The "ultimate sales machine"

7 ways to increase your lab's sales productivity

By Peter T. Francis

The Bavarian Motor Works (BMW) has a tag line that says: "the ultimate driving machine." Indeed, their cars are almost always rated, if not number one, within the top two or three in every driving evaluation test by auto magazines such as *Car and Driver* and *Road Track*.

So what does this have to do with selling a lab service? It is not as far off as you might think! Successful sales people are frequently referred to as "machines" because of their constant achievements in the field. They do the right things consistently and plow through their territories like a well-oiled device, rolling over the competition. There is little doubt that these top marketing people have been trained not only well but also consistently by their organizations. The proven lab reps have taken the instruction seriously by putting it into practice. In essence, they have become the "ultimate sales machine" for their laboratory.

Unfortunately, there are many labs that frequently leave quite a bit of the sales process up to the individual sales person. There is no established formal development plan in place or, at best, even an *ad hoc* approach. If there is a sales manager, he may ride with his direct report occasionally and offer some constructive ideas on ways to improve, either strategically or tactically. If there is no field management oversight or otherwise formal training, the sales person is left to "dangle in the wind," often using trial-and-error techniques with poor and even unacceptable outcomes. This situation can cause frustration with a potential result of resignation (or termination). Obviously, for a laboratory to increase its testing volume and to compete effectively, training development must become *de rigueur* in its overall sales and marketing plan.

Strategy refers to the overall long-term position you want to achieve with the prospect. The ultimate strategy is to devote yourself to helping your clients succeed.

The secret to building an excellent sales force is in *repeating core training* on basic sales skills and studying the competition. It does not matter if the individual has had years of experience or if he has recently decided to try sales as an occupation. Individuals who have "industry experience," may use techniques that require a great deal of "realignment."

Sales is an art and a science. In order to be good at it, there have to be some innate core skills. But practice makes perfect. Perfecting both strategic and tactical skills is critical in building the "ultimate sales machine." Strategy refers to the overall long-term *position* a sales rep wants to achieve with the prospect. The ultimate strategy is to be devoted to helping clients succeed. Tactics relate to the methods used for immediate or short-term gain, including a one-on-one discussion. By employing strategy first, it lays the ground work for the tactical portion. Let us review the (lucky) seven key strategic and tactical items that are the *sine qua non* of becoming the "ultimate sales machine."

1 Establishing rapport

This is one of the most fundamental, yet critical, strategies of sales. In the clinical laboratory business, there are frequently a number of people involved in the decision-making process. There is one person who has final authority, but, typically, there have been previous internal discussions with several people before a decision is made. Having the marketing person create a strong rapport with one person (e.g., the office manager) is good from the standpoint of having an "inside mentor." From an overarching strategic viewpoint, however, it is not optimal.

The representative needs to climb the "relationship ladder" with numerous staff members, especially the doctors and nurses. The ladder starts at the bottom with people who do not know the sales rep's name and progresses forward to the level where people know her, then are friendly to her and then like her. The top two rungs, however, are more difficult and time-consuming: a) people who respect her and (at the very top), b) those who value a relationship with her. These final two rungs are reached in three ways: 1) knowledge 2) integrity, and 3) actions.

Becoming a *resource* to the client is key to climbing higher up the ladder. This can be accomplished in a number of ways, such as providing information about available tests and profiles, handing out tear-off sheets with maps of drawing-center locations and phone numbers, providing limited-coverage booklets or anything related to changes in diagnosis coding, being resourceful at fixing a problem, giving out pertinent information, and so forth. Anything that helps the client will be appreciated, especially if it helps them help *their* patients. When people are being educated, they have no resistance — especially if the information is appropriate and useful. If sales staff is more knowledgeable and accommodating than any other sales person, they will establish client rapport easily. The one who gives her clients the best information will always slaughter the one who just wants to sell her lab service.

Establishing rapport also helps in setting strategy because the representative can learn the various roles people play (influencer? final decision-maker?), how decisions are made, and who has the most influence. Without this background knowledge, the sales rep can easily make wrong tactical moves that could compromise the sales process.

2 Finding the need

Qualifying an account means finding out the customer's needs and comparing those requirements with what you can offer. Qualifying also means uncovering if they are the type of client you want in the first place (e.g., potential volume, type of testing, cost to service, and so forth). This step of qualifying requires a significant knowledge of probing. To an average person, a question is simply a question. In fact, the only thing common in a question is the punctuation mark that follows it.

There are a host of question types that are designed to reveal important data in the needs-development process, such as situation-, confirmation-, attitude-, commitment-, implication-,

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solution-, and problem-based. All of these are important when employed properly, but the last one — problem-based questions — provides the raw material on which the rest of the sale will be built. It is at this point that the salesperson may want to expand upon an issue that was illuminated by the client.

"Peeling back the onion" to uncover customer issues and then aligning them with the appropriate benefit will yield better opportunities than a commodity solution that results in appearing as another "me-too" lab.

Asking implication questions takes a problem that the client may perceive as small and builds it into a situation that is large enough to justify action or, at a minimum, create stronger interest. Especially if the sales rep is talking to a decision-maker, implication questions can be very powerful because decision-makers deal in implications.

To create desire, the salesperson must motivate the prospect using a combination of problem questions and solutions, even if the rep is the one pointing out the issues that the client has not really considered. This all leads to the next point.

3 Build value through linkage

Contrary to a popular thought, labs are not a commodity. Oh, sure, you could say that a CBC with one lab is much the same as a CBC at another lab. But, going beyond the actual routine testing component, each lab has certain strengths that can be thought of as basic differences — things that the competition cannot do or do as well as your lab. Uncovering these differences within a lab is central to a rep's method of differentiating and building value of her lab's services.

People select a lab based on what it will do for them, their office, and their patients, and partly on how they feel about dealing with their representative. Besides keeping this at the forefront of his mind, the marketing person also needs to remember that there are frequently numerous individual agendas (both personal and business) involved in the decision-making process. Therefore, building *value* based on specific agendas is critical during the selling process. This is accomplished through differentiation that is linked to individual needs.

Benefits can be categorized into five buckets: 1) operational, 2) cultural, 3) financial, 4) political, and 5) strategic. "Peeling back the onion" to uncover customer issues and then aligning them with the appropriate benefit will yield better opportunities than a commodity solution that results in appearing as another "me-too" lab. The perceived value is where a lab's basic differences coincide with the individual's personal and/or professional agenda.

Someone who is frustrated with long turnaround time of supplies will probably be interested in knowing about your lab's strict 24-hour policy of delivering supplies *(operational benefit)*. The doctor who is annoyed with receiving preliminary culture reports late the following day because the courier does not return to the lab until the evening will be interested in the fact that *your* courier arrives at the lab in the mid-afternoon. This means that the micro department can plate cultures immediately, allowing for earlier preliminary

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resulting *(operational and strategic benefit = better patient care)*.

The person who calls the customer-care department and has to typically wait on hold for many minutes will be interested in knowing about *your* lab's average hold time of 10 seconds *(operational benefit)*. The fact that *your* lab's pathologist was a classmate of the healthcare provider might prove very helpful in securing the business *(political benefit)*. The point is, the more a lab sales rep can link how her lab is different and how it can solve individual problems, the higher the representative can climb up the *value chain.*

4 Overcoming objections

There are two components to this section. The first part involves definitions and understanding what "objections" can be. The phrase, "overcoming objections" is a common one used in most sales training classes. There can be a difference, however, between an "objection" and an "underlying issue." Objections are frequently the visible effect there is something concealed within a person's mind. He feels like he is going to "lose" if he agrees to use your lab's services. Consequently, he masks his underlying issue by devising other excuses and so-called "objections." An "underlying issue" is what the person is mentally thinking about. It is subjective, intangible, and, typically, personal. An underlying issue needs to be dealt with as soon as the sales rep recognizes that her prospect feels he is losing. Never judge an underlying issue and deny its validity because we are talking about someone's inner-most feelings.

The second part of this topic deals with ways in which to reduce or eliminate so-called objections. It is important to recognize the underlying issue (or "objection") and the lab sales rep agrees that she understands the client's concern. The prospect will typically drop his guard and his defensive shield will start to melt away. By addressing his client's objection with a solution, the sales rep has moved the sale forward. It is important, however, to understand that the rep should not offer a solution *before* she has built up the *need* by talking about the *value* of using her laboratory.

It has been proven through research that the more objections a sales person encounters from a client, the less likely she will be successful in closing the business. *By building value* (Point 3), objections can be minimized or even eliminated. If the client stated a major objection as a "hassle to change labs," the representative has not done enough upfront questioning (primarily using implication questions) to counterbalance or even eliminate the "hassle" objection. The rep has not demonstrated the *value* of using her lab. In essence, objection *prevention* is obviously a superior strategy to objection *handling*.

5 Closing

The definition of closing is anything that puts the customer in a position involving some kind of commitment. To put it another way, the sales person invites (or implies) a commitment in such a way that the buyer's next statement either accepts or denies commitment. Research has shown that the more closing techniques a sales rep uses, the more successful she is more likely to be. Many sales experts recommend closing frequently during the call. Indeed, closing is by far the most important of all selling skills, but there are many viewpoints on the subject as to when a sales rep should close and the kind of technique she should use. In fact, the best technique is to have the customer close himself!

The first step in successful closing is to *set the right objectives*. The rep needs to know what level of commitment will be needed to make the call a success. Relatively few first-time calls into a doctor's office will lead immediately to a "Yes, I want to use your lab for all of my testing needs starting next week" (wouldn't *that* be sweet?). But they probably have not said a flat-out "No, do not ever come back," either. It usually ends up with the account agreeing to see the representative again at a future point in time.

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As previously stated, closing is anything that puts the customer in a position involving *some kind of commitment*. Having the client getting involved with the forward progression of the sale is optimal. Examples may be asking to get an appointment with the decision-maker or coming in for a lab tour or providing some competitive information. Assuming the sales rep stated initially what her objective was for the call, and the customer agreed to that commitment, then the call could be considered a success and "closed" *for that particular objective*. It will undoubtedly take numerous interactions to reach a final, "Yes, our office will switch to your lab." All of these have been the result of positive advances or "mini-closes" with the customer.

The first successful strategy for obtaining customer commitment is to concentrate attention on the "finding the need" (or "investigational") stage (#2 on p. 26). If a sales rep can convince the prospect that he needs what she is offering, then he will often close the sale himself.

6 Industry knowledge

Building the "ultimate sales machine" requires not only strategic and tactical components, but also background technical knowledge. We cannot forget that marketing people are selling a *clinical laboratory service*. It only seems appropriate that they should have some basic understanding of the clinical application of tests, test acronyms, disease states, methodologies, and supplies, just to name several technical areas. Common diseases and pathology such as hepatitis, birth defects, genetic abnormalities, cancer, cardiac illnesses, STDs, and more should be reviewed with the representative. It does not have to be "deep" from a scientific sense. In fact, going into too much detail can be boring and make them "tune out."

A simple "here's the test name, some alternative names, what it clinically measures, how to submit it, the turnaround time, the cost, in what department it is performed, the methodology, and, finally, what doctor would typically order this test." Familiarity with these topics can distinguish representatives and impress customers with that all-important value currency known as *knowledge*.

In addition to the clinical aspect, reps need to be trained on the lab's connectivity options. Understanding IT lingo, how each application works, the time it takes to install, what testing-/revenue-volume requirements are associated with each type of option, what other vendors may be involved — all these are necessary for sales reps to have a firm understanding so they come across as knowledgeable and resourceful to their customers.

7 Client relationship management

There is much effort made in gaining new business. The issue is that sometimes marketing people start taking for granted their accounts once they are on-board. It costs about six times more to get a *new* client than to sell something additional to a *current* client. To build a strong client base with the "ultimate sales machine," a consistent method of client follow-up and follow-through is essential.

The relationship between the rep and the client should *intensify* after the sale because it helps keep the business. What happens is that the sale consummates the courtship, at which point the marriage begins. How good the marriage is depends on how well the marketing person *manages* the relationship. The quality of the marriage depends on whether there will be continued (or expanded) business or trouble and divorce.

Visibility plays a key role in managing the relationship. The rep needs to keep the client informed of things like ICD.9 coding changes, the lab's newsletter, a test offering, a new methodology, or maybe a change in supplies. While these things may seem like conspicuous sales duties, it is not uncommon for reps to think that because the courier dropped off information or the lab sent it via the mail or e-mail (e.g., in a newsletter) that *everyone* in the office knows about it. Talking to numerous people within the account and keeping them updated is a major responsibility of the field rep. Not only does it maintain up-to-date information with the customer, but it also helps to build those ever-important rapport bonds that are a shield against competitive threats.

Another important point about client bonding: not only is it important for the lab to train their field staff about what their expectations are of client relationship management, but also that has to be balanced against asking the client (including the healthcare providers) what *his* expectation is of the representative. There have been research studies that indicate that it is more effective and sales reps can win over clients by developing exactly the type of relationship the *customer* wants and then perform that better than the competition.

Upselling is another important component of building long-lasting relationships. The goal of all labs is to see increased business coming from their customer base. Upselling on tests and profiles, accepted insurances, tests sent to a competitor lab and draw center locations is an integral part of the after-the-sale ingredient.

Two basic things matter in a client relationship: 1) with whom you *have* them and 2) how you are regarded *by* them. If the rep has built solid relationships with all of the key staff members and healthcare providers and has reached the top rungs of the relationship ladder, then they have fashioned a strong bond that will withstand any force from a competitor (barring political or sole-source insurance contracts). Unfortunately, this type of alliance is not always found, leaving the door open for a competitor to enter and impress the client with knowledge, integrity, and actions.

Like any other assets, relationships can appreciate or depreciate, depending upon the individual and how she relates (or not) to her clients. Much of it comes down to three things: 1) what she does, 2) how she does it, and 3) how consistently she does it. It is as important to preserving and enhancing the intangible asset commonly known as *goodwill* as is the management of hard assets.

In summary, building the "ultimate sales machine" for your lab means providing consistent training in the conflation of strategical, tactical, and technical aspects. In addition, combining practical application and management oversight will help form a polished, professional, and revenue-producing representative. Just as BMW continuously pursues improving its cars, your sales team can ameliorate your lab's revenues and reputation by perfecting these seven steps in an effort to become the "ultimate sales machine". ☐

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