish and understand the differences between dynamic hospitals and the more traditional ones, the early technology adopters, the followers and the laggards.

ResMed can now easily see where and when to get information, how to make better decisions and prioritise efforts, and how to tailor and target their offer. The segment model even highlights areas for further innovations. With a far more effective marketing strategy, they're now better positioned to take advantage of market opportunities.



ResMed

ResMed is a San Diego-based medical equipment company. With revenues of \$1.7bn, employing over 6,000 people and operating in approximately 100 countries worldwide ... ResMed specializes in innovative solutions for the treatment of sleep-disordered breathing, sleep apnea, COPD and other respiratory conditions.