

## Why You Need a Sales Strategy for Outpatient Services Tips from BayCare, Advocate

*by Carolyn Merriman*

Here's an eye-opener. In the Tampa Bay, FL, area, there are more than 30 Burger King restaurants within a 30-mile radius. That's a lot of competition to sell a Whopper. Consumers are driven to a specific fast-food chain based on location, convenience, cleanliness, service, accuracy of order, and, of course, food quality.

Consumers go to Burger King because they want a Whopper, not a salad. In the 2007 Zagat/Today Show Fast-Food Survey, Burger King lagged behind the competition in all categories. According to the survey, Burger King's "less-than-royal" facilities and service may be the reason some say it's falling behind the competition.—

Burger King CEO John Chidsey admitted to the Associated Press that the consumer was very confused because the company had many management teams, multiple advertising agencies, and too many different strategies. Chidsey brought back the King and "Have It Your Way," and now the world's No. 2 hamburger chain is rebounding with new products, new ads, and strong relationships with franchisees.

So what does fast food have in common with outpatient health care services? In this same Tampa Bay market, there are more imaging centers than Burger Kings. "You see a sign for an MRI more times than a sign for a burger," says Laurie Slater, BayCare Health System's director of business development for ambulatory services.

BayCare has learned that it must apply Burger King's tag line of "Have It Your Way" to outpatient services or it will lose business to the competitor across the street or down the block.

Providers have to do something different to keep outpatient business, and they have to realize their competitors aren't necessarily hospitals. In today's highly competitive environment, a provider can't afford to be like Burger King of the recent past — or the outpatient center across the way.

Hospitals — and you, the marketer — need a sales strategy for outpatient services to survive. Consider these five points and how they relate to your organization, your market, and your future.

### **Build it and they will come doesn't work anymore**

BayCare Health System, the largest community-based health system in the Tampa Bay area with nine hospitals and an array of other services, was an early adopter of an outpatient sales strategy. In the late 1990s, Bay-Care had built some freestanding, big-box outpatient centers with a "build it and they will come" approach. Yet, the system wasn't seeing the volumes it needed in these centers.

The solution was to create an independent company within the system to specifically develop, operate, and promote outpatient services. With its own president and business development team, the company is housed within Morton Plant Mease Health Care — a BayCare subsidiary that has four hospitals and nearly a dozen outpatient centers. This

arrangement allows BayCare and its operating units to respond quickly to opportunities and threats in the marketplace.

A dedicated sales force helps the system connect with a large number of referral sources and still offer a custom approach to each referrer. The sales team of eight, which spends 90 percent of its time in the field, is organized around product lines and specific territories. The team uses referral data, call lists, and market intelligence to strategize and build relationships with referring physicians.

**Point #1: Build around data. Data should drive your plan of action — what you do and how you react.**

### **Issues resolution is a different job**

The organization cannot view the sales team as a complaint management operation. Scott Powder, senior vice president of strategic planning and growth for Advocate Health Care in Oak Brook, IL, says sales of outpatient services must be considered a fundamental part of the marketing mix. Although Advocate has focused on sales for outpatient imaging services for 20 years, the organization realized the need to have a sales effort for a wider range of outpatient services about two years ago.

"These salespeople are issue identifiers, not issue resolvers. This is not about physician satisfaction, it's about volume and revenue growth," Powder says.

You must establish guidelines with the operations team about how issues will be resolved and how the sales team will communicate back to physicians. With a sales-driven approach, your organization moves from a monologue to a dialogue with physicians by talking "with" them instead of "at" them. You are able to match their needs and anticipate issues before they arise.

**Point #2: Outpatient sales is a revenue-generating proposition, not a complaint management tool. Clearly define with the operations team how issues will be resolved. When you fix a problem, you've earned the option to regain the business you lost — not build new business.**

### **It's all about creating relationships**

The cornerstones of Morton Plant Mease's outpatient sales model are accountability, consistency, and focus. Slater is now applying these same principles to other outpatient sales efforts across BayCare, the parent company for which she now works. As a result, business is growing by an average of 8 percent per year, with an 86 percent overall increase in volume over five years.

Accountability means creating the best model, having the right sales tools, and creating a call list that allows you to hold the sales force accountable for growing business.

Consistency ties directly into building relationships and trust among physicians and their staff. Unlike an inpatient model whereby you may call on a physician every eight to 12 weeks, an outpatient strategy often requires calling on an office once a week. The salesperson has more interaction with the office staff. This point is important because

the outpatient service site is almost always determined by office staff rather than the physician.

Regular calls pay off as the office staff associates your salesperson with your brand and level of service. Staff associates quickly begin to rely on this visible presence; the salesperson becomes their point of contact for anything they need from your organization.

In focusing on selling specific product lines, the sales team needs to identify specific referrers and concentrate on building their volume, especially in high-end modalities. This process includes a review of data about referrals, procedures, and outcomes on a daily, weekly, monthly, and quarterly basis.

Return-on-investment measurements can include year-to-year comparisons of outpatient volume for specific services and referral volume by physician. These measures clearly demonstrate to hospital leadership the value of the sales function in driving business, increasing revenue, and building strong relationships with referrers.

Slater has led her organization's outpatient sales team for four years and has learned the importance of rewarding the team instead of focusing on individual performance. "I'm decreasing internal competition by creating a team bonus along with incentives that are tied to specific products and territories," she says. This team approach is important because the ultimate goal is to shut down competitors, not cannibalize BayCare outpatient centers.

**Point #3: By creating relationships, you gain loyalty.  
Tight call lists, accountability, consistency, and focus  
further that goal.**

### **Sales differentiates your organization**

In the outpatient world, hospitals are no longer measured against other hospitals. Instead, they are up against UPS, Starbucks, and Nordstrom. Each of those companies has made its own mark on consumers through consistency, customization, and service. How many hospitals can make this same claim?

Consumers want and, in some cases, even demand that same level of care in health care services. They know your hospital brand. They know the essence of your brand. But, face it, they don't want to be in your hospital.

Morton Plant Mease's brand essence is high-tech, high-touch, and wellness. That brand essence is leveraged in every tactic across the system, including the sales strategy for outpatient services. "In fact, outpatient [services] marketing messages promote convenience, expertise, and fast turnaround times, while also positioning a spa-like atmosphere designed to provide a completely different customer experience than one would find in a traditional hospital environment," Slater says.

An organization must be able to deliver on its promise of ease, convenience, and access. Leaders must understand the organization's competitors and the level at which it can compete with them.

Take, for example, the hospital that developed an outpatient diagnostic imaging strategy because of attractive reimbursement rates. The imaging services were in the basement, outpatients queued up with inpatients, and services were basic. Meanwhile, the competition offered six imaging facilities, including two new ones, valet parking, 24/7

access, hand-delivery of results to physicians, and the latest technology. If you were a physician, where would you send your patients?

**Point #4: Deliver on your brand essence in everything you do. Don't sell something you can't deliver.**

### **Short-range mentality spells ruin**

Hospitals can learn from the competition. Physician-owned ambulatory surgery centers and corporate-owned radiation oncology centers are set up as separate businesses. To be successful, hospitals must take the same business approach and focus on the competitive nature of running a business and building volumes year by year.

An outpatient services sales initiative is not a short-term venture or an isolated strategy. You must be realistic with goals and the time required to achieve results. "This is part of a fully integrated physician marketing effort with direct sales efforts, Web site upgrades, promotion of unique technologies, and communication about specialty services," says Powder about Advocate's sales strategy.

Success depends on how your organization approaches its outpatient sales strategy. Consider this implementation checklist for your sales program:

- Develop a strategy and approach — even if only for a pilot program.
- Select a champion to help sell the program internally to decision makers.
- Engage leadership in approval and implementation of strategy.
- Develop a plan with targets, methods, expectations, and timelines.
- Build the structure and discuss roles and accountabilities internally.
- Ensure you have the right staff in place and provide the right training.
- Build differentiation into your approach and your sales model.
- Create and test your messages. Adapt as needed.
- Gather proof sources and support tools.
- Prepare for all levels of response.
- Track and report regularly.
- Lead the internal communication effort.
- Demonstrate your value and success.

The days of the physician liaison model are over. Taking its place is a new era of sales, where sales efforts entail building and strengthening relationships. The business objective is to increase revenue and take business away from the competition,

**Point #5: Clearly define goals and time frames with realistic expectations. You can't move the market in one day. Have patience, stay focused, and be consistent with a targeted approach.**

### **The bottom line**

An outpatient sales initiative puts a face on the marketing arm of your organization while developing relationships that lead to growth. Most important, your sales force becomes your key source of market intelligence, allowing you quickly recognize and respond to market changes, trends, and events that can affect your outpatient strategy.

Your outpatient sales strategy is all about education — educating physicians on the services you provide, educating their staff on how to access those services, and educating your consumers on the overall value of your brand. It's really all about being "King" and letting your targets "Have It Their Way."



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