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Suppressing the Noise and Raising the Signal in a Marketplace Overwhelmed by Tech-Enabled Solutions

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A s the US health care spend reached $4.3T in 2021 compared with $1.4T in 2000,[1] there is clearly an escalating burden on the system of care in the United States. Beyond the obvious concern over the magnitude of the health spend as a proportion of our gross domestic product, an underlying challenge is that the system of health care in the United States is on a pathway to fracture under its own weight. This is further exacerbated by our population aging with 1 out of 5 US citizens expected to reach age 65+ by 2030[2] alongside an unprecedented exodus and turnover of clinicians due in part to poorly implemented technology. Beyond these macro challenges, a wide array of health care enterprises are operating with significant financial losses impeding their ability to invest in new technologies. As a result, it is evident we are well underway to an unsustainable situation.

Centers for Medicare & Medicaid Services launched its transformational initiative for value-based care as a major attempt to shift the attention of health care payers and providers to proactively manage utilization costs driven by incentives. This has forced health care organizations to become more innovative in their approaches to managing the health of populations. Although a portion of optimizing clinical utilization can be directly tied to financial incentives shifting clinician behaviors, there is an increasing focus on applying the right technology to make better decisions and empower optimized care delivery at scale. According to many experts, technology enablement is a key component in the shift to value-based care, which is beneficial to innovator companies. Successfully achieving profitability of value-based models relies on seamlessly integrated technology ecosystems guided by intelligent analytics and powered by technology-driven clinical workflows across the care continuum.

The good news is that technology in health care is advancing at an unprecedented pace. Every day new startups are born with tech-enabled solutions that aspire to resonate with various types of health organizations. This has led to an endless array of shiny objects that are inundating the marketplace in many cases with a hammer in search of a nail to drive their success.

Whether having a viewpoint from a potential buyer enterprise or innovator company, it is evident that there is an incredible amount of noise ranging from the pure number of similar solutions to the messaging that each is conveying. As a result, buyers, including payer and provider organizations, are failing to find the optimal solutions sifting through the noise in the marketplace. At the same time, innovators, including health care startups, are failing to gain the attention and interest of buyers to convert to revenue generating opportunities.

The overriding need is for the potential buyers and innovators to learn how to suppress the noise and raise the signal in a health care marketplace overwhelmed by tech-enabled solutions. If we compare this with a common technology in the home, the signal of an amplifier causes a speaker to resonate. If the amplifier contains a significant amount of noise relative to the signal, the reception of the message by an audience from the speaker could be hindered. The good news is that filters can be applied by the buyers and signal enhancements can be applied by the innovators to overcome this dilemma.

Health care enterprises are ultimately driven by the quadruple aim, which was established for the pursuit of enhancing patient experience, improving population health, reducing overall costs and improving provider work life.[3] Enterprise buyers know that technology investments are critical to their success; however, they are inundated with point technology solutions that are designed to operate on their own islands of data. They need solutions that have a clear path to integration such as to their electronic medical records, among other systems, to minimize the burden of clinicians cross-referencing multiple systems, affecting efficiency and effectiveness. Even if a buyer acquires interest in a tech-enabled solution, they ultimately need a clear financial return on their investment to justify the spending.

In contrast, innovator companies have in many cases fallen in love with their product technology typically years

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in the making as the catalyst to their health care startup. Often a good idea leads to a product that is developed without sufficiently capturing the voice of the customer presenting their first hurdle. Assuming the products established are highly relevant to an important need in health care, the second hurdle encountered by innovator companies is the lack of clear and impactful marketplace messaging, including the ability to articulate multifaceted value propositions that resonate with buyers.

When their value proposition is shared, they often include soft qualitative statements that are endlessly repeated by their competitors along with significantly less impactful messages than hard-hitting quantitative value propositions. And, finally, innovators lack the ability to translate their quantitative value propositions into customer return on investment (ROI) models, which can be easily adjusted to align to the parameters of each buyer to present a clear picture of technology investments.

In the end, the health care technology marketplace will inevitably be laced with significant noise; however, the signal can be raised to allow enterprise buyers to find innovator companies that can impactfully move the needle on their initiatives. A simple recipe for success is leading with the voice of the customer, establishing quantitative multifaceted value propositions and sharing a customer tailored financial ROI model that can be clearly presented. As a result, the signal of innovator companies will be raised significantly above the noise in the marketplace and the buyers of tech-enabled solutions will more easily locate their signals to enable inherent matchmaking.

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