Technology in action – supplier strategies

DeRoyal uses data insights to keep business moving through pandemic

With COVID-19 preventing the in-person meetings that are at the heart of customer service and sales success, DeRoyal Industries is taking advantage of an opportunity to keep its provider relationships moving forward with data.

By using Reveal, a data sharing resource and joint initiative between Captis and **apt**itude, DeRoyal is getting a direct line of sight into key supply chain information to manage its business. With visibility down to the item and facility level, the platform provides unprecedented access to provider purchasing data, which helps DeRoyal better understand performance and then proactively work with providers to boost compliance and improve standardization – creating wins for both sides.

Nadine Becker, Senior Manager of Strategic Accounts for DeRoyal, explains that the Reveal platform has enabled the team to stay in touch and be of service to providers in unique ways. By pinpointing areas where they can work together to make improvements, DeRoyal has been able to help supply chain and value analysis teams achieve greater value and build a foundation for mutual success.

"The pandemic changed the way we work with customers," said Becker. "Through Reveal, we have valuable insight at our fingertips and are now leveraging it as an essential component of our remote customer engagement strategy." "Access to accurate and timely data has never been more critical than in today's dynamic, and often uncertain, health care environment.

Through this data sharing resource, we can quickly identify opportunities and proactively support providers in their mission to maximize value through strategic partnerships."

Brian DeBusk Chief Executive Officer, DeRoyal

About DeRoyal

Founded in 1973, DeRoyal Industries is committed to improving the clinical quality and economic health of its customers. Its world-wide workforce of 1,900 employees bring value to customers in several distinct markets including surgical devices, unitized delivery systems, orthopedic supports and bracing, and wound care dressings.



Guiding sales efforts to maximize member value

Given the disruption the current environment has had on travel, the DeRoyal Regional Sales Directors are going online to maintain visibility into the performance of their territories. By generating customized reports for individual customers and drilling down to analyze category, system, facility and market share metrics, they have access to unique insight and data for decision-making. This sort of granularity helps the sales team in several ways.

First, they can identify high volume products with low market share that could easily be converted to on-contract items. By looking at cross references and competitive products in the market, DeRoyal can proactively approach customers with suggestions for how to qualify for higher rebate levels and ensure they are receiving the lowest possible contracted pricing.

Recently, while working with a large health system, DeRoyal was able to collaborate with the value analysis team to identify \$90.000 in surgical foam positioners that were being purchased off contract. Access to the Reveal data allowed DeRoyal to make specific recommendations to the provider's clinicians regarding clinically equivalent products. Not only did the clinicians reportedly like the DeRoyal products better, the initiative also resulted in rapid savings while also putting the provider on track to receive additional rebates. Having access to the Reveal data upfront allowed this opportunity to progress even in the absence of face-to-face meetings while significantly shortening the length of time it would ordinarily take to implement a conversion of this size.

"It is possible for us to make these types of recommendations because rather than a cumulative volume, the information in Reveal is very specific. Access to usage at the individual facility and SKU level allows us to make conversion recommendations to help providers maximize standardization, utilization and compliance initiatives," Becker stated. "Reveal is a valuable tool we use to help guide members toward obtaining the full potential value available with each DeRoyal contract."

The detailed, line item metrics available through Reveal can also help bring to the surface purchasing opportunities that had previously been buried within category level data.

"We have had a sole source agreement for suction canisters with the Captis membership for the past 10 years," Becker explained. "Initial high-level reports showed we were capturing the majority of spend so it was not on our radar as something that needed to be monitored. However, once we had access to the data in Reveal, and were able to see the full picture, we realized we were missing sales in ancillary product business that was being purchased off-contract. Based on this new knowledge, we modified our agreement with Captis to maximize growth opportunities for DeRoyal and to incentivize member conversions with additional rebates."

Forecasting demand and new product development

While DeRoyal knew that access to competitive level details could help guide sales efforts, there were unexpected opportunities that materialized once the team started reviewing additional features within Reveal.

The trend metrics, which are populated by spend history and unit volume to estimate future purchasing patterns, eliminate the need for manual and individual appeals to providers to submit their forecasts.

"We no longer have to burden our customers with requests for information, nor do we have to wait on responses to project sales and the inventory levels needed to support them," said Becker. "We have a better handle

About aptitude

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

on what is happening in the market from a product utilization standpoint and can guide our business decisions accordingly."

The marketing team can also leverage the trend data to find catalog development opportunities. With information for thousands of products at their fingertips, they can identify items that customers are purchasing from competing suppliers that DeRoyal does not currently manufacture. This helps the product manager round out offerings and allows DeRoyal to expand its portfolio. While prospective products have emerged according to purchasing patterns within Captis, the expansion opportunities are offered to DeRoyal's entire customer base.

Whether it's for new or existing products, the timeliness of the reports accessible through both **apt**itude and Reveal allow manufacturing to get a jump start on production and support better downstream results for the entire organization.

"The impact of this platform has been greater than we ever could have anticipated," said Chrissy Brooks, Associate Vice President, National Accounts for DeRoyal. "The level of detail provides visibility that we have never had access to and from my perspective, it's a game changer."







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