

Outreach strategy: differentiate or die

By Peter T. Francis

This is an era of “killer” competition in the laboratory business. Specialty pathology labs clamor for their piece of lab territory. Genomic labs stake their claim by offering esoteric testing for applications related to hematology/oncology, GI, OB/Gyn, endocrinology, and infectious diseases, among others. Hospital lab-outreach programs, as well, attempt to pull a territorial coup. All these lab types spend much of their time trying to “outdifferentiate” the others. No wonder the marketing function of a lab-outreach program remains so important. Nevertheless, just how can hospital outreach labs distinguish and brand themselves?

Some try to imitate their giant competitors, appearing as just another “all-things-to-all-people” lab. Their sales reps may be lured into a reactive strategy: “Yes, we can do that test. And, yes, we can do that test, too,” when they are grilled by an office manager or doctor about matching the current services of one of their competitors. Instead, the outreach sales reps should reposition the competition.

The astute marketer talks about not only the services that her lab provides but also how her lab performs those services: “Mr. Office Manager, allow me to explain how my laboratory performs in ways that my competitors do not or cannot.” The more the outreach sales rep understands how her lab positions itself in the minds of decision makers, the more likely she can develop an effective strategy.

First impressions

One person (with possible input from other influencers) makes the final decision to use a primary lab. This individual considers a variety of benefits that may affect him, his practice, and/or the patients. Benefits can range from emotional, political, contractual, or strategic, to operational and/or financial. The challenge for competing lab-outreach reps is to try to alter the incumbent lab’s position within the mind of the decision maker.

Does your marketer make an aggressive bull rush, telling anyone and everyone who will listen about her terrific lab service? A successful marketing person becomes so by initially lowering the sales barrier. In a first-encounter situation, the master-class sales rep succeeds by saying something like: “To see if my laboratory can potentially meet your needs, I want to find out about your practice and what lab services you require.

I want to know how you perceive your primary lab. What attributes do you believe that lab has, and how do those qualities dovetail with your practice? What kind of issues do you currently confront? Possibly, I can uncover any unrecognized problems — and then offer some unanticipated solutions. This is the value I bring to my clients — value that sets me apart from my competition. From our initial discussion, we can develop a starting point for future encounters.”

Develop a strategy

Just how does an outreach marketer set out on this campaign? Your lab’s outreach survival means creating a marketing crusade

against your main competitor(s) in mind. To survive in the lab marketplace means understanding your competitors as if you worked for them. To survive means not only recognizing the competitor perception within your prospect’s head but also within your geographic market. Exploit the decision-maker’s impressions, because marketers battle over someone’s perceptions.

Creating a competitive strategy translates into being different; however, the essence of a strategy equates to activities — either choosing to perform the same activities

differently than the competitors or to perform different activities than the competition. A good example of the former may involve answering incoming calls. Many labs have an auto-attendant through which the caller has to select from a menu (e.g., client services, courier, supplies). But how novel it would be to have a live person answer the phone! If this seems like a trivial point, positive comments abound from clients when they describe the calling experience — especially in an era when auto-attendants rule.

An example of performing different activities might be the way the lab addresses client problems. Some labs congregate their managers and supervisors for a daily or weekly meeting to discuss documented client issues. The leader of the meeting ensures that proper resolution has occurred or will take place. Other labs may leave it up to the field rep and/or internal person to resolve any problems — a tactic that sometimes gives way to the “falling through the cracks” scenario. The optimal “service recovery” activity gives laser-like focus to the problem and attempts to ameliorate similar situations in the future.



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EDUCATION

Rely on your lab's strengths

As David Packard (of Hewlett-Packard) once said, "Marketing is too important to leave to the marketing people." Marketing the distinct strengths of a lab-outreach program should become the central selling activity. Upper-management personnel (both lab and hospital administration) frequently assume their lab-outreach marketer has this differentiation strategy worked out, so they throw her into the arena, saying, "Increase our lab revenues. Convince the doctors to use us."

When asked what makes their lab different, sales reps may say things such as: "We have better service," or "We have fast turnaround time." Employing generic, low-wattage feature statements constitutes an anemic differentiating approach. Most prospects state emphatically they are satisfied with their current lab service — and, most of the time, they are. Nothing your sales rep describes seems different enough to make the client even the least bit interested in switching labs.

In actuality, top lab management should be in charge of generating, communicating, and maintaining a differentiating story. If management personnel do not believe they are qualified or do not have time to devise a differentiating strategy, then the hospital should enlist an industry expert for help. Creating a brand, a unique selling proposition, and a list of basic differences remains the primary concern of this expert. Prospective clients may intuit they are content with their lab service; however, one (or more) basic differences may mean a great deal to the decision maker. The marketer not only needs

training in proper strategy and tactics but also in the art of differentiating — the art of looking behind the doors, under the rugs, and in the nooks and crannies of her laboratory. She may find some areas of differentiation in:

- connectivity;
- courier logistics;
- data entry;
- educational support;
- heritage;
- normal values;
- patient service-center locations/ hours of operation;
- professional staffing;
- report format;
- specimen tracking/storage;
- supplies; and
- test methods.

Clearly, the marketer plays a vital role in distinguishing and positioning her lab. Not only should she live by the mantra "differentiate or die," she also needs to be artful in uncovering her prospect's perception of both the incumbent lab, as well as her own. □

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