



Three Mistakes Lab Reps Make When Prospecting

By Peter Francis

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The dictionary defines prospecting as “to search or explore.” Those with experience selling lab testing services know that prospecting for new business equates to a demanding and challenging job. A few scenarios exist that make the act of prospecting a little easier and more comfortable for the representative— e.g., having a sole-source insurance contract or a political or ownership situation. However, those are infrequent, so the majority of marketers visit potential customers who state with concision, “We’re perfectly happy with our lab. See ya later.” No doubt, it’s a tough sell.

Much of it comes down to “outselling” your competition. Even with ownership of a sole-source insurance contract or a political setting, it will typically require some meaningful dialog and parity of services to convert the client into using the lab as their primary referral source. Apart from these easier circumstances, the lab may offer items of a unique nature, such as testing or methodologies, IT/connectivity capability, turnaround time, report format, phlebotomy arrangements or write offs of non-contracted insurances. Any of these scenarios may allow the marketing person to get their foot in the door to see the decision-maker or high influencer. However, adept salesmanship prevails irrespective of the basic differences in the holster.

Prior to all of these strategic and tactical maneuvers stands that ever-important component of *prospecting*—the simple act of uncovering potential business. Be it on the phone or in-person visits, exploring for new customers remains a palmary principal in growing the business. Managers simply assume that salespeople know how to go about it effectively. However, *experienced* managers sit down with their representative(s) and instill certain precepts and expectations. Prospecting takes planning, good business acumen and time. Let us look at three common mistakes (in random order).

Mistake Number 1 – Lack of a good strategy for developing prospects

A sales territory consists of not only qualified prospects, but also accounts that may not be so ideal. Many salespeople feel that *any* new client computes to sound and acceptable business. After all, a dollar equals a dollar, doesn’t it? This kind of thought process requires some realignment. Items such as billing (e.g. indemnity vs. managed care vs. patient bill vs. patient pay ability vs. Medicaid, vs. client bill), client location, incessant internal re-work, type of testing, courier logistics, STAT requirements,

phlebotomy, constant client bickering — *all* of these factors can burden a laboratory. Every lab knows who their favorite clients are, and they *all* have several accounts where they wish the competitor would take the business! Salespeople should have a sense of base requirements for prospects, and they should include *appropriately* qualified ones in their pipeline. If the funnel clogs up with unqualified leads, it affects productivity.

Another component of prospecting strategy involves the age-old question of using the phone vs. in-person visits. The phone offers the advantage of speaking to a large number of people in a relatively short amount of time. This can be an effective method in three situations:

- (1) To establish a new representative contact name who is now servicing the territory
- (2) To gain an appointment
- (3) To maintain a “presence” (alternating with in-person visits) after the representative has spent years in the field building strong personal relationships with key contacts.

Using the phone equates to the least expensive approach to prospecting. With proper planning and minimal distractions, a representative can easily make 40-50 calls a day (not all of which are productive). However, no amount of phone calling (or written form of communication) will *ever* replace face-to-face encounters. Personal introductions figure as the most compelling *modus operandi* of accumulating information and closing business—but it also remains the most expensive. The number of prospects physically seen in a day depends upon the territory and the amount of driving involved. In a well-populated city, many labs expect representatives to make a minimum of eight calls a day.

The prospecting strategy should develop from internal laboratory sources, from the clients themselves, as well as external resources. Established pharmaceutical representatives control a great deal of information about the offices they visit and can offer invaluable insights into office politics, personalities and high prescription writers. Top lab reps make it a point to befriend their pharma counterparts. Of course, clients provide important facts for a representative to decide whether to pursue more aggressively or walk away. This situation calls for deft probing skills.

Mistake Number 2 – Not spending enough time prospecting

The main problem many field reps have when prospecting translates into the term, *Call Reluctance*. This signifies the field rep’s mental condition polluting his mind-set, permitting a sense of rejection fear and anxiety due to the unknown. *Call Reluctance* takes the person into a place that permits him to think he should be accomplishing some other task that will be “more productive.” This spreads into a deadly disorder that anyone can catch; yet, many marketers feel immunity from it.

The reality exists that *all* sales reps are susceptible to “catching” *Call Reluctance*. This disease distills down to three things: (1) insecurity about selling a “me-too” lab service, (2) eschewal of hearing the same old, “We’re happy with our lab—we’re not interested” and (3) making mistakes when prospecting. Correcting the mistakes, in part, leads to enhanced self-image, which transposes into better productivity.

Manage the day by getting up and out the door early. Make a sales call the first part of the day and the level of effectiveness raises itself. When a rep increases his face-time with prospects, confidence ensues and, typically, so does improvement. The other important thing to do requires putting prospecting on the calendar and treating it like any other appointment. If prospecting becomes “whenever I can get some time,” there stands a good chance of never finding “some time.” We can equate this to exercising: if you do not have a planned workout schedule and stick to it on a regular basis, you probably will not exercise as much as you should. The good salespeople determine how much of their time they need to invest each day, week or month in prospecting. They block the time off on their calendar and stay the course.

Mistake Number 3: Stopping with a full sales funnel

Assuming the sales rep has a number of good qualified clients in the pipeline, a false sense of security develops. “I’ve got lots of prospects that reside in my sales funnel, and I know at least one will activate; I don’t need to do any more cold-calling.” The irony is that we stop prospecting when we feel most confident with lots of activity happening. Then, when the pipeline dries up, panic sets in, we become desperate and begin the prospecting scenario again. We are anything *but* confident now! We throw ourselves into a fracas situation—prospecting when desperate!

Instead, the salesperson should outline a minimum number of prospecting calls he/she wants to accomplish in a week. This needs to happen even in the busiest of times. This activity maintains the “sales skill muscle”, and allows a fresh trickle of new business prospects flowing through the pipeline on a regular basis.

Another idea resides in keeping the names and phone numbers of your prospect list in front of you all of the time (e.g. on the passenger’s seat of your car, on your computer calendar, bathroom mirror, etc). Simply seeing the names will be that constant (nagging) reminder to either grab the phone or make the visit.

Summary

Different schemes exist under which field reps prospect for new business. Some situations remain easier than others, but the vast majority of salespeople require diligent planning and execution. Filtering out the ideal customers from the not-so-ideal acts as a key function within any territory. The simple *execution* of prospecting stands as a hurdle for some field people. One needs to avoid the “whenever I get some time” syndrome. Due to the high amount of rejection, a sales rep’s natural tendency manifests itself by averting the “client/rep conflict.” Creating prospect lists with phone

numbers and addresses—and keeping it *visible*—abides as a constant reminder to follow through.

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