

## Sales Organizations and Strategies: Part I

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The once friendly and collaborative environment in healthcare has become one of increasingly competitive forces. Sales has come to the forefront as an essential skill, but one that continues to be misunderstood or misplaced in some healthcare organizations. Think of a three-legged stool supporting the base of a healthcare organization – sales represents just one of those legs with the other legs being services and customers. Without a sales effort driving customers, a healthcare organization simply cannot survive in today's competitive marketplace.

Just as other industries have found in recent years, healthcare has shifted from being product-driven to that of targeting specific markets – becoming increasingly customer-focused. Another trend has shown a shift from hallmarking “Centers of Excellence” to that of integrated strategies – with teams responsible for each target audience. Teams are not just integrated delivery systems, they are composed of people responsible for the customer throughout their “purchasing relationship.” A successful customer-focused sales team is represented by staff from marketing, public relations, product, sales, clinical, delivery and customer service.

### Charting a Course

First and foremost, these trends require that an organization identify core target audiences who are valued or perceived as driving a “purchasing decision.” Typical target audience segments for healthcare are:

- Physicians/referral sources
- Community membership groups
- Payers
- Employers/employees.

Once target audiences are identified, distribution channels for communication and the management of these relationships should be enhanced and/or created. In order to build and manage profitable relationships with the identified target audiences, organizations must establish strategic, quantifiable objectives and commit the resources (financial, human and organizational) to support this process.

A commitment of resources is key – one person cannot drive an entire target group toward an integrated service and accomplish significant strategic objectives. Some of the identified resources an organization should commit can be:

- Teams of people required and “how” the teams will function
- Reporting relationship of team members
- Customer-focused services built to respond to identified customer and market needs
- Administrative support and sponsorship
- Financial resources
- Technical support and equipment

Key steps to customer-focused sales and marketing success are:

- ❑ Identify and prioritize the core target audiences with whom the organization desires long-term relationships
- ❑ Design the customer-focused philosophy, approach and methodology for each target audience
- ❑ Design the organizational staffing and interdisciplinary team structure for the management of each target audience.

Key points for the design process are:

- ❑ Team Design
- ❑ Staffing – Development of position descriptions, performance standards and measures, compensation and incentive for both individuals and the team, recruitment of the right talent for the positions and the training and development of staff.
- ❑ Management of the team – identify a strong operational manager who can translate the vision and overall organizational strategic plan into day-to-day operations for the team. Someone who can manage the team process to the end objectives.
- ❑ Provision of a clearly defined strong overall organizational strategic plan for each target audience with specified organizational objectives.
- ❑ Provision of administrative sponsorship by target audience to manage the overall strategic plan and objectives and to maintain the vision of accomplishments by target audience.
- ❑ Build business, marketing and sales plans for each target audience –make them proactive and dynamic. Retain the ability to be flexible and responsive.
- ❑ Build an internal organizational process for the ongoing management and delivery of services to the target audience – make sure that it is customer-focused.
- ❑ Work toward a customer-focused plan – do not lose sight of the desired end objectives.

Once the infrastructure is in place, an organization can begin the process of implementing, managing and measuring to pre-established benchmarks for success.

### **Where to Begin**

In building business for the future, it is best to look both internally and externally at the organization's current service line and target audience strengths. An organization can capitalize best on existing strengths and current market ownership. Looking at "centers of excellence" and enhancing from that base not only builds upon current success, but it also gives an organization the ability to examine what made for a current success and develop a roadmap for the next strategy. This process builds a customer-focused portfolio of services promoting and enhancing the perception of, "we are here to meet all of your needs," "one-stop shopping," and "we're not just here for inpatient." This shift provides the healthcare organization the opportunity to build the perception of serving as an ongoing resource to the target audience for all of their healthcare needs, information, referrals, education, prevention, maintenance, clinical delivery of services,

proactive development and responsiveness to new market needs and customer satisfaction. “Centers of Excellence” enhancement strategies might include:

- ❑ Marketing of a new service or technology which currently has no perception internally or externally
- ❑ Expansion of the service line to encompass the target audience’s purchasing range via cross-selling and up-selling opportunities
- ❑ Expansion of the service line to encompass the continuum of healthcare services that the target audience will perceive as needed within their lifetime, scope of topic (i.e., women’s health, birth of a baby through child’s life, etc.).

In building upon current perceived “Centers of Excellence,” purchasers have opportunities to be involved in long-term relationships and be part of a trend. People enjoy being with the “winners” or part of a successful “team” – both purchasers and employees.

### **“Look at the Ball”**

When learning the game of golf, novices are told to “look at the ball ...“ If poor shots are made, it’s because one took his eye off the ball. When it comes to dealing with target audiences the same could be said. Those who lose in the game of sales and marketing do so because they took their eye off the customer – they lost their focus. It’s important to be able to lose one’s tunnel vision about one’s own industry and be able to look from the outside in – listening, learning, responding and communicating with your customers. Moreover, learn the 5 W’s where your customers are concerned – who, what, why, where and how.

Once you’ve learned and built responses to the 5 W’s by target audience, this information must be integrated with the organizational objectives developing strategies, tactics and the approaches you will use in reaching decision-makers within the target audience groups. Customer-focused teams will begin and end their process of customer relationship management with an “outward” focus on the customer – their perceptions, desires and needs. This is dramatically different than current purported strategies and tactics that suggest integrated delivery teams focusing on the product and operations. Process improvement teams who have lost sight of the customer or end-user and are developing processes which are “friendly” for themselves, “contracting and discounting” as the primary or only sales strategies for the organization and “Centers of Excellence” which reinforce the use of inpatient services in a managed care, prevention, cost management environment have lost sight of the “ball.”

A customer-focused organization and its target audience teams will focus not only on the development of products and services, clinical delivery and operational processes, but also on the customer’s entire experience with the organization – their desire to have a true partner in the management of their healthcare needs with a long-term goal of keeping them out of the hospital.

Read Part 2 of this article which presents the strategies to address sales in a managed care environment.



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