



The A-B-Cs of Change

Peter Francis

06-17

If there exists one simple truth about sales, it's that every salesperson sells the same thing: change. For those that market laboratory testing services, they know the bulk of customers don't want—or see the need—to change anything about the labs they use.

As a result of this infrequent desire to change, competing lab reps find it difficult to spend a few minutes talking to an office manager (or anyone else) about their lab. Sure, the rep can “buy” his/her way into the client's domain by providing lunch for the staff; that's about the only sure-fire methodology to speak to the provider(s) and staff. But, even after spending resources to gather this sublime audience, many practices continue on their merry way without making any changes. Unless there is an annoying current service aspect, they question if there is enough of a wow-factor between their incumbent lab and the proposing one. Usually not. But, hey, they got a free lunch out of the deal, anyway.

Oh, well, claims the salesperson. *I'll periodically stop in to check on service levels and, hopefully, I'll catch them on a day when things aren't going well.* Lab upper management expects that kind of visibility, but the question remains: How long is *that* strategy going to take to develop into a positive one for the rep? Frankly, if “checking in” is the rep's plan, that could translate to *years* (if ever).

Marketing Materials

If you were to examine various labs' marketing materials, the messaging is fairly similar (lab specialty dependent):

- high quality
- fast turnaround time
- patient service centers
- electronic reporting
- state-of-the-art instrumentation/methodologies
- direct bill most insurance companies
- strong focus on customer satisfaction

Sometimes a client instructs a competitor rep to, “Just leave your information. We’ll look it over and call if we’re interested.” The unsophisticated marketer (let’s call him Jim) excitedly presents his brochure and starts fantasizing as he exits the office: the doctor reclining in his swivel chair, comfortably resting his feet on the desk, perusing the material while sipping hot coffee. Jim envisions the doctor enthralled by the features, such as EMR result interface, rapid turnaround time, high quality control, free lab supplies, courier pick-up, cutting-edge instrumentation and unsurpassed customer service. Jim’s imagination continues: The subject matter triggers the doctor to ask his practice manager to step into his office. He hands her the pamphlet and requests to make an appointment for the rep to return; he wants to chat about this incredible service he’s been reading about. The daydream recedes as Jim smugly walks to his car. After all, he was very professional—and, it was the *client* that requested his information (that’s *got* to be a good sign, right?). Not only does the pamphlet contain all of the important facts of his lab, it also has three colorful pictures: a grey-haired gentleman peering into a microscope, a lab tech (wearing safety glasses and mask) staring intensely into a partially filled test tube *and* a picture of a large, white, state-of-the-art testing machine. Whoa! What’s *not* to be impressed with all of this? It gives the reader the impression this is a very comprehensive lab with high-quality standards and professional employees. Jim feels wonderful about this brief visit. He anticipates within a few days he’ll hear from the prospect with the good news to return and set up the account.

Let’s put a pin into this fantasy bubble and rejoin Jim in this scene to create a more realistic situation. It would have been more appropriate during the initial interaction for him to respond with, “I’d be happy to leave my brochure, but the contents are only part of our story. I need to speak directly to the practice manager or the doctor. I have some questions that will allow us to see if my lab can offer additional benefits to your current services. May I see either one or should I make an appointment?”

Bottom line: Unless your lab offers a novel test, methodology or report format—or something else wildly different from other competitors—a professional-looking 4-color pamphlet will have very little effect on activating new clients. Yes, your lab needs a capabilities brochure for marketing purposes, but that’s all it is. You have it to demonstrate your lab’s legitimacy.

Insight Selling

So, if we’re going to discount the lab’s collateral as having no true impact on securing business, what does? There exist four different scenarios:

- (1) ownership or political situations
- (2) exclusive insurance contracts
- (3) the customer is very dissatisfied with some aspect of their lab
- (4) a salesperson’s effectiveness

The first three are what one would describe as an “easy lay-up” for the sales rep. The fourth one, however, is far more challenging.

Customers expect reps from different companies to stop in their facility throughout the day. But, in the case of a lab rep, if there is nothing of substance to discuss other than a lackluster, “I’d like to talk to the office manager about my lab” (and there’s nothing wrong with their lab’s service), this “vanilla” reason frequently develops into a dead end. Quite frankly, can you blame anyone for not wanting to spend time on an ostensible commodity topic when there is no valid reason?

Using insights demonstrates that, despite the provider’s previous learning, he/she may have missed something in a recent publication or an announcement that’s relevant to his/her specialty. Or, perhaps your lab has instituted a new policy or procedure that pertains to improved patient outcomes or offers additional convenience for the provider or the office staff. Affording educational/relevant information—over time—will provide a rational reason to see an influential staff member (or provider), lead to greater credibility and, simultaneously, generate rapport. There are important topics such as an updated methodology, test or profile; notices from the CDC, FDA or USPSTF; algorithms; proper use/interpretation of genetic tests; pertinent journal abstracts; revised guidelines from medical societies, etc. The lab’s vendors (including reference lab) can be another source of information. Ultimately, the rep should create a message within a general sense of, “My lab wants to be regarded as more than a basic, transactional service. We want to be a *valued partner*.”

I remember a discussion several years ago with an office manager in a large OB/Gyn practice. She had been very pleased with their lab for a number of years and offered some interesting background. Generally speaking, she told me, “We had been satisfied with our previous lab for quite some time. But, one day, this young lady from a competing lab saw me with some information about a new fertility test her lab had recently introduced. It wasn’t a sales call per se—it was simply an education on what her lab was doing to help patient care and how her lab stressed that kind of marketing. The visit was very brief—which I appreciated. But, I must admit, I was initially impressed. Then, the same rep stopped in again about 2 months later with some additional material. This time it was a testing algorithm regarding thyroid disease. Again, there was no hard selling; she simply thought the doctor—and I and the medical assistants—might be interested in the topic since it was relevant to the patient population we served. The rep continued this educational information pipeline with various appropriate subjects several more times, and it got to a point when I thought, ‘Why aren’t we using this lab that has our interests in mind and keeps us current? She seems to understand our business, and doesn’t interrupt our time with boring, “howdy” visits.’ I spoke to the doctor about my feelings and experience, and he said to give the lab a try. To this day, neither he or I have regretted our decision. Other competing labs stop by, but all they do is ask if we’re still happy, and they try to sell us on the same old things we already *expect* from a lab. We appreciate our lab rep because of her thoughtfulness, responsiveness and willingness to collaborate—and it makes our relationship with her and our lab a true win-win-win.”

Ahem. How many office managers in the country could say those things about their lab rep? You do the math. I’ll wait a second.

Sales Critical Factor: The Mental Model

When customers state there are no major issues with their lab(s), what some marketers fail to fully appreciate is that current client behavior remains significantly more entrenched than they would like to think. An underlying set of assumptions, perceptions and habits constitute the customer's world. Psychologists call this a "mental model." A mental model matters significantly, because *that's* what drives the customer's behavior in the first place.

So, it stands to reason: if you want to change behavior of an otherwise satisfied client, you first have to change the mental model. Or, saying it another way: The only way to change how a client *acts* is to first change the way that client *thinks*. Through my own experience, as well as observing top representatives, I've found the importance of understanding a customer's mental model. *It stands as the primary leverage point for driving customer behavior change.* Consequently (with a client that claims they are content with their lab), rather than engaging in a debate on the merits of your lab's wonderful services, a strategic approach is to initially uncover the client's perception of their lab.

There exist a couple of questions that can reveal a mental model: what the person likes and dislikes about the service. But, remember—we're talking about the opinion of *one* individual, not everyone in the account. Not only is his/her verbal response important, but so is the expressive manner. I remember a situation when I once asked a Director of Nursing what she liked about her laboratory. Her expression immediately transformed into a stone-face. She broke the silence and said, "*Nothing.*"

Baring that extraordinary reaction, when asked about "likes", people typically mention standard things (turnaround time, EMR connectivity, pick-ups, etc.). Hey! Hold on! Doesn't *every* lab need to offer those things to remain competitive? So, it's during this discussion where the representative can diplomatically deconstruct the client's current mental model by reviewing those (for lack of a better word) "me-too" categories.

Breaking Down the A, Building Up the B

To simplify this idea, let's distill it into a binary concept: the customer's *current* beliefs on one side and the *desired* beliefs on the other side. "Desired beliefs" translates to what a lab rep wants a prospect to believe—because that behavior will most likely lead to interest in the proposing lab. I'll represent this simplistic model with an A connected to a B:

A



B

Current client beliefs/behavior

Desired beliefs the rep wants the client to have

If you look at your sales collateral, it's a description of services. The messaging attempts to convince customers that whatever they're doing on the left (A) couldn't possibly be as good as what life *could* be on the right (B). So, it's really a battle for the B side, right? Uh-uh-uh—not so fast, my friend.

Being in the lab sales business for many years, I've come to conclude the real challenge in shifting customer buying behavior is far more than a crisp articulation of the B benefits. It's an insightful uncovering of the rudimentary (or the incomplete—or maybe even pain) of A. By not doing this, the B may seem terrific, but the A still remains “good enough.” Winning the sale, in other words, isn't so much an initial crusade for B nearly as much as a re-positioning of A. Thus, the important lesson becomes break down the A before you build up the B.

It needs to be stated that simplifying the A may not always be possible. That's why initially asking what the customer likes about their lab remains a valuable question. It lets you know where your contact person's mental model sits—and how your lab positions itself within that framework. If the client's response includes an overconfident behavior (“I love my lab—they're perfect”) or something specific your lab can't match (“The doctor's daughter works there”), you know you are in a less-than-ideal position (but, I repeat, according to *that* individual).

However, if the “likes” discussion circles around ho-hum, me-too services, it might be possible to attack these routine features and reposition the competition. To demonstrate, let's pick up at a point within the conversation between an astute rep and an office manager (translated from a real-life sales call). It should be noted that, from a psychological standpoint, asking a client what attributes he/she likes about their lab will typically be viewed in a positive fashion; it has a non-threatening, non-salesy tone.

Rep: “Mary, given this initial background information you've just described, I'd like to ask another question: What do you like about XYZ's lab service?”

Mary: “Well, let me think about it. They've integrated their results into our EMR, and their turnaround time is good. Dr. Johnson hasn't complained about the result quality. They have convenient patient draw centers for our patients, and, Eric, the courier, is very nice and always reliable. Oh, yes—our rep, Mary, visits us every so often to check to make sure we're happy with the lab. Everything just seems to work. We really don't have any major issues with XYZ Lab.”

Rep: “It's nice to know things are running smoothly for the office. Do you think most competitor labs offer the same things?”

Mary: “Yes, I do. I hear similar stories from other reps. There's nothing they explain that seems any different from what we're currently getting. They ask me if I'm happy with our lab, and I tell them Yes. They show me their brochure and review the usual things about fast results, logistics, result interfacing and great customer service. The conversation ends with requesting me to call if service levels degrade.”

Rep: “My lab also offers the baseline amenities you've mentioned; we have to in order to be competitive. Besides, we have many satisfied clients that prove my point. But, are there any additional aspects you would like to see from a lab vendor that you don't currently get?”

Mary: “I can't think of any.....but, to tell you the truth, I've never given it any thought. What I've mentioned is all we intuitively expect: Specimen out, report back, quality results and good customer service.”

Rep: “Let me take a deeper dive into my previous question. If a laboratory offered educational support tools that showed ways to improve patient outcomes, would you consider that an expansion of the role a laboratory could play in your practice?”

Mary: “Well, sure. But our rep doesn’t talk to us about those things. She just checks to see if there are any issues with the lab. Why do you ask? Is that what your lab does?”

Let’s dissect what’s happening in this conversation. Our intrepid representative has started to commoditize the A (current beliefs) by getting Mary to admit that XYZ Lab does just the essentials. He *repositions* the incumbent lab as a commodity. Mary’s interest begins to percolate.

And, by the way—where sits the rep’s lab in the A-to-B questioning? It’s nowhere. The A-to-B isn’t a direct story about the salesperson’s laboratory. It exists as a value proposition describing what the customer *could* have. It “sets-the-table” for the payoff.

We, therefore, need to assign a letter to the proposing lab, and that’s obviously going to be C. If a lab rep effectively breaks down the A and then successfully builds up the B, the customer will probably want to know more. As a result, the lab rep *must* be able to confidently say (because of prior research and practice), “Let me show you how my lab distinguishes itself beyond a basic transactional service.” This is the power and elegance of insight selling.

Building the Case for C

In current healthcare publications, conferences and webinar events, the messaging revolves around providing healthcare *value*. Specifically, topics such as:

- improving patient outcomes
- keeping healthcare costs in check
- offering clinical decision support tools (professional consultation, reprints, algorithms, etc.).

It remains the marketing person’s responsibility (in concert with laboratory management’s) to unearth the lab’s differentiators against each competitor. What does your lab do (or can do) that dovetails into the above classifications? The rep’s job then evolves into an interpreter of these differences, connecting the dots by employing show-and-tell examples (third-party and/or home-grown). The adroit representative needs to explain how his/her lab tailors its services to address at least one (or preferably all) of the above categories. In short, how the lab brings *value*.

If I were a physician (or an administrative person), and a representative described how his/her lab distinguishes itself by demonstrating ways it can add worth beyond a simple commodity pick-up and delivery service, I would think to myself: *This person gets it—and understands my business. His presentation is unlike what I hear from other lab reps that talk about the same basic things that are already my expectations. I’d rather deal with this lab that has a more strategic and value focus.*

One of the above three bullet points mentions “keeping healthcare costs in check.” Do not translate that concept into lowering test prices in client bill situations. There are other ways to show how a lab can help lower healthcare expenses (e.g., disease testing algorithms, a medical society’s testing recommendations, the proper use of genetic tests, professional consultation, etc.).

Yes, repositioning the competition and skillfully progressing from A-to-B-to-C takes (a) initial in-house “digging-in-the-weeds”, (b) conversations with lab management to ensure you’re hitting all the bases and (c) practicing a strong message the customer can emotionally relate to above-and-

beyond the basic expectations. It distills down to research and thought-provoking work. But, articulated professionally, it turns a lab rep into Cinderella or Prince Charming. It's *teaching* versus selling.

Summary

After spending 44 years in the sales and marketing of laboratory services, I've learned a number of things. One of the important points is that a slick-looking, colorful capability piece is probably not going to be the deciding factor in winning a new client (despite my enthusiasm to hand it out). Employers provide it to demonstrate their lab is an active, competitive player. Another important realization is that "checking in" with a prospective customer without having a valid reason the client would appreciate isn't the most productive use of time—the rep's nor the client's. Agreed, it's an age-old strategy, but it's also an expensive gambling approach. For an eye-opening exercise, spend a few minutes to calculate the fully-loaded cost of making just one sales visit. It is not a nickel-and-dime expenditure!

The real challenge in shifting a prospect's buying behavior is *not* about an initial overview of the superlative attributes of your lab. It's talking about the commodity perception of A. Without doing that, the B may seem great, but the A is still "good enough" (what sales rep wants to hear *that* from a prospective customer?). You have to systematically—and diplomatically—commoditize the A before you build up the B, and then shine the spotlight on C. Yes, it takes time and mental bandwidth to excavate your lab's value-add characteristics that decode to rational and (more importantly) emotional meaning for a customer.

By the way—want to know what happened to Jim? His fantasy turned out to be just that. The doctor saw the material, gave it no more than a seven second review and then tossed it in the trash. There was no follow up discussion with the office manager and no subsequent phone call back to Jim. Jim needs to understand what industry thought-leaders are saying about today's lab environment. Jim must leverage that information into a compelling sales presentation. Frankly, it distills down to the fact that Jim needs better sales training in strategy and tactics.

*Peter Francis is president of **Clinical Laboratory Sales Training, LLC**, a unique training and development company dedicated to helping laboratories increase their revenues and reputation through prepared, professional and productive representatives. Visit the company's web site at www.clinlabsales.com for a complete listing of services.*