

Your Healthcare Questions Are Answered...Right Here!

By Robert J. Oosdyke, Health Care Furnishings, Inc.

This week we will address some of your questions that have been asked via our email address: info@hcfi.net. Just submit your questions and we will cover them in MMQB or you can call us directly at 949.500.4636.

One of the most frequently asked questions by sales reps is, **“Where is my biggest opportunity in selling healthcare?”** This question needs to be answered from many perspectives, but for now we will answer it as it pertains to a sales rep selling products to healthcare.

Your biggest opportunity is first to differentiate your company and yourself from all the other “wannabees”. Everyone stumbles into the hospital selling a chair, or some other healthcare product not knowing whether the person they are seeing even has a need or desire! Most reps figure if they sell seating and hospitals are buying seating all the time, why not mine? First, learn about your customer, the hospital and the individual you are attempting to meet. What are the needs of the facility? Do they have a building project? Do they support the physicians with office “set ups”? If you enter the facility with knowledge of the organization, you then will be far ahead of your competitors.

Do you know what GPO they belong to and are they compliant to the agreements for furnishings? Are they part of an IDN? What is the specialty of the facility? Do they have any Certificate of Needs filed? Do they specialize in obesity, oncology, dialysis or labor and delivery? If so, you should focus upon these specialized “money” areas for a better potential outcome for your products or services.

Please think strategically then tactically. Strategic means “your concept” for working with the facility or person and tactic means, what are the actions you will take to implement your strategies!

The second most asked question HCFI receives is:

“My company doesn’t have GPO agreements; I am blocked from the hospitals that belong to the GPO’s. What do I do?”

In this case, I would say that even if you had the agreement, you would probably hear the phrase “We are on contract with X GPO but we do business with ABC dealership or manufacturer and they handle our needs nicely, no thank you.” So in this situation, you either convince your management to pursue GPO’s or you do the best you can without the agreement.

The GPO discussion as mentioned in earlier articles, is an interesting one and takes a good understanding of their value and what GPO’s truly offer value: “Not all are created equal”. But because there is a GPO agreement, it certainly doesn’t block you in most facilities.

Assuming the material manager made the statement above: “We are on contract with X GPO but we do business with ABC dealership or manufacturer and they handle our needs nicely, no thank you.”; keep in mind you still need to develop your strategy for the facility and use tactics to implement your strategy. When you know you are blocked in material management, you then begin working on the individuals who would be interested in buying your products. You need to contact them via email, phone or as HCFI prefers, a letter. For example, a well written letter stating or implying you know the needs of this person’s dialysis department and that you have investigated this market and have a product or service that would make the department a better place to visit for dialysis, gives you a competitive edge.

Remember, all hospitals are competing for the public’s healthcare dollar and anything they can do to make their department better in the eyes of the patient, reduce departmental costs internally and/or differentiate their departments, is an advantage! But most importantly, rarely do sales reps take the

time to write a letter, explain their solution, (not product), and let the reader know that the letter writer understands their departments needs. Always let them know you will follow up with a phone call in a few days. Voila! You have differentiated yourself and then can look forward to your call being accepted a few days after the letter arrives. If your call isn’t accepted, you have at least impressed the department head at this time, and at some point in the future you will have success.

The following question came in this week from Mary B. in NY, NY.

“After reading some of your articles over the past few weeks, I feel we are in healthcare but not really. We sell systems, chairs and some seating for waiting areas and since I head up our department of two reps (both part time healthcare) and a designer, what do we need to do become more effective? I feel we are missing a great deal of opportunities and we do not win our share of bids.”

Mary: “Bids” is the key word in your question. You have part time reps in healthcare because there isn’t enough business to keep them busy, I presume. Consequently, they are not learning the finer points of selling in healthcare and probably lack the most basic understanding so they “high spot” and do not develop business. They are simply reacting to business...“bids”.

For large projects, bids in healthcare happen all the time and this will surely continue. However, there is a tremendous amount of chair, system and seating areas that need to be addressed daily in facilities in NY and across America that are not on bids. Until you or your reps decide that healthcare is a large enough market to sustain them in a full time position, they will continue to “high spot” the market and will only receive “bids” that you will likely lose. Many times these bids are only to keep the “real” suppliers honest. Also, the lowest priced person doesn’t necessarily get the business all the time.

When I was in Dallas recently, I worked with a 65-year old gentleman who had been calling on a very large facility in Dallas for over 20 years. He was also selling contract furniture to other businesses and he wasn’t even a “full time” healthcare sales person. He just found a niche at this one facility and he “farmed” it to fruition, making it his only healthcare customer! Its gravy business for him now, his margins have increased over the years and they rely upon him heavily. If he doesn’t instigate the introduction of a product, the hospital will contact him eventually to see if he can supply it! He is nothing more than a farmer! But a good one! He has proven he delivers!

The above are all good questions, and in next week’s article, we will address another one. So look forward to our article on: “Strategy = Plan Tactics = Action Logistics = Everything Else!” We will break down each section weekly for the next three weeks.

HCFI is proud to announce that **Healthcare Design Magazine** has agreed to be a sponsor for HCFI’s upcoming Health Care Furnishings Forum on June 15th in Chicago during NeoCon.

We challenge you to submit questions for the Health Care Furnishings Forum panel discussions, and with your permission, we will use it at the Forum where you will receive recognition and a check for \$25. If you cannot attend for some reason, and your question is used, you can still win \$10! E-mail your Health Care Furnishings Forum questions to: hcfquestions@hcfi.net and WIN \$\$\$.

Visit www.hcfi.net to learn about the upcoming Health Care Furnishings Forum on June 15th and where you can download your registration form.