

Flipping the model

Through **aptitude**, Merit Medical Systems, Inc. found a fresh way to grow their market share by 65%

In the traditional healthcare contracting process, suppliers wait on providers to approach them with a proposal. Once the bidding and negotiation begins, it takes months to analyze clinical data, agree to terms and conditions, and finalize the contract.

With the help of **aptitude**, Merit Medical Systems disrupted the normal contracting process. Using an exclusive function of **aptitude** – the Seller-Initiated Offer (SIO) – Merit could see current market share as well as what the opportunity looked like to grow their business. As a result, they proactively submitted an attractive offer directly to a large customer with the goal of increasing market share.

“We had been involved with this customer in the past, however we wanted to grow our business but hadn’t been able to gain traction through traditional channels,” said Steve Kraver, Director of Business & Commercial Development at Merit. “The online market approach **aptitude** provides gave us a direct conduit to the customer which allowed us to show them the value we could offer in a tangible, actionable way.”



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Merit Medical Systems, Inc.

Merit Medical Systems, Inc. is a leading manufacturer and marketer of disposable medical devices used in a vast array of interventional, diagnostic and therapeutic medical procedures, particularly in cardiac intervention, peripheral intervention, interventional oncology and spine, and endoscopy. Since its founding in 1987, Merit’s sales and product lines have expanded substantially, both through internal research and development projects and strategic acquisitions. The company maintains a diverse, multi-campus manufacturing footprint in North America, Europe and Asia with a global distribution network for delivering products and technologies to customers.

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To generate the proactive offer, Merit worked closely with Melissa Szabo, Sales Executive for **aptitude**. She verified that members of the aggregation group were interested in a new contract for disinfecting caps, helped gather the information required to cover both the financial and clinical aspects of the product, and assisted the group as it contemplated the offer.

“I applaud Merit for seeing the benefits of **aptitude**,” said Szabo. “Merit was very open to new ideas and creative ways to present value. At **aptitude** we work as a neutral resource for both the provider and supplier to help them build strategic partnerships. Our platform delivers efficiencies to the contracting process while our advisors help facilitate communication. Merit took advantage of both and was successful as a result.”

Through the SIO, Merit offered very aggressive pricing to the customer in return for greater market share. “That’s one of the big advantages of dealing with a large aggregation group,” Kraver said. “There’s a lot of upside for both the customer and the supplier.”

Convincing clinicians through relevant data

After the offer was approved on the financial side, Merit had to persuade clinicians that their disinfecting caps

would fit seamlessly into existing processes. “We had the opportunity to educate the organization on our products and demonstrate our advantages,” Kraver said. “It was a great way to build relationships and rapport with the customer.”

Monitoring market share

Now that the contract is in place, both the aggregation group and the supplier can measure market share to ensure that the volume commitments are being met to maintain the agreed-upon pricing.

“The ability to measure the sales volume on the back end is huge,” Kraver said. “There wasn’t a really good way to measure market share like that until **aptitude** came along. The transparency of **aptitude** makes it much easier for us, and I can only imagine the benefits for a large IDN.”

Through the new contract, market share with the group for disinfecting caps went from 25% to 90%. A huge win for Merit that also resulted in nearly 15% savings in less than 90 days for the aggregation group. The supplier grew market share and the providers achieved outstanding speed to value.

Kraver has high praise for the people at **aptitude**, too. “They have always been fair and honest to us,” he said.

About **aptitude**

Launched as a contracting market in 2013, **aptitude** reduces the cost of healthcare and accelerates strategic supply chain partnerships by allowing providers and suppliers to explore opportunities, streamline execution and improve performance.

“They obviously want to get the best deals for members, but at the same time they understand the needs and challenges of suppliers.”

The way of the future

Going forward, Kraver says he would like to use **aptitude** as much as he can. “We’ve proven that we can do it, and people are intrigued,” he said. “We plan to expand our portfolio on the platform and make more products accessible to potential customers. It can be a catalyst for communication with customers making it a great go to market strategy for new products as well. I really see it as the way of the future.”



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