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On Position and Reposition

An Oft-Neglected Sales Rep Strategy

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Introduction

When selling a lab service, the word “position” covers two areas. The first is how *you* feel about your position in achieving an objective or set of objectives. Do you feel euphoric? Or, further down the spectrum, do you feel just OK? Or, even lower, do you feel uncomfortable that things are not looking good? If your impression is that you are in a neutral or weak position, the question becomes: what are you going to do about it?.

This personal feeling ties into the second position factor. It means understanding how other people *within* the account feel about your lab (this pertains to current clients and prospects). The two most important individuals are the office manager and head of the practice (or lead physician).

This paper focuses on the latter point.

Real Experience

A full-service lab in the Midwest hired me as a consultant to spend several days co-riding with their reps. My job was to understand their competitive territory dynamics, support them in client conversations, and coach them on improving their strategic and tactical selling skills. Here's one example of my conversation with a salesperson who had been in the territory for over a year. We finished a service call at our first stop and started walking back to the car.

Me: “What office are we heading to now?”

Rep: “Healthbridge Endocrinology.”

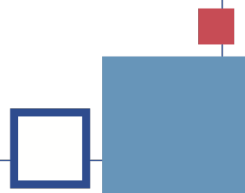
Me: “Who is their primary lab?”

Rep: “Quest Diagnostics.”

Me: “How many providers in this account?”

Rep: “There are two MDs and one physician assistant.

As we got into the car, I continued with my probing.



Me: “Which one of the two MDs is the head of the practice?”

Rep: “Uh-uh-uh.....I don’t know. I’ve never asked the question.”

Me: “Have you spoken to either doctor?”

Rep: “No—but on my first visit I got to see the office manager. Her name is Marie. She answered my questions, and I reviewed my capabilities brochure, which I left for her to pass on to the providers. My subsequent visits—beyond the front desk person—have yet to yield any face-to-face encounters with her or anyone else.”

Me: “Have you ever had anyone call you back after the office manager said she’d pass your marketing material to the physicians?”

Rep: “No, that hasn’t happened. But at least the doctors know we exist.”

Me: “What you’re doing is asking the office manager and the brochure to play the part of the salesperson. Do you think that’s an effective strategy?”

Rep: “No, you’re right.....but at least I *hope* I’ll receive a call.”

Me: “Let me say that hope is not a strategy.....and carve that in stone. In the sales profession, hope is the pathway to despair. Talking with the decision-maker is the best way to make a positive impression and understand what position your lab sits in. Now, with respect to Marie, what was her reaction to your sales pitch?”

Rep: “Oh-oh, I’d just call it middle-of-the-road. She said they’ve used Quest for several years and haven’t had any major issues that would warrant switching labs. But she was polite and said she’d let me know if there was interest from the doctors.”

Me: “Have you learned about your lab’s position by reading the CRM notes from the previous sales rep?”

Rep: “I’ve read the notes, but no, there hasn’t been anything documented that was substantial. The comments were cryptic, like, ‘Front desk person says they’re still using Quest. Left brochure.’ I must admit, I haven’t specifically thought about how the doctors regard my lab, but in my experience with Marie, I’d say we are considered indifferent.”

Me: “It sounds like we’ve got some investigating to do with this client, starting with identifying the lead physician. You’ve already met Marie, but that’s only half the equation. The head MD’s viewpoint matters most because they’re typically the *final* decision-maker. On this point, and for future reference, don’t be swayed if an office manager tells you, ‘I make the decisions and then run it by the doctor.’ If that’s the case, the doctor may say, ‘Uh-uh, I have some reservations about using ABC Lab because....’ You can imagine who wins *that* discussion.”

The Prospect’s Final Decision-Maker

If an office refers patients to a PSC for blood draws, the patient can become the decision-maker by stating their lab preference to the provider. *Subject to office permission*, field reps might place an acrylic holder on a table in the office waiting room to display information about the lab and the PSC location.

An effective way to meet the lead physician is to offer a legitimate reason for a brief one-on-one. Beyond providing lunch, appropriate reasons include discussing a clinical abstract, an updated clinical guideline, or a testing algorithm (e.g., Lyme, HIV, celiac, amenorrhea, *H. pylori*, syphilis) relevant to the specialty. It doesn’t matter whether the doctor already knows or has seen the information. The rep’s *initiative* signals interest and a willingness to serve as a resource for the MDs.

This educational initiative can become a competitive differentiator. After all, does the current lab rep offer that kind of material? This leads to another marketing slogan to carve in stone: Differentiate or die.

A field rep can also serve as a personal “town crier” by reinforcing a lab newsletter. Examples include your lab’s newly introduced in-house assay, a test production change that improves turnaround time, a methodology conversion, a new PSC location, a different type of collection supply, or a new employee to contact for consultation. These actions support the goal of building credibility. A sales pitch (or, for a current client, a check on service levels) can *follow* a brief discussion of your subject. This sequence serves as a psychological “softener” for a sales-related question or comment.

Let’s assume a rep has visited a key prospect and wants to assess their competitive position. When ending a conversation with the head physician about a relevant topic, the marketer might say, “Oh, and one more quick thing. I’m conducting an informal competitive lab survey, and I’d like your opinion on something: If your primary lab suddenly had to close its doors for any reason, what lab would you immediately turn to as a possible replacement?” The doctor—because he’s talking to a lab rep—might automatically respond, “Maybe your lab.” While that’s music to your ears, know that people tend to avoid making discouraging comments directly. A positive reply may or may not be factually true, so don’t (yet) put it in the bank. One more note: in a separate meeting, ask the practice manager the same question (even though the physician’s answer carries the most weight).

For practices owned by a hospital or private company, a competitor lab rep finds the sales process more challenging and frustrating. The salesperson faces the doctor’s ineluctable sense of moral responsibility to refer patients’ testing to the owner’s designated laboratory. However, nothing in the owner’s contract binds the doctor to send specimens to a specific lab—it’s suggested verbally or merely recommended in the contract. The doctor can use any lab for any reason. If specimens go to a different lab, someone in the owner’s office will likely call (or stop in) to ask why the endorsed lab is being ignored (or not fully used). Guilt may consume the doctor, leading to capitulation. Or there may be valid reasons to stay with a different lab. This author has witnessed both circumstances.

Your Position with a Current Client

When visiting a current client, a field rep will typically ask the front desk, “I’m checking to see how everything is going with our lab service.” Often the response is, “Everything’s fine.” If the office manager is unavailable, the rep may check with a phlebotomist or the clinical coordinator. Satisfied with positive reactions from different people, the rep leaves. However, the key decision-maker is the person who receives and interprets the lab reports *and* decides which lab to use. This person may have noticed skewed results for a particular test, longer-than-expected turnaround time, a missed courier pickup, a thawed frozen specimen, patient complaints about lab billing, a lost specimen, etc. These situations can raise frustration and doubt, especially when mishaps occur in quick succession. But the people the rep talked to may not know about these issues, so, as far as they’re concerned, the lab service is running OK—and the rep walks away contented. Big mistake. Aim to touch base with the practice manager on each service call. At least three or four times a year, you should see the lead physician to maintain your visibility. Start by sharing informative material, then end with a by-the-way comment such as: “From your viewpoint, is my lab’s relationship with your office still moving in a win-win direction?”



Avoid asking, “Are you having any problems with my lab?” That indicates a negative tone and may instinctively make the doctor think, “Why are you asking? *Should* I be having problems?” Finally, do not ignore conversations with other providers in the office. They can be effective influencers.

Repositioning the Competition

Ninety-nine percent of the time, competing lab reps are “followers” in the marketplace. The most effective way to make significant inroads with a prospect is to learn about ongoing, frustrating lab problems that have led the client to consider switching to an alternative lab. But uncovering a dissatisfied client requires impeccable timing—or it may never happen. If things are running smoothly with the current lab, the competition is left with two scenarios: (1) making unsuccessful calls that result in no forward sales movement or (2) making successful calls by strategically “outselling” the incumbent lab. Competitive outselling means making a distinct impression on the office manager and the doctor through (1) the rep’s questioning and presentation skills, (2) lab knowledge, (3) professionalism, and (4) providing ad hoc educational material that incrementally builds credibility.

The French have a marketing expression that sums up the outselling strategy: *Cherchez le creneau* (“Look for the hole”). Then fill it. To find a creneau, a rep must first know their lab’s operations inside and out. This is a tall order that requires significant training because it involves both technical (test names, in-house tests, certain methodologies, reflex testing, IT connectivity) and general aspects (e.g., courier protocols and pickup times, available client-specific data reports, client service department protocols, production schedules, collection supplies, referral tests, billing protocols). It also means comparing those components, as much as possible, with the competition to uncover differences. Only then will a salesperson have the “meat” in conversations with a prospect, rather than sounding like they are peddling a routine pickup-and-delivery service.

This is where competitive *repositioning* comes in. A competing lab can create “holes” by repositioning competitors in the decision-maker’s mind. To move a new lab into the mind, you must first move the old one out. For this to work, you must say something about your competitor’s service that makes the prospect think twice (or, better yet, change their mind) about their incumbent lab. One way to accomplish this is to use the “prepare the soil, plant the seed” strategy and tactic.

When it’s the right time to start your sales pitch, you “prepare the soil” to set the context. Then you “plant the seed” by showing how your lab addresses the point and the benefit it offers to the client or patient. Essentially, you’re paving the way to your advantage—not leading with it. This delivers a strong 1-2 punch and contrasts with inexperienced reps who jump into their differentiators: “We do this... and we do that... and we also offer... and another difference is...” By preparing the soil and planting the seed, you lay out an easy-to-understand and discriminating scenario.

Here are several examples extracted from training sessions:

(Preparing the soil) “Most people I speak with want to support local businesses. Do you agree?”

(Planting the seed) “We conduct our testing right here in town. Think of us as a physical extension of your office.”



(Preparing the soil) “Your lab uses an immunoassay for HgbA1c testing because it enables convenient specimen processing and uses inexpensive reagents. However, this method cannot detect hemoglobin mutations, which can compromise the accuracy of HgbA1c results.

(Planting the seed) This is where our lab excels. We use ion-exchange HPLC for HgbA1c testing. The technician can view the mutational fractions on the instrument’s monitor and document this interference on the report. This alerts the clinician that a hemoglobinopathy is present and can affect the result. Additionally, the message suggests ordering an alternative test, such as fructosamine or glycated albumin, that is not affected by abnormal hemoglobin. In other words, when clients use my lab, they know they’re partnering with a vendor who focuses on adding *value* to their practice.”

(Preparing the soil) “Labs generate their routine testing reports for next-day delivery.

(Planting the seed) Our courier system provides local clients and our PSCs with twice-daily pickups. They return to the lab after the first run in the early afternoon. We analyze routine blood specimens immediately and upload test results to the lab portal before the end of the workday. This is another way we add value by enabling providers to act swiftly on certain results. We take turnaround time to a new level.”

(Preparing the soil) “Your lab uses an outside company to bill your patients. This can lead to frustrating moments because of its robotic automation and indifferent, unsympathetic impression.

(Planting the seed) In contrast, our lab has its own billing department, and our staff works directly with clients and their patients. Any necessary follow-up calls are handled personally and in a friendly manner. We can also correct billing mistakes immediately. Client feedback about our billing department is consistently positive.”

Conclusion

Understanding your lab’s position begins on the first call and, essentially, never ends. The two most important people in an office or clinic are the practice manager and the lead physician. When competing for business, a representative can gauge their lab’s position by asking both (in separate discussions) a simple question: “If your primary lab suddenly went out of business, which lab would you choose as an alternative?”

Competing labs are “followers” in most sales situations. Repositioning the competition can be a powerful strategy because it aims to move the incumbent lab off the top rung and replace it with your lab. Repositioning does not degrade a competitor. It simply explains your lab’s differences in a professional manner by first stating the situation (preparing the soil) and then clarifying what your lab does (planting the seed). Fully examining your lab’s operations and how they compare to the competitor is crucial—and fundamental.

It usually takes several visits for a rep to build credibility with the office manager and the final decision-maker. In addition, a key part of any new account strategy is understanding where your lab sits in the minds of these two people. *This* establishes your starting point. Positioning is the name of the game.



*Peter Francis is the president of **Clinical Laboratory Sales Training, LLC**, a unique training and development company dedicated to helping laboratories boost their revenues and reputation through well-prepared, professional, and effective representatives. He has written over 45 papers on selling laboratory services. Visit the company's website at www.clinlabsales.com for a list of services.*

