BOARDROOM BRIEF

Being Preferred Doesn't Make You the Default

"Our adoption is growing. We're gaining market share."

Encouraging signs. Physicians are choosing the new approach. Institutions are investing in it.

But growing utilization doesn't necessarily mean you're becoming the new standard of care.

If every new physician still needs to be convinced, every hospital must overcome the same barriers, and every expansion requires the same commercial effort, the market hasn't fundamentally changed.

You're winning customers. But resistance still resets with each one.

A new standard begins to emerge when earlier adoption makes subsequent adoption easier.

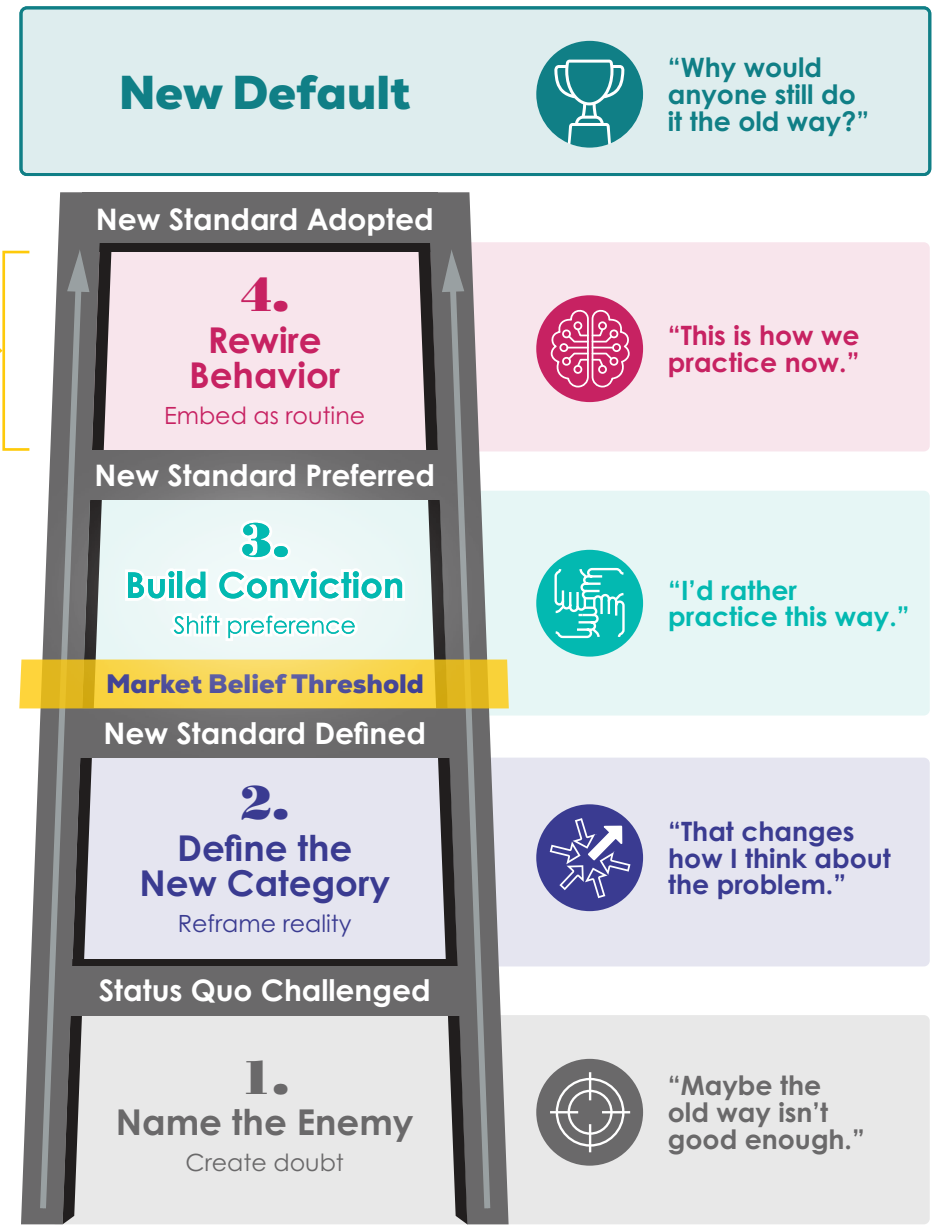
Physicians see peers practicing differently. Referral pathways adapt. Training and institutional processes begin supporting the new approach.

What once required extraordinary effort becomes increasingly routine.

That's the fourth move on the Market Belief Ladder: **Rewire Behavior.** The market moves from preferring a new approach to increasingly expecting it.

THE MARKET BELIEF LADDER

Markets climb because beliefs change—not because products improve



Key Takeaways

1

Hitting your forecast isn't the same as establishing a new standard of care. Revenue and utilization demonstrate commercial traction. They don't necessarily prove the market is moving toward your innovation as its future standard.

2

Adoption compounds when earlier adoption makes the next decision easier. As referral pathways, clinical practices, and institutional processes evolve, the market begins reinforcing the new behavior—without requiring the same commercial effort.

3

A new default changes what needs to be justified. For appropriate patients, the new approach becomes the expected choice rather than an exception requiring special justification.

CASE STUDY

Edwards: When the Burden of Justification Flipped

For decades, surgical aortic valve replacement was the established treatment for severe aortic stenosis. Physicians trusted it. Hospitals were equipped to deliver it. Clinical decisions followed familiar pathways.

Edwards Lifesciences helped challenge that standard with transcatheter aortic valve replacement (TAVR), initially for patients unable to undergo surgery.

But even as evidence grew and physicians began preferring TAVR for appropriate patients, acting on that preference required more than choosing a different procedure.

Hospitals needed specialized programs. Cardiologists and cardiac surgeons needed a shared approach to patient selection. Referring physicians needed to know where to send patients. Coverage had to support the procedure.

The challenge wasn't simply convincing physicians. It was changing how the healthcare system evaluated, supported, and adopted a different approach to treatment.

The PARTNER trials progressively established TAVR's clinical value across broader patient populations. Meanwhile, hospitals developed TAVR programs, multidisciplinary Heart Teams formalized evaluation, and referral pathways began directing patients toward established treatment centers.

These changes reinforced one another.

Heart Teams gave referring physicians a clearer pathway. More referrals built clinical experience. That experience strengthened confidence and made subsequent treatment decisions easier to defend.

The next physician no longer had to overcome the same uncertainty or institutional resistance as the first.

By 2019, TAVR had surpassed surgical valve replacement in annual U.S. procedure volume. But the more consequential shift was in how treatment decisions were made.

For a growing population of eligible patients, the question was no longer whether TAVR deserved consideration. It was whether there was a compelling clinical reason to choose surgery instead.

The burden of justification had flipped.

Edwards had helped establish a new standard of care—one that the market's own clinical practices, referral pathways, and institutional expectations increasingly reinforced.

Lesson: Adoption creates a new standard of care only when the market begins reinforcing the behaviors that sustain it.

TAVR didn't just gain adoption.
Clinical practice began organizing around TAVR.

Is Your Market Making Adoption Easier?

By the time a commercial plan reaches the boardroom, its forecast often assumes adoption will accelerate.

More physicians will adopt. Existing accounts will expand. Referrals will increase. Commercial effort per new customer will decline.

But those improvements don't automatically follow from growing utilization.

Before scaling investment, leadership needs to know whether adoption is becoming easier—or whether every new customer still requires the same commercial effort as the first.

If it's the latter, additional investment may buy more growth without bringing the company any closer to establishing a new standard of care. It simply funds a more expensive version of the same problem.

Discussion Questions

? **What are we still overcoming with every new customer?** Which clinical objections, workflow disruptions, reimbursement questions, or institutional barriers repeatedly slow adoption? Are they declining, or are we simply managing them more effectively?

? **Where is adoption beginning to reinforce itself?** Are physicians referring differently, institutions adapting protocols, or peers influencing decisions? Which changes are occurring without our direct commercial intervention?

? **What does our growth forecast assume will become easier?** Shorter sales cycles? Faster physician adoption? Greater account penetration? Increased referrals? What observable changes in market behavior support those assumptions?

? **What must become routine for our innovation to become the expected choice?** Which clinical decisions, referral pathways, institutional processes, or stakeholder expectations still need to change? Where should we invest to make those behaviors repeatable?

A company can grow by repeatedly convincing the market to practice differently.

A new standard emerges when the market begins making that choice easier.

"I'd rather practice this way."

becomes

"This is how we practice now."

and eventually

"Why would anyone still do it the old way?"

Is Your Growth Plan Building a New Standard of Care?

Revenue and utilization may be growing. But is the market changing in ways that will make adoption easier to sustain and scale?

Your Next Step: A Pivotal Commercial Design Review (PCDR)

Identify which assumptions in your commercial plan depend on the market changing its behavior—and where investment may be scaling before those changes are taking hold.



Grey Matter Marketing

Do what matters.