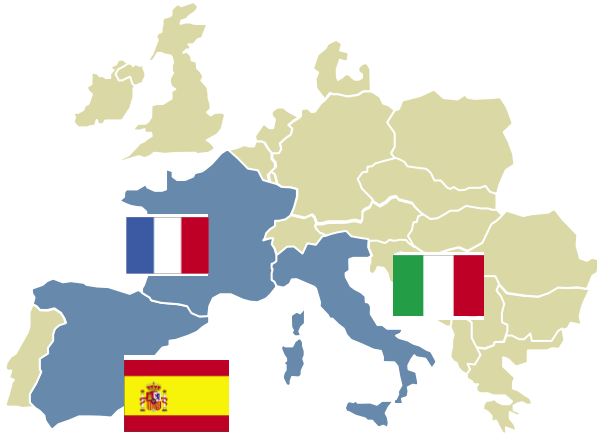


Entry strategy for three European markets

Project

A German medtech company had developed an innovative product which they had launched and established on the German market. Attempts to enter other European markets had proven less successful and therefore the company wished to analyze the situation and formulate new entry strategies for these markets.



The analysis comprised the three European markets France, Italy and Spain.

Vasco Advisers was engaged to carry out a focused market analysis and formulate a strategic recommendation for growth.

The analysis included all relevant mechanisms that may explain the inertia of the market and the shortcomings of the previous entry attempts – such as differences in clinical processes, perception of various treatment methods, total patient process, financing and reimbursement.

Project process

The project was based on Vasco Advisers' concept for strategic processes using three well-defined phases: research, analysis and strategic recommendations.

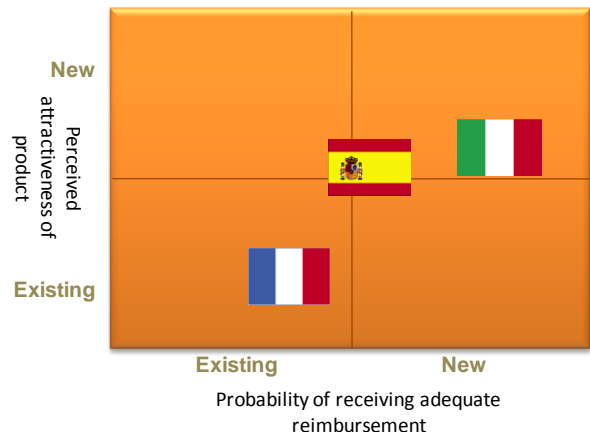
In the research phase we carried out in-depth interviews with both key opinion leaders and key opinion users. To understand the total patient process we also addressed policy makers and top managers among healthcare providers and financing bodies.

The analysis comprised three markets: France, Italy and Spain.

Results

We identified a number of obstacles for growth on the three markets – all with a common denominator: The patient process in Germany differed from other European countries in a way that could explain the success of the technology on the company's home market. This does not imply that the three analyzed markets had similar characteristics. Large differences were seen between them. However, two key factors could be identified:

- The reimbursement systems were different, both in terms of the level and in the ability to consider cost efficiency in the patient process.
- The opinions about state-of-the-art treatments for the patients differed strongly – and consequently the perceived attractiveness of the company's technology.



Two key dimensions could be identified: the probability of receiving adequate reimbursement and the perceived attractiveness of the technology. The three markets were positioned in this matrix based on the reimbursement system, but also the views expressed by the key opinion leaders in the in-depth interviews. For comparison, the German market would have been positioned in the upper right corner.

The project was successfully completed and entry strategies for the three markets were formulated together with the client in a series of workshops – one for each market. The strategy was based on the identified market mechanisms and aimed at turning the entry barriers into vehicles for growth.

The final strategic plan contained an action plan with clear priorities and a time schedule for the stepwise entries into the three markets. The company has successfully entered the first target market and is on schedule for further expansion.

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