Special Feature

Supercharging Your Lab's Sales Force Effectiveness

By Peter Francis

Selling hospital outreach and reference laboratory services is not what anyone would define as a walk in the park. Finding talented field representatives who possess both mature sales skills as well as an understanding of "lab lingo" is extremely challenging. For individuals in lab sales, success is partly determined by a combination of excellent ongoing training, the rep's desire to garner both sales and industry knowledge, and consistently stirring in field management coaching.

Many client encounters (especially first-time encounters) result in a "we're satisfied with our current lab" comment from certain individuals. This is understandable. However, other employees within the client's domain may in fact be dissatisfied or irritated about something related to their current laboratory. They haven't said anything because, "That's the way it is with this lab and I'll live with it," or it hasn't reached the trigger point, or, quite possibly, they think that every lab is the same. Thus, hearing the phrase "we're satisfied" from one or two people may or may not be altogether accurate.

It is no secret that one significant path to success in any branch of sales is for the rep to build trust and credibility with his or her prospects. This usually takes time and patience, but my observations have shown that some lab sales reps tend to neglect and outright ignore these basic elements. Instead, they audaciously plow into a conversation with a rundown of their facility's portfolio of "high-quality services," the insurances they can accept, their connectivity product, their patient service center access, and maybe some other related topics. While these points are important in a tactical sense, many times they come off sounding like a "ho-hum, so-what-else-is-new, me-too" story.

When I first began selling laboratory services, I once had a doctor tell me, "Don't give me the same old sales pitch about next-day turnaround time, specimen pick-up, and high-quality test results. Tell me what makes your lab different from everyone else's." That statement was like a bucket of cold water thrown on my face! From that day forward, I scoured my laboratory for what I call "Basic Differences," those unique strengths that could be translated into time-saving, error-reducing, health-care enhancing, patient-convenient services. I investigated every aspect of the laboratory – billing, test methodology, test menu, turnaround time, scientific expertise, client service access, and more. I knew that I had to learn more about my competition, as well as my own laboratory, to truly succeed. Listening to the client and then communicating my lab's unique strengths where it meshed with their personal agenda became my primary goal, and it paid off numerous times in subsequent years.

The following strategies are just a few that your field sales staff may be able to use to become more professional, better position themselves with a client, and augment their effectiveness in their day-to-day customer calls.

1. Develop a Reason for Every Call

While it may seem obvious, it is important that a sales representative have a *legitimate reason* when making a sales call. Too often, reps will stop by a client simply to "check in," yearning to make a sales presentation to anyone who will listen. This is a poor strategy (not to mention an expensive one). What these individuals are hoping for is that one-in-a-hundred chance that the current laboratory service has recently waned in some fashion, and the client is experiencing "pain." But, alas, hope is not a strategy!

Sales calls frequently contain the question, “Are there any problems I can address for you that are not being resolved by your current lab service?” While this may be a reasonable question at some point during the client interaction, a far more effective initial strategy is to explain your customer-centric rationale for wanting to speak with the laboratory manager, nurse, practice administrator, physician, etc. Perhaps it will be about a specific test, a new application of your connectivity solution that reduces errors or saves time, an announcement of a new patient service center (or new hours), a discussion of the contents of your newsletter, or a new reporting format. Sales people must always keep in mind that, in these “drop-in” situations, the time they are spending with a prospective account is time that is being interrupted from the client’s otherwise busy work-day activities.

Credibility rises exponentially when the sales rep adds *value* to the business relationship. Statistics have shown that at least 50 percent of purchasing decisions are made because of the sales person. When he or she can demonstrate knowledge that will help the client perform their job better, save them time, improve productivity, reduce errors, or enhance patient care, they are taking the first step toward being respected and valued by the client. Obviously, it takes more than knowledge and personality to earn credibility, but when clients reach a certain strata of trust and start believing the sales representative is trying to help them as a customer, the relationship usually progresses more predictably.

2. Take Advantage of Comprehensive Relationships

Assuming the marketing person is successful in building a good relationship with at least one person within a potential account, considerably more rapport-building still must be done. Throughout my management career, I frequently heard stories like this from my reps — “I have a great relationship with Dr. Johnson’s office! Susie, the office manager, depends on me to help her out when she runs into snags that involve our lab service. We’ll never lose the account as long as I’m servicing them. Susie and I get along very well.”

My response has always been, “That’s terrific. But let me ask you this: Who ultimately makes the decision about which laboratory to use? Is it Susie? If, on the other hand, it’s Dr. Johnson, suppose he attended a focus group about area laboratory services. What do you think he would say about our lab? Would he know your name and tell others that he interacts with you on a periodic basis? Do Dr. Johnson and Susie have the exact same opinion of you and our lab? If Dr. Johnson’s nurse sat in on a focus group, what do you think her perception would be of our lab service? And what about the front-desk person? What does she tell patients when they call asking about which lab to use? How does she feel about our service? Also, what would happen to the account relationship if Susie left her job?”

My sales people usually then admitted that they didn’t have the same rapport with those other individuals as they did with “Susie.” On top of that, they sometimes weren’t sure who made the final decision about lab services because they inherited the account. They didn’t know enough about “Dr. Johnson’s” office politics to know who held the greatest degree of influence.

That’s a big problem waiting to happen. I’ve seen the person in charge of *billing* make laboratory decisions! In other places, it’s been the front-desk receptionist who has had input about laboratory usage. In another situation, it was a nurse practitioner. That wonderful bond between the sales rep and their “primary contact” within the account may create a false sense of security. A competitor can waltz in, tell a great story, establish firm connections with other people and eventually win the business. In essence, my rep could be “out-sold.”

Earlier in my career, I once lost business from a large client because I had not developed a significant rapport with the key decision maker. It taught me a huge lesson. In my subsequent managerial experience, I have always stressed to my reps they must build credibility and aim to form a valued relationship with the decision maker, as well as other lab users and those who may have significant influence. One way this is accomplished is through holding regular, purposeful conversations with everyone who “touches” the laboratory. It is important that laboratory representatives inform the users of the entire scope of services available to them and keep them updated on new offerings or changes. This is a conspicuous sales responsibility, but I have observed situations where labs irrationally lose business due to client ignorance or a misunderstanding.

3. Emphasize the Basic Differences You Can Offer
Basic differences are those areas of distinction that separate your laboratory service from the competition. It’s common for sales reps to say that they are selling a “superior service,” but what does that really mean? If that is all they can say about differentiating characteristics, they need more management guidance. Looking for unique strengths and basic differences within your lab involves some common sense, as well as an in-depth knowledge of not only your operation, but the competition’s as well. Your laboratory’s uniqueness may mean different things to different people. It’s important for the sales rep to avoid reciting a list of strengths to everyone they address within an account. They need to first ask pertinent questions and then link the basic differences to those things that matter to the individual with whom they are speaking.

For example, a laboratory I once worked for had a board-certified hematopathologist on staff who, earlier in his career, was a board-certified hematologist/oncologist with his own practice. This seemingly inconsequential piece of information turned out to be the tipping point for one lead physician in a hematology/oncology group. The practice administrator in the group didn’t care about the pathologist’s former private practice experience, but the doctor *did* – and he was the person who made the final decision about which laboratory to use.

Another basic difference of this particular lab involved patient care. When microbiology specimens were received in the lab, they were plated immediately in the afternoon or early evening. One target client had been accustomed to receiving preliminary reports much later the following day from their current lab because they were not plating specimens until late in the evening (sometimes 12 hours after collection!) Our lab’s turnaround time was far better. This, among other factors, made the difference in winning the business because it improved patient care.

One final example — I was working for a laboratory that held a weekly problem-resolution meeting chaired by the lab’s president. Every week, each of the department heads and supervisors would gather in the conference room and review relevant issues. The president wanted to ensure that any problems were resolved internally, that the client was notified of the ensuing solution, and that they were satisfied with it. This customer-focused problem-solving approach was unique among area laboratories and gave us a competitive edge with our clients.

The point of these examples is to demonstrate that the most obvious and elemental contrasts can make a difference for a potential account. Sales reps may not have any idea of the significance of a particular service within their operation until they start asking clients what is important to them. This is why reps must listen, then speak. Does your sales rep have a firm grasp of your lab’s capabilities and uniqueness? Have they talked to the section heads of every department and asked what differentiates them from the competition? Even if your internal staff isn't aware of any specific distinctiveness in their area, the sales rep needs to have a solid understanding of how each department functions and the lab's overall competencies. This knowledge can then be compared to the competition, out of which basic differences evolve.

"Clients" don't select a lab service. One person makes the final decision based on many differentiating factors and, usually, input from others. Someone chooses their lab primarily on what it will do for them, the organization and their patients, and partly on how comfortable they feel with the representative. Critical to winning business is how well the rep articulates the lab's services and uniqueness and how well they have developed a *valued* relationship with the decision-maker and the other users of the lab.

The three sales strategies mentioned in this article may appear to be obvious, but my experience has shown that, unfortunately, they aren't always followed. These methods form the underpinning of good strategic selling. They allow your sales reps to build credibility and meaningful relationships with both current and potential clients. If executed professionally, they will advance the sale in a successful direction that, ultimately, brings more business to your laboratory operation.

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