How Providence Medical Technology Used a Territory Strategy to Effectively Scale Their Sales Team

The first challenge for MedTech companies is to bring a new technology to market. The ones that are fortunate enough to successfully launch a new product immediately face a new challenge - how to scale that launch and grow dependable revenue.

Providence Medical Technology is focused on an ambitious mission of changing the standard of care for high risk cervical spine disease patients. Their innovative technology makes it possible for patients with comorbidities such as diabetes or obesity to have complete cervical spinal fusions with only one surgery instead of multiple procedures.

The technology came to market in 2013, so the Providence team was already familiar with the total available market in cervical spine procedures, and had achieved success in multiple areas across the United States.

But like many organizations in 2020, Covid impacted Providence's capital flow and investment opportunities. They needed to strike a balance between managing their existing capital while still pushing forward plans to expand their sales team to increase revenue.

As Jeremy Laynor, Senior VP Sales, explains, "We needed to hold on to our capital because it wasn't as free flowing as it was, but we also needed to significantly grow revenue for the health of the business."

Laynor and other senior leaders were aware that with eight years of market experience behind them, Providence already knew how

PROVIDENCE
MEDICAL TECHNOLOGY

Specialty:
Cervical spine disease

Headquarters:
Pleasanton, CA

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to help sales reps grow from $0 in sales to large territories with significant revenue. But they had not yet done it at scale. "How do we go from 8 to 30 to 100 reps all doing good business? Because that's what we inevitably needed to do. The problem is, those reps are hard to find," noted Laynor.

Despite the heavy investment needed to find and bring on top reps, Laynor and the senior leadership team knew they would be critical to Providence's growth. Not only do the best reps have the ability to get in front of high-impact surgeons, Providence had a novel technology, totally different from other products. These reps wouldn't just be selling a device, they'd need to have a deep understanding of its functionality and capabilities to train surgeons on how to perform a common procedure in a new way.

Laynor wanted to ensure these valuable reps would be set up for success as soon as they joined Providence to avoid churn in staff. "One thing we learned through the previous eight years is, we could put reps into these vast marketplaces, but it would take forever to get revenue. So how do we increase revenue and speed?" Laynor wondered.

Revenue growth in new territories had been slow because Providence didn't have good data to build a strategy around. They had previously been buying a fixed data set of physician specialities and procedures by code from other vendors. But knowing this data was only partially accurate and often out of date left Laynor and his team feeling that they had a limited understanding of where they should expand.

It was critical to target the right territories with their planned expansion the first time. With a fixed amount of capital and a need to accelerate revenue growth, they didn't have the time or resources to spend on a hunch that didn't pan out. Additionally, repeated disruptions to their territories would be highly unsatisfying for reps who were having success, raising the risk of turnover. Laynor knew Providence needed better data to get their strategy right the first time.

Laynor's search for more comprehensive and timely data led him to AcuityMD, and he planned the implementation and rollout of the platform to maximize success and minimize disruption. He pulled in other senior leaders for executive sponsorship, and built a cross-functional pilot team as the first users of the platform.

Once implemented, AcuityMD's robust and timely data led to two strategic changes that surprised even Laynor. Knowing that Providence had existing contracts at a number of large health systems across the country, but no rep assigned yet to the regions covered by those systems, Laynor realized he could combine their contract roster with AcuityMD Targeting and Territories data to create ready-made opportunities. "We could carve two or three customers out and give them to the new reps to seed the territory so it had momentum to start. That's a lot different than starting from scratch."

That would solve Providence's previous issue with slowly ramping up revenue. But in analyzing the surgeons with the highest volume in each territory, combined with contracted sites of care, Providence actually had fewer surgeons they wanted to focus on in these territories. And yet they were still able to increase total sales in each region.

The increase in sales wasn't just due to the narrowed focus. AcuityMD Peer Networks enabled Providence reps to have more impactful conversations with the surgeons they did pitch. "For us, access is so hard. The target audience of neurospine and orthopedic spine is so, so busy and it's a competitive marketplace," Laynor observed. But with detailed information on a surgeon's background and associations, "The reps are more prepared to talk to that surgeon because they understand the surgeon's practice. They know where they trained, they know where they did a fellowship. Those conversations lead to more successful engagements," remarked Laynor.

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> **Jeremy Laynor**
> Senior VP Sales
> Providence Medical Technology

The second surprising strategy change was that Providence was able to expand their search for new reps outside of the insular world of spine reps. The Targeting and Peer Networks data in AcuityMD made it possible for talented reps without a background in spine - or even MedTech sales in general - to quickly understand the landscape and know where to go. But AcuityMD isn't just providing benefits to Laynor and the Providence sales team. Their product development team also has access to the platform, so when they're planning a new product release, the entire organization knows what the total available market is, where it is concentrated, and who the thought leaders are in that space. This has led to much smoother and more successful product launches for Providence.

Two years in, Providence is thrilled with their AcuityMD partnership and the results they continue to see. The responsiveness of AcuityMD's team to feedback from Providence has allowed Laynor and team to keep refining their strategy as they expand into more and more territories. AcuityMD has also launched new solutions that are showing Providence new avenues to success, such as AcuityMD Contracts, which Providence was one of the initial buyers of.