

# Insights from ERM's Healthcare Roundtable: Driving Revenue Growth Through Product Differentiation in Healthcare Value Chains

## What Commercial Leaders Can Act On Now

### Context

Pricing power and growth are hard-won in today's healthcare value chain. Buying committees are larger, budgets are constrained, and customers increasingly expect credible progress on lower-carbon products, circular packaging, and waste reduction, supported by robust and quantified business cases.

That expectation creates a gap many suppliers can turn into increased share and margin, if commercial teams convert product attributes around circularity, energy efficiency, and waste reduction into more wins and defensible pricing.

At ERM's healthcare roundtable with industry leaders, the discussion centered on one question: How do we turn operational improvements in packaging, energy sourcing, and product design into qualified pipeline, premium pricing, and customer retention?



# Commercial Pillars for Enabling Revenue Growth

## 1. Sales Enablement & Pricing Capture

### Arm the field to defend premium

#### Standard proof packs.

Sales teams need concise, repeatable bundles: renewable electricity procurement documentation, packaging efficiency data, operational metrics (yield improvements, uptime gains, waste reduction), regulatory compliance maps, and ROI calculators around procurement savings, waste disposal cost avoidance, and total cost of ownership.

#### Persona-specific translation.

Train reps to quantify value for each buyer: Operations (waste reduction, efficiency), Procurement (TCO, reliability), Finance (payback, IRR). One company documented that 20% of revenue ties to customers with contractual requirements, 12% classified “must-have” for renewal, which transformed internal resource allocation.

#### Pricing defense playbooks.

Give sales teams tools to hold premium pricing: documented willingness-to-pay from won RFPs, competitive battle cards (renewable energy sourcing, repairability, recycled content), and objection-handling tied to customer financial KPIs. Product features without economics won't sustain premiums.

## 2. Marketing & Value Proposition

### Lead with performance, then quantify operational benefits

- Convert attributes into financial outcomes. Translate “lower-carbon” or “circular” into business language: faster qualification cycles, lower waste disposal costs, fewer compliance steps, reduced procurement risk, lower logistics costs, then price the delta.
- Regional messaging variations matter. European customers may lead with circular economy

criteria and repairability in RFPs. North American buyers prioritize operational efficiency and cost reduction. Companies that tailor pitch content and sequencing by geography and persona see higher win rates.

- Lead with customer outcomes. One medtech company repositioned equipment around one-visit dentistry: faster patient throughput, higher satisfaction, reduced chair time and consumable waste per procedure. The pitch leads with practice economics; waste reduction becomes a value multiplier, not the primary message.
- Account-based pipeline development. Structure engagement: operational value content → technical data + efficiency metrics → invite to pilot → scheduled quarterly business reviews with performance and cost metrics as standing agenda items.

## 3. Brand for Trust & Repeatability

### Make the premium believable

#### Anchor proof on three pillars:

- Products & technologies: Repairability programs, packaging optimization with documented savings, digital waste elimination (QR-code instructions vs. printed manuals)
- Operational transparency: Renewable electricity procurement (especially where cost-neutral or cost-saving), energy efficiency investments, waste diversion with quantified savings
- Partnerships: Take-back programs, reprocessing partnerships, only where there's clear service revenue or customer cost-avoidance

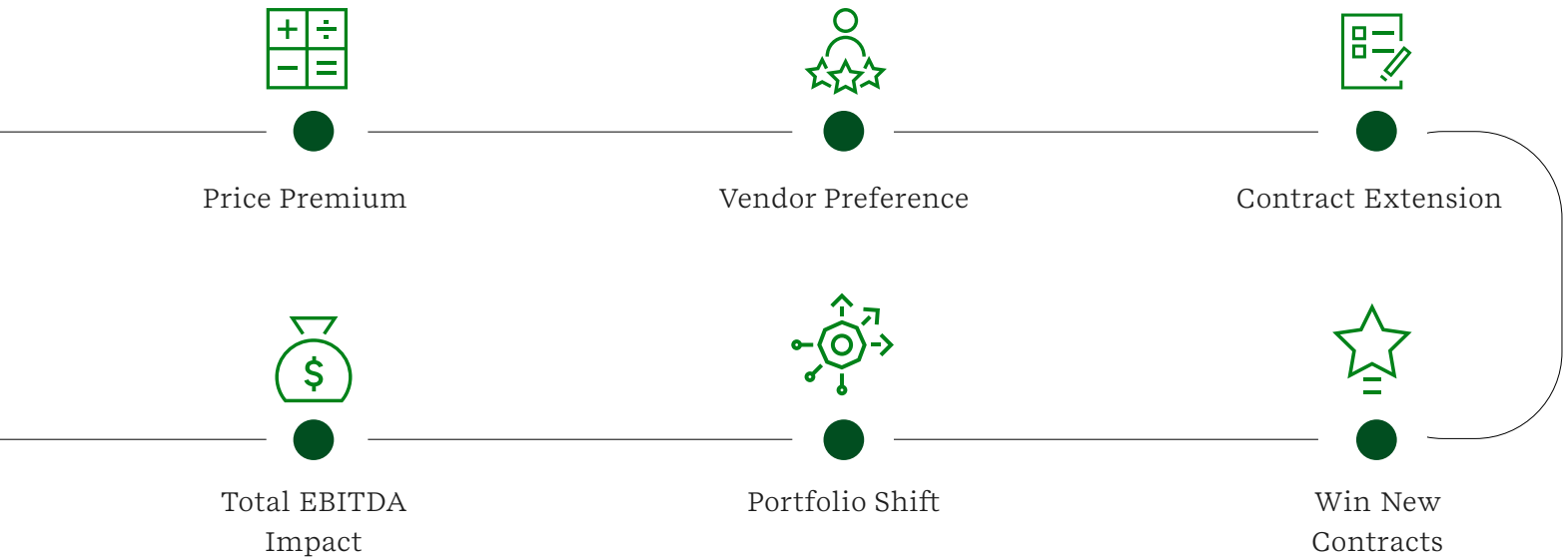
Competitive differentiation packages are also critical to provide customers side-by-side comparisons mapping your capabilities to RFP criteria, with certification logos and customer references on every asset to validate and increase customer conviction.



## Prioritize initiatives based on commercial goals

Product differentiation initiatives should integrate into operating budgets and build on existing operational playbooks, not stand as separate investments.

### Revenue growth waterfall:



### Commercial levers:

- Increase price realization from customers with specific purchasing criteria
- Increase share of wallet from existing customers prioritizing these attributes
- Retain customers using operational performance as vendor scorecards
- Attract new customers with sustainability-related RFP criteria or preferences that you uniquely satisfy
- Launch/reposition offerings to shift mix toward higher-margin products



# Foundations for Revenue-Driven Growth

## 1. Quantify Customer Value: Start with the Customer's P&L

Map value across tangible financial benefits: procurement savings, waste disposal costs avoided, compliance costs reduced, operational efficiency gains. Convert to performance delta + avoided cost + retained revenue, then standardize in calculators and sales messaging.

One participant quantified 20% of revenue tied to specific operational criteria, 12% “must-have,” 8% “preferred supplier advantage.” This unlocked larger budgets for renewable electricity procurement and packaging redesign because finance leaders saw direct revenue protection.

## 2. Build a Repeatable Go-to-Market Engine

- Sales effectiveness: Persona-specific value kits, deal inspection protocols flagging accounts with operational purchasing criteria, forecast rigor tracking differentiation premiums, win/loss analysis tied to specific proof points
- Pricing governance: Reference deals codifying where and how much premium can be defended, pricing corridors by segment, approval thresholds when discounting below benchmarks
- Experimentation with ROI gates: Pilot initiatives (digital instructions-for-use, take-back programs, bulk packaging), document learnings, kill pilots quickly if no commercial traction

## 3. Align Cross-Functional Execution

Bring Commercial, Operations, Packaging Engineering, and Finance onto a quarterly rhythm: target segments where operational criteria drive decisions, prioritize accounts with contractual requirements, identify evidence gaps, align product launches to procurement cycles.

### Finance partnership is critical.

One participant partners with operations finance lead as internal “champion” who translates projects into Annual Operating Plan priorities, articulating **total cost of ownership, payback periods, cost avoidance, and revenue protection**. Projects with finance champions get funded; those without get cut.



## Delivering Outcomes: Key Strategies

### Market Segmentation & Messaging

Prioritize customer segments where operational criteria drive decisions: hospital systems with mandatory scorecards or pharmaceutical manufacturers with supplier requirements. Define buying committee composition and tailor messaging from operational performance to P&L impact.

### Customer Value Storytelling

Avoid generic labels without line-item benefits. Show how your product reduces operating costs, downtime, or compliance costs at the customer site. Validate with pilot data, scale through quarterly business reviews.

### High-impact examples from panelists:

- Repairability as lifecycle revenue: For high-capital equipment, emphasizing standardized parts, repair programs, refurbishment services addresses disposal concerns while creating recurring service revenue. Customers asking “what do I do

with 1980s X-ray equipment?” becomes a service opportunity.

- Workflow efficiency reduces operational waste: Technology repositioned around faster patient throughput, fewer appointments, reduced consumables per procedure, with waste reduction as co-benefit. Lead with practice economics.
- Digital transformation as cost-out: Digitizing instructions-for-use via QR codes cut packaging costs 25-30%, eliminated multilingual paper manuals customers discard, and improved access. Immediate savings + customer experience + waste reduction.

### Metrics & Dashboards

Track differentiated product revenue, premium pricing realization vs. discount rates, pilot-to-contract conversion, proof-pack usage. Report alongside traditional sales metrics so leaders allocate resources to highest-ROI plays.

## Strategic Insights for Healthcare Commercial and Sustainability Teams

### Differentiation Drives EBITDA

Premium pricing and preferred status accrue to companies proving both product performance and measurable operational outcomes. Buyers extend contracts when economics are explicit and tied to their P&L.

### From Compliance to Competitive Advantage

96% of hospital purchasing organizations evaluate suppliers on sustainability criteria; 65% conduct annual assessments. Companies treating these as commercial opportunities can outpace competitors in win rates and retention.

### Capability Building Matters

Teams that quantify and sell P&L impact defend price better and close faster. Invest in persona-specific enablement, ROI tools, pilot playbooks, and deal inspection rigor.

### Proof Reduces Buyer Risk

Third-party validation and transparent operational disclosures lower procurement risk. One participant achieved 100% renewable electricity procurement (cost-neutral or cost-saving), was included in a major customer’s best practice guidebook, and turned recognition into a repeatable sales asset.



## Key Takeaways

The companies capturing margin today aren't those with the most ambitious corporate commitments. They're the ones who've integrated operational improvements into sales playbooks, equipped commercial teams with customer-specific ROI narratives, and built pricing governance around documented willingness-to-pay.



## ERM can help you leverage product differentiation to drive revenue growth in healthcare value chains.

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