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De-risking the Buying Decision for Digital Health Technologies.

12 KEY **INSIGHTS**:
Blüm.

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When you create
something as **revolutionary**
as a ship,

You can also create
something as **devastating**
as a shipwreck.

One of the biggest barriers that we experience in digital health is:

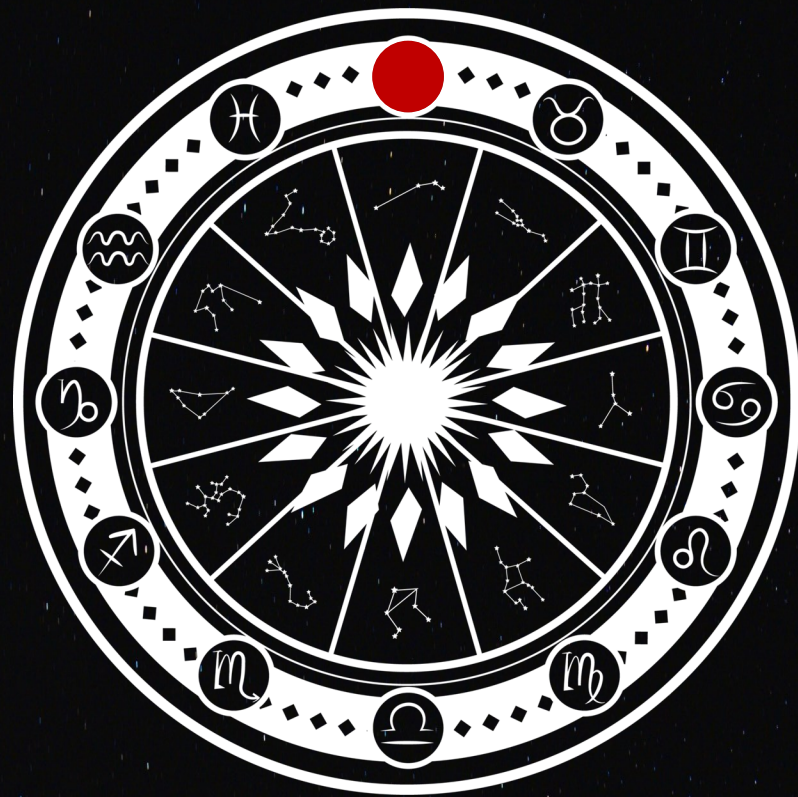
How do we break down the value that we are presenting as an SME/entrepreneur/innovator to be able to introduce it into health systems that actually has very little capital expenditure but has a lot of pain points and needs.

In this article, I will be talking about the **12 important steps** you can take to help de-risk the buying decision for your digital health technology.

MICHAEL WATTS
CHIEF EXECUTIVE OFFICER

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STEP 1:

Define your
Value Proposition
clearly.

Value is one of those things that we find really difficult to explain in healthcare because it's not quite the same as a transaction in retail or hospitality.

We think we know what the solution is, but actually, it's often very different to what patients or health systems actually need.

VALUE TO HEALTH SYSTEMS.

When we think about value for money, it feels a little bit contradictory, but actually it's so important that we can actually say for this much money, **we create this much value.**

Value might be realized in **improved patient outcomes, increased hospital flow** or **cash releasing benefits.**

But actually, it's more complex than that because just by creating efficiency doesn't always save money.

If you think about backlogs or waiting lists, getting someone out of the hospital faster just means that **there is another new patient in that bed.**

Bed blocking is one of the examples whereby it's actually cheaper, but it means that **less people get seen.**

So, on the grand scheme of how a national healthcare system is run, **it's extremely complex to define value for money**, particularly with your solution.



In healthcare,

Trust and authenticity are two of the biggest selling points for any product.

It doesn't matter what it does. If you can tell a story and you could be authentic in telling that story and genuinely demonstrate how it will impact on patients and service users, then it will sell.

Without that evidence base, without that real-world validation, that's going to be a really difficult thing to sell because it doesn't resonate with the industry that we are in.

VALUE FOR PROCUREMENT TEAMS.

Now, procurement are really difficult because these are often **finance directors or accountants by background**, people that manage money, and they're very rarely the people that are going to use your solution.

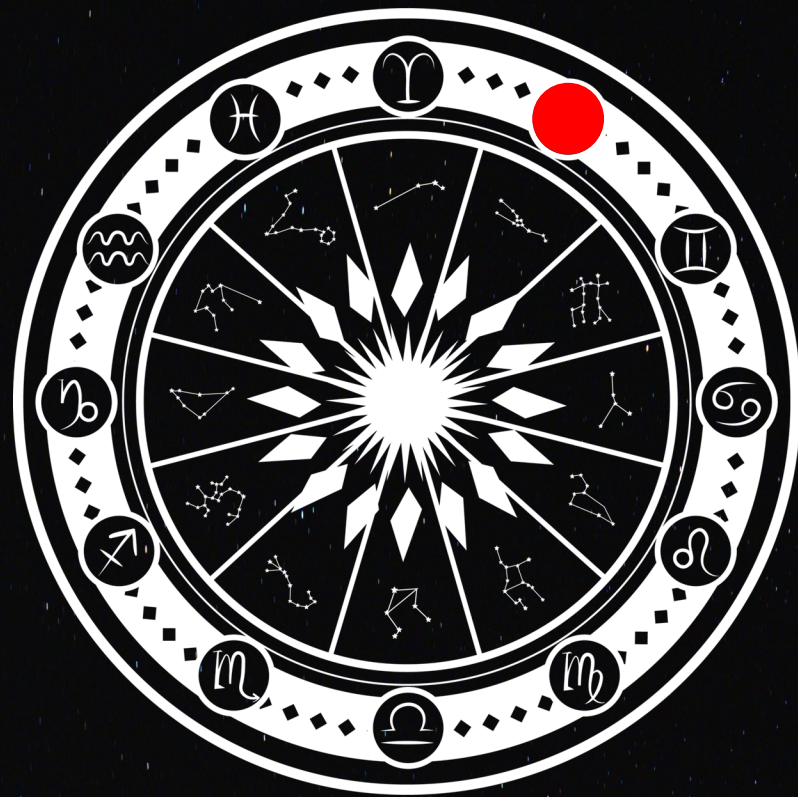
So when we talk about the consumer versus the customer, **procurement is the customer**, and then either **NHS workforce or staff or patients are the consumer**.



You've really got multitudes of value that you need to be able to demonstrate, and you need to understand that **this is something they need.**

Before going into a conversation, you need to already know:

- . How **big the problem** is for them,
- . How **much it's costing** them,
- . How **many lives it's impacting** on,
- . How many **Quality Adjusted Life Years (QALY)** it's impacting on.



STEP 2:

Demonstrate that
you have
The Right Team.

So, if you're at the stage whereby you're looking to start to pilot what your idea, they're really going to want to know:

Who is behind this that I can trust?

Because no one trusts the solution yet as it's not even at a trustworthy stage.

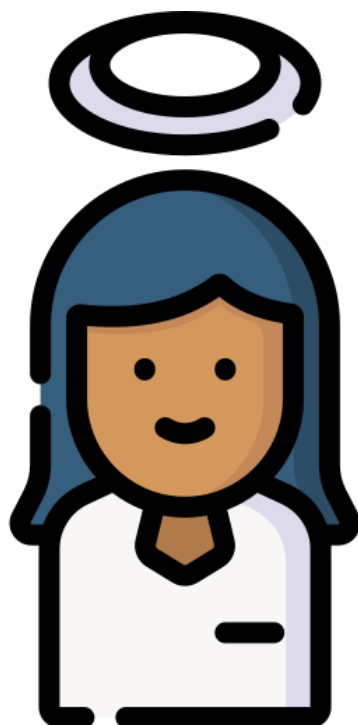
It's the first time that it's going to be used, So, it's really important to ensure that you have the right skill sets within that organization and infrastructure.

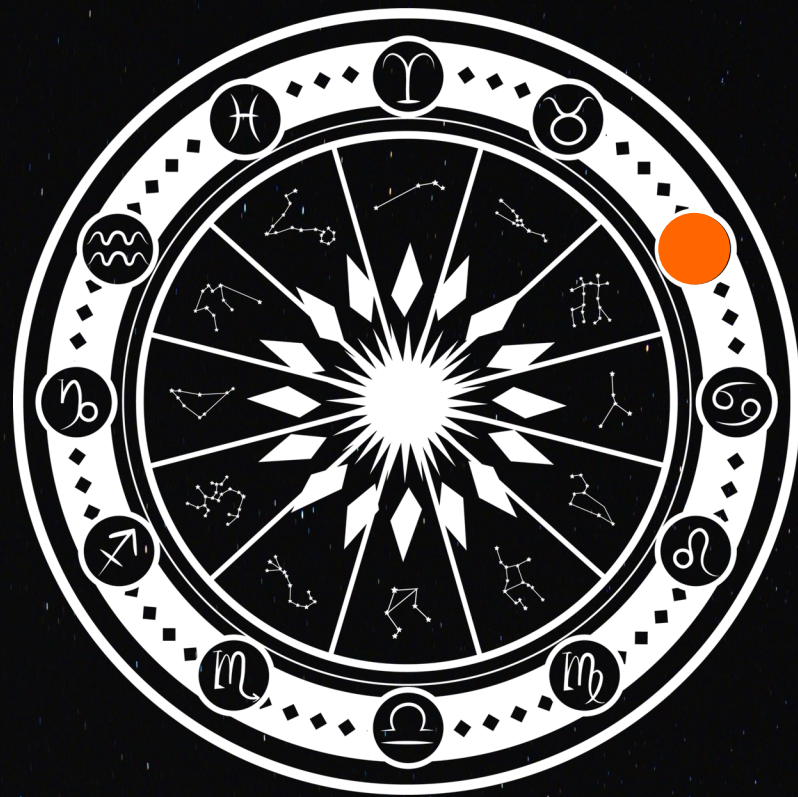
Be transparent with who's behind the solution.

Demonstrate your capabilities and why you're the best people to invest in from a **consumer versus customer perspective.**

Not necessarily always investors per se, but just as someone that wants to **introduce value into the NHS.**

You have to define why you're the **trustworthy, authentic person** to do that.

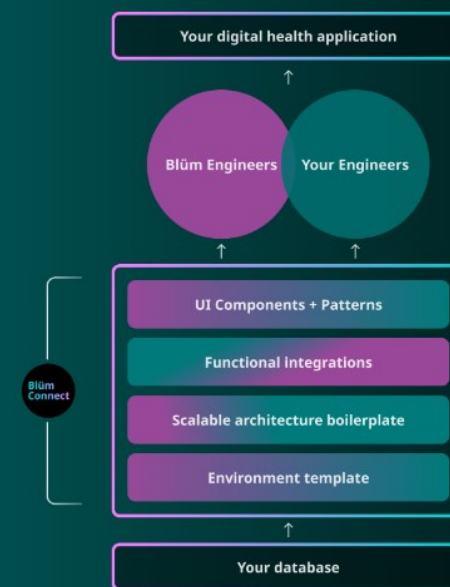




STEP 3:
Perform a
Competitor Analysis.

The complete digital health application development toolkit.

Blüm Connect contains everything your software development team needs to build clinical applications. Your code, your rules. Or we can do it for you.



So obviously, because Blüm builds solutions, we see a lot of proposals and a lot of opportunities to build really nice, innovative things.

And then we ask for the competitor analysis because ultimately, of course, we don't want to build something that someone else has already built because that isn't a sustainable project for us.

Very rarely does someone present an actual horizon scan of what the industry is doing in their space.

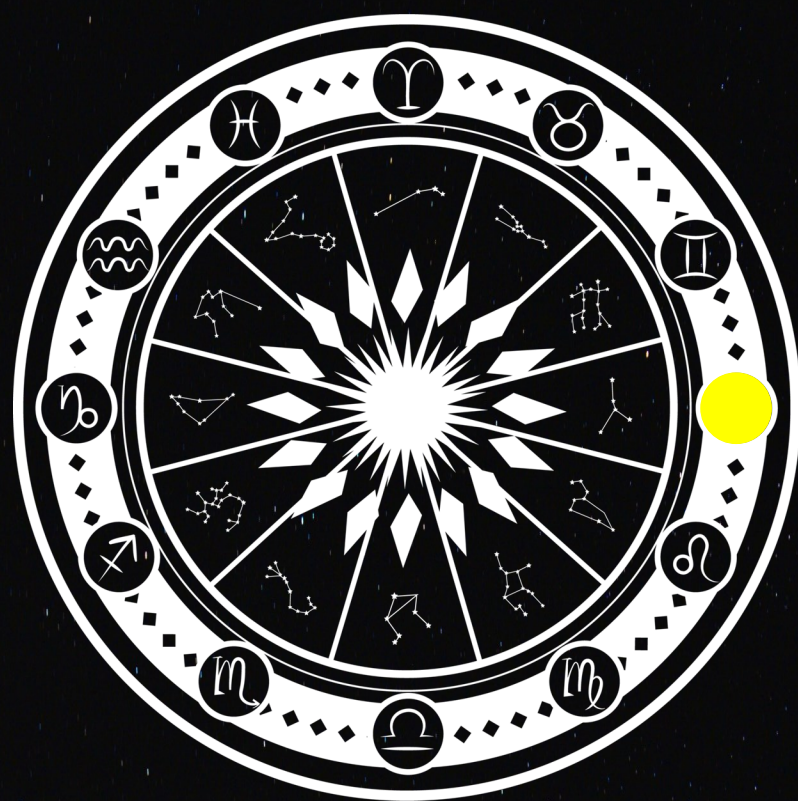
For Example,

We know there are so many Remote Patient Monitoring solutions out there at the moment that **we would never build another one**, because why would we?

We don't want to reinvent wheels.

If it's doing something different, then be compelling about why that **creates a new competitive advantage** or **fills a different gap in the market**.

So, understanding the market and understanding where you sit within that market is **crucial**.



STEP 4:

Leverage Clinicians.

People often try and go to the **key decision makers** straight away.

But actually by engaging the **clinical leads** within that healthcare-providing organization, you create a real competitive advantage because -

If they buy into your solution, they're going to **turn up with you to those procurement meetings** and say,

**No, actually,
We really need this.**

For example, If it's a maternity solution:

1. You can Google who is the **head of maternity** within the hospital that you want to target.



2. You can then **drop them a message** saying:

“Hi, I hope you well. I'm working on this project, and we'd love to talk about it further.”



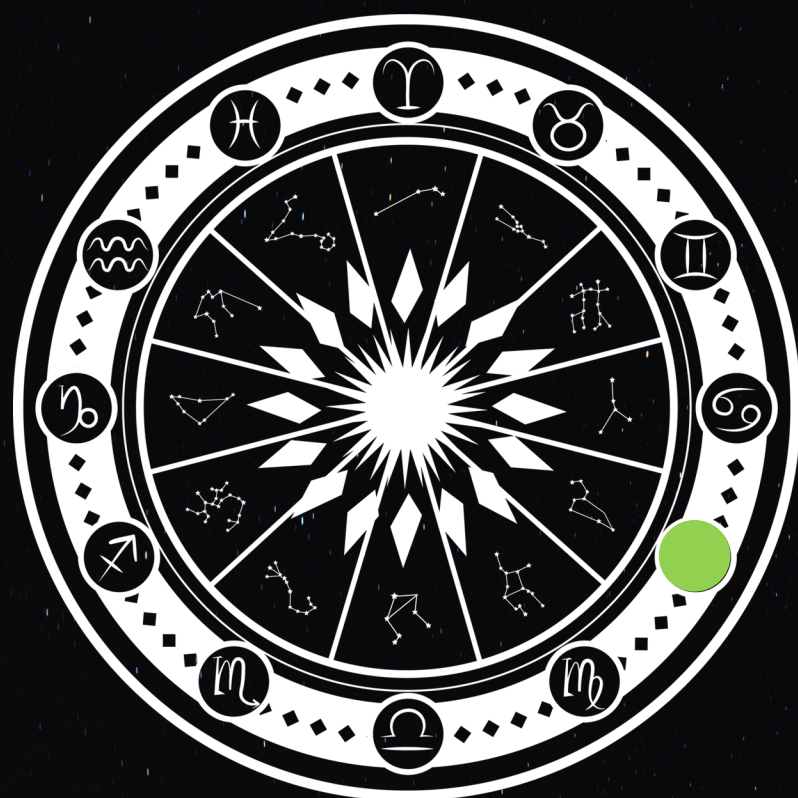
3. You go in, you talk about it, **you have a demo day**, perhaps with them.



4. If they like what they see, then you start to talk about **having a small pilot**, running a small simulation session with them.



5. **Only when you've got all of that traction**, you then go and speak to the business case writers and the procurement teams.



STEP 5:

Demo your
Product Early.

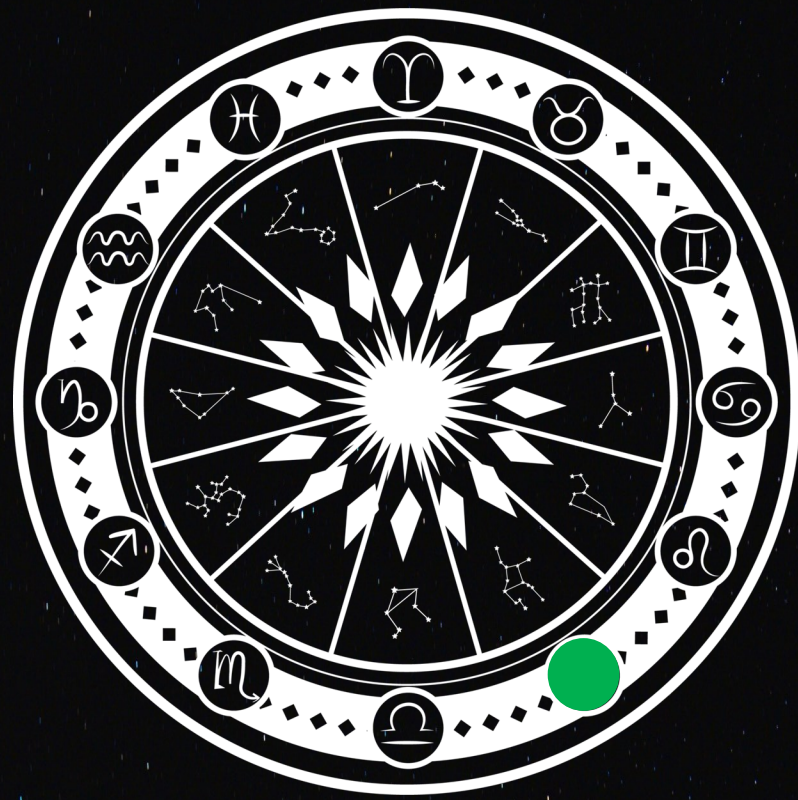
If you're not embarrassed by the first version of what you released to your users, you've released it too late.

Of course, you need to let your early adopters know that:

It's in beta phase or it might not completely look and feel the way that they expect it to yet.

But if you've spent too much time focusing on the initial product: **YOU** might be really happy with it but your **USERS** may not be.

So, by giving it to them earlier, you can start to understand **what they want** and **the value they see** in your product.



STEP 6:

**Avoid Medical Device
Status at the Early Stage.**

One of the key challenges is **avoiding being a medical device in the early stages** because device regulation means that it's going to take a lot more time to realize the value in your solution and get it validated as a medical device.

There's also **cost** associated with medical device registration, which will impact on your cash flow, your capabilities, and your runway.

Always seek professional advice when navigating medical device regulation.



Perhaps the biggest strategy is keeping a human in the loop.

Whenever you surface something that a piece of AI has said is the action to be taken, make sure that it is signed off by a human.

That keeps that human in the loop, which takes that responsibility away from the software, which is a really important thing to do in the early stages because of the clinical safety risks that it poses.

Important tip:

Be very clear about what your intended use is for your product as that will determine whether it is a medical device or not.



STEP 7:

**Work on Digital Health
Compliance Early.**

Here are the five pillars of compliance that we expect across most of the solutions that are on the market globally.

Clinical safety, data protection and the technical security of your product should be the initial consideration during its development.

Clinical Safety

Data Protection

Technical Security

Interoperability

Usability and Accessibility

INTEROPERABILITY

As a startup, as an SME, you're going to want something **that stands alone** where possible.

Unless it's critical to the actual value proposition of what you've got, having to engage other parties in our experience means that there's going to be:

- . **Time delays**
- . **Increased complexities**
- . **Additional costs to you and your customer**

Which then creates a higher barrier.

So being able to **deliver a service that stands alone and is not a medical device** should be your minimum viable product.

USABILITY AND ACCESSIBILITY

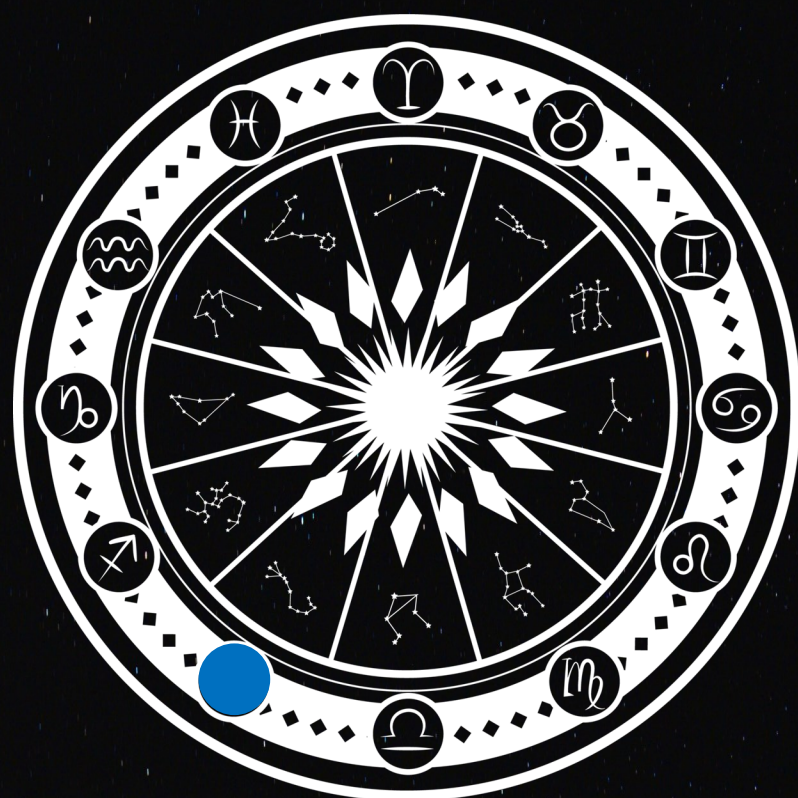
There's no point creating efficiency for one population if you create **inequality for another population.**

For example,

- Take an app which sends correspondence to patients.
- If they haven't got a smartphone, they're still going to need to receive correspondence, and it might be through an **SMS**.
- If they don't respond within 48 hours, you might still want to send a **letter**.

We need to create mechanisms whereby we don't exclude populations.

Ultimately, the cost of missing that patient or not including that patient could far outweigh the value that your solution generates, and therefore you've lost your value for money.



STEP 8:

Explore Funding
Sources.

Funding is the single biggest challenge that we experience across innovation and product development in general.

We're really privileged in the UK to have some great access to funding. A lot of that is coming from **grants** at the moment.

It has to be clearly defined **how you're going to deliver that value**. But there's some great grants currently out there.



Innovate
UK

NIHR | National Institute
for Health Research



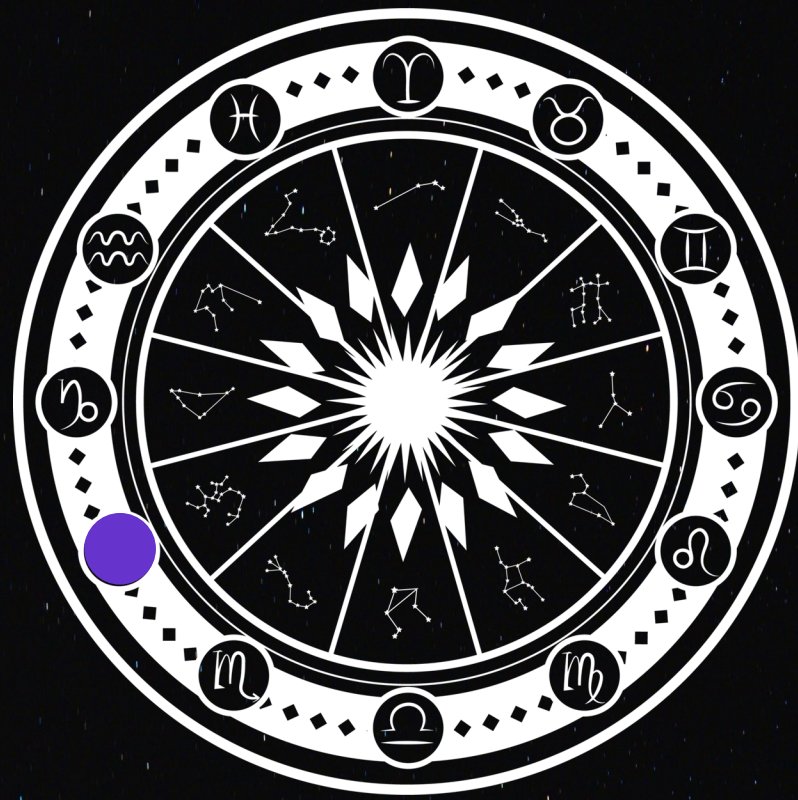
Blüm.

It's worth **managing relationships with investors**, getting to know them and nurturing those relationships over time.

That is the way that you will gain investment because they **start to believe in you as an individual**, going back to what we were saying before.

During the earlier stages (Pre-evidence), **they will invest in the people as well as the product** and the traction that you then later get down the line, depending on the level of funding that you're going for.





STEP 9:

Leverage Existing
Networks

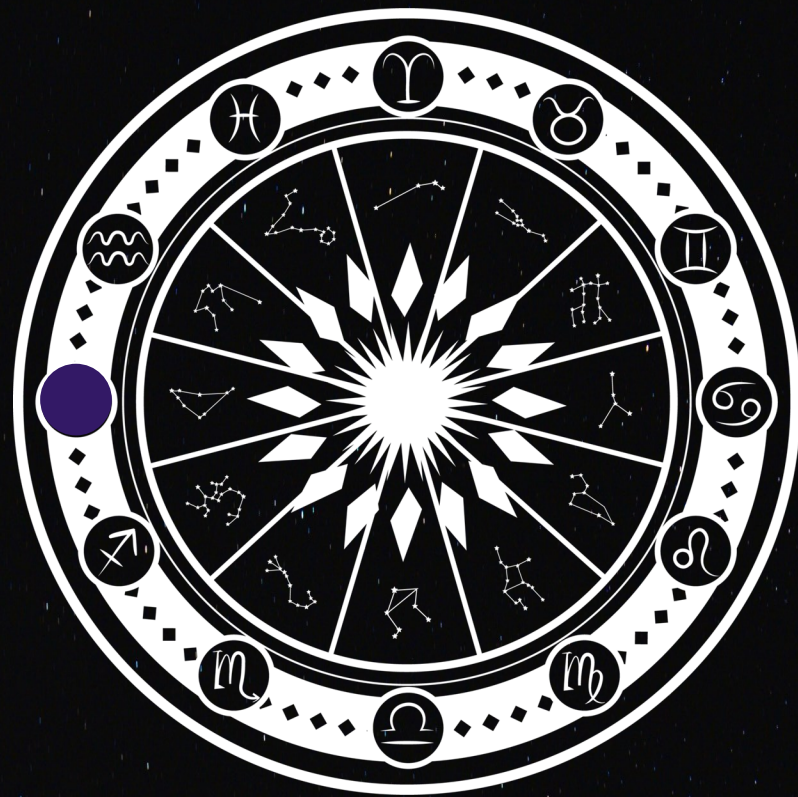
The Academic Health Science Networks in the UK, or they're now called the **Health Innovation Network**, is essentially a way to be able to spread adoption of technology.

It's a network of networks effectively.

And if utilized the right way can be really valuable.



The
AHSN
Network

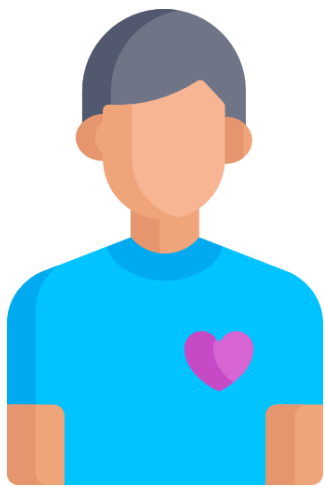


STEP 10:

Demonstrate value

At all 3 levels.

I guess perhaps the single biggest thing that we've learned as an organization is that **value for money has to be realized at all three levels, and those three levels are:**



**Patient or
service user**

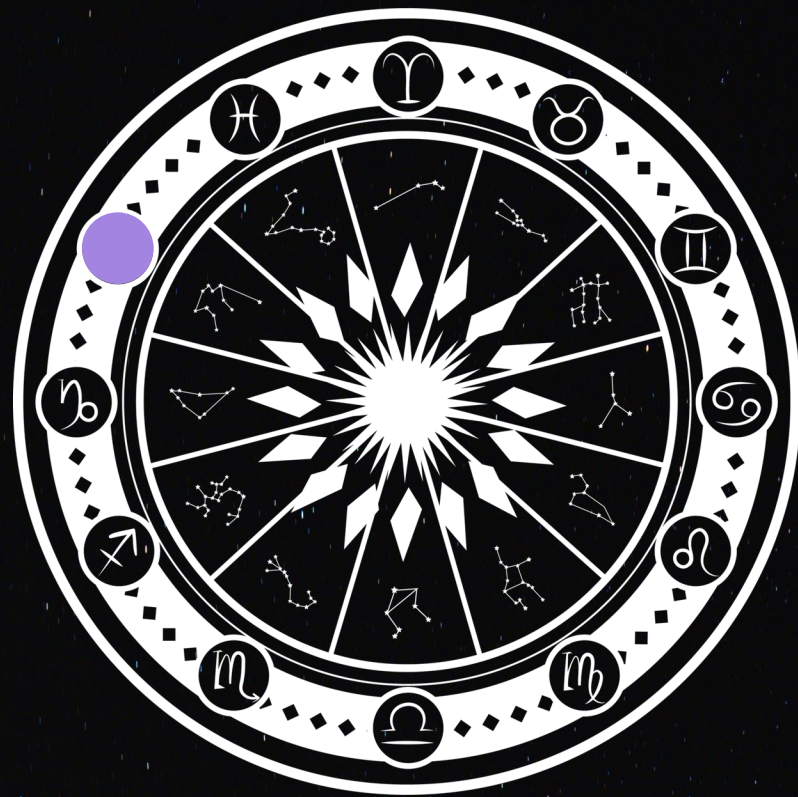


**Staff and
workforce**



**Organization,
institution,
national system.**

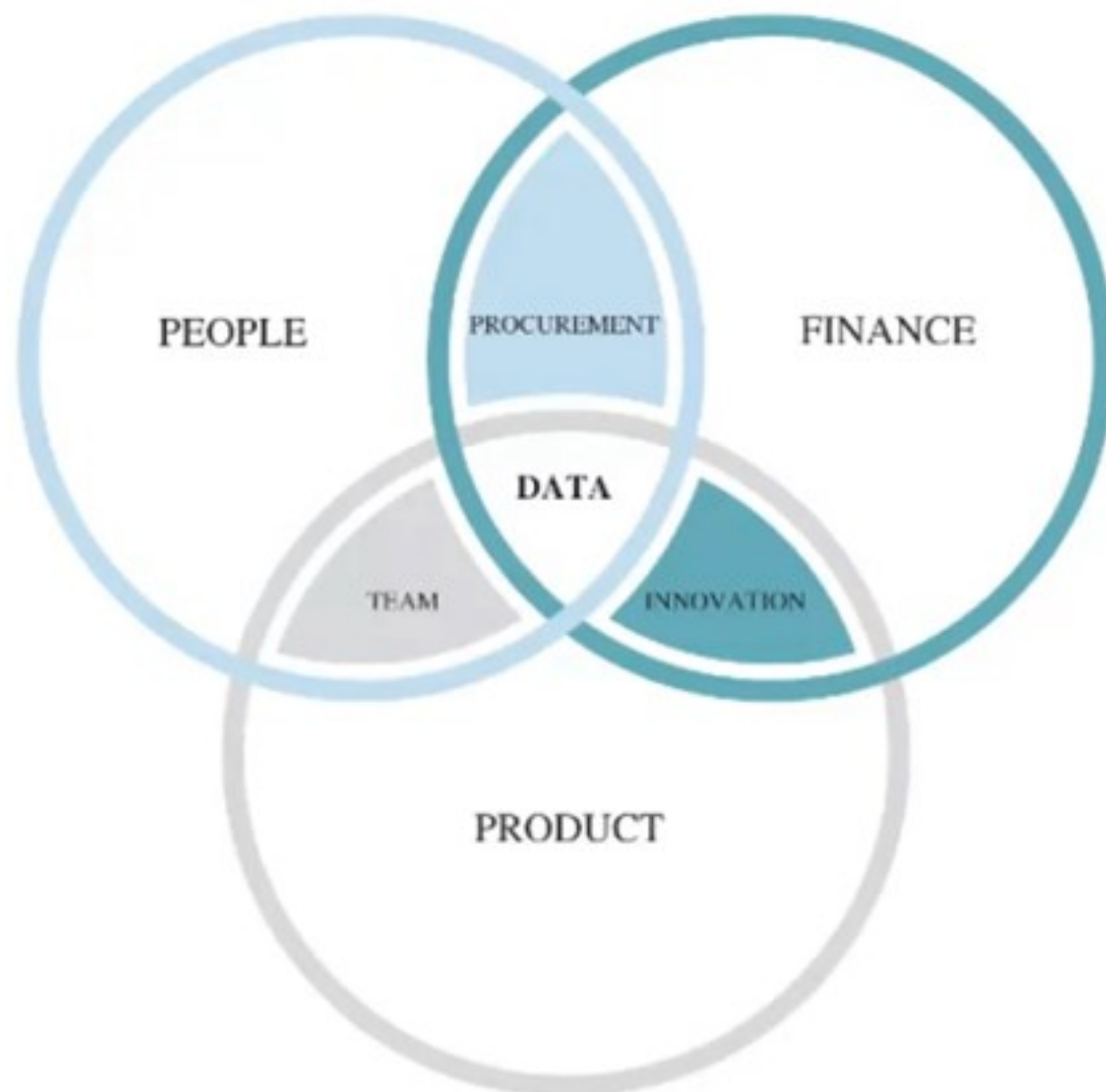
If you cannot explain how your innovation is going to impact all three tiers of capability, then frankly, you are **higher risk than those that can**, and ultimately, we're going to pick the ones that solve all three.



STEP 11:

**Leverage Data
To Drive Clinical
Adoption**

People, finance and product are the things that are most important when it comes to understanding value and de-risking the buying decision for the NHS.



But the single golden thread that threads through all of this is **data.**

Before you've even started working on your solution, understanding what **data that is out there is going to be the evidence** that your innovation is a need.

Then when you've built the thing, it's about **demonstrating that real-world validation** and getting that proof of concept there.

But when you start to sell your solution, it doesn't stop there. **You need to constantly capture data, constantly capture the benefits and the trends that you're recognizing.**

And that's literally how you're going to **continue to sell a compelling story**, not just to your current clients, but to new clients as well.

The data that you get will also **sculpt the product that you've built**, and it will change over time with it.



STEP 12:

Get the right people
To sell your product.

Some of the best sales of products that have been built at Blüm have been by the **healthcare professionals themselves**, not sales reps, but people that actually work their day to day using the solutions that we are selling.

And so, if you are a clinical entrepreneur that is passionate about the problem you are hoping to solve, **you're often the person best placed to sell.**



Healthcare professionals make really good salespeople **because they get it**, and they resonate with the person that's sat on the other side of the table.

Use your network to go and talk about what you do and be **authentic and trustworthy**, that will increase your chances of succeeding rather than taking the more traditional approaches of sales that we see.



**Hope you all found
this helpful!**



This is part of a series to help
HealthTech founders access better
resources for their projects.

Just our small way of trying to help!