

## The Business Side of Medicine™

### Relationship Marketing Strategy Errors

By David P. Schmiede



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I have started to notice more and more marketing firms offering the concept of direct to referral physician marketing programs across the country. I am pleased to see this as it confirms my belief dating back to 1985 that direct marketing was the best return on investment for most medical specialty practices. However, I am dismayed by the approach of many of these firms.

A physician liaison, or physician relations manager, is a professional salesperson dedicated to representing your medical practice in an effort to establish and strengthen the relationship between existing/potential referring physicians and your medical practice. By maintaining an open line of communication with referring physicians and performing diligent community outreach, physician liaisons maintain and grow the patient referral base for those they represent.

An effective physician relations program can have a powerful effect on the growth of your vein practice by increasing patient referrals and subsequent consultations/procedures.

There are, however, several common errors in approach and understanding that can slow your success and even derail it altogether.

Some of these mistakes come from inexperience — for example, doctors, nurses and office managers not being exposed to a sales-driven business culture. Other industries outside of healthcare have long viewed the sales or business development function as a vital component of their business models, and yet medical practices are not uniformly on-board.

Past marketing campaign failures, insufficient relationship marketing program knowledge, out-of-date marketing concepts and/or inaccurate beliefs about business development can take your relationship marketing program in the wrong direction.

However, the good news is that there is tremendous potential for growth in those medical practices that obtain competency in professional business development. For that reason, you might want to consider how your practice is performing compared to critical strategy errors described below that can derail your success.

*This article will share with you my thoughts and experiences gained from thirty years invested as a physician practice management and marketing advisor.*

**1.** Physicians often have difficulty when hiring a physician liaison to establish and expand relationships with existing and potential referring practices. Some marketing organizations suggest that you promote/recruit an RN for this position. Based on my experience, this strategy rarely works. It's apples and oranges, a square peg in a round hole. RNs are not trained in professional sales and their listening skills are different, based upon their clinical training. RNs are trained to tell you what they know, based upon their clinical training — A physician liaison (i.e., experienced pharma rep) is trained to ask questions and listen to the needs of the referring physician. Referring physicians don't want to be told, they want to be heard and then reassured that patients that they refer to your practice will receive adequate care that reflects positively on the referring physician.

**2.** Training, education and experience are important qualifications for this position. Pharmaceutical companies and medical device manufacturers spend between \$7,500 and \$10,000 annually, *per sales rep*, in sales training expenses in order to train their reps to ask the right questions that meet the needs of their clients in a professional manner. Nothing can replace experience ... and yet medical practices try to short-change this continually.

**3.** Experience teaches your physician liaison to develop a marketing strategy, manage their time, prioritize their referring physician target list, identify hidden decision makers, respond in a timely manner, develop sales tools that referring physicians value which get their foot in the door, build honest relationships that result in trust, etc. on and on and on.

**4.** Using a service area call schedule that has your physician liaison operating according to a "newspaper route" or "crisis" style. This means that you set up either a standard cycle of "deliveries" without regard to your referring physician's needs or by "crisis" — the problems / issues the physician's office has with your vein practice. I recommend a more strategic approach where a physician liaison develops a call schedule that targets specific referral physicians who meet a predetermined "best-fit" criteria for referring to your vein practice.

**5.** Considering relationship marketing as part of your advertising campaign. Relationship marketing adds enormous value to your vein practice. However, considering relationship marketing as part of your advertising campaign can create a misunderstanding around purpose and expectations, interfere with relationship marketing's mission and inevitably dilute the impact that both disciplines can have in growing your practice. View your physician liaison program as a separate entity, one that relates to marketing

but has its own strategic goals, implementation plan, budget and ROI measurements of success.

**6.** Depending on referral physician site visits that emphasize “information download.” Using a steady stream of clinical information does not allow the physician liaison to fulfill the important task of uncovering, considering and addressing the referral physician’s needs. If a physician liaison really wants to build relationships with referring physicians, they need to work toward having their vein practice viewed as a trusted clinical advisor and not a pusher of treatment options.

Hand delivering consultation reports, post-procedure treatment reports, clinical case studies, etc., develops a mutually beneficial referral relationship.

**7.** Unrealistic expectations of how much of a workload the physician liaison can handle and still be effective. Some practices see the role of their physician liaison as responsible for calling on a large number of existing and potential referring practices, as well as community education outreach activities, all within a 15 or 20 mile radius of their practice. In many instances, I have seen physician liaisons with the added responsibility of developing, implementing and monitoring all print and media campaigns for the practice, as well as producing marketing materials ... all activities which take your physician liaison away from relationship marketing. Relationship marketing initiatives and advertising campaigns can have a direct and enormously positive impact on your practice. To have the fullest impact, you need a balanced plan that is targeted, that sets goals and strategies for both retention and new patient acquisition, and that determines the differing tactics required for each of these two segments.

**8.** Sending a physician liaison into the field with insufficient information and training. When a physician liaison goes into the field with little or no information about your practice, vein disease, available treatment options, as well as current referral patterns of the targeted practices, they are not prepared to have a “consultative conversation.”

Not only does this lack of preparation make it unlikely that the liaison will engage the targeted referral physician, it further alienates the referring physician and makes it more difficult for the liaison to get back in the door for a subsequent meeting. So, it is crucial that your liaison is trained to know how to qualify a referring physician, the type of information that will lead to an engaging conversation with a referring physician and/or their staff, and the questions to ask to uncover the referring physician’s specific challenges and needs. All of this is necessary to begin building a solid, long-term relationship with a referral source.

**9.** Assigning a physician liaison the responsibility to develop and manage the relationship marketing program. A common situation I have encountered in struggling programs is a physician’s expectation that the individual hired to be the physician liaison is also qualified to take responsibility for developing the program, determining marketing strategy, and monitoring its activity and results.

## WHERE TO FROM HERE?

You may have seen that one or two or even several of these issues are preventing your relationship marketing efforts from reaching full potential. Hopefully by bringing these issues to light, changes can be made in your practice.

Possibly you see where mistakes may be taking place, but you’re not sure of what your next step should be?

Call me or send me an email with your questions and I will respond accordingly.

Have an idea for a future article? As a regular contributor to VTN, I am always looking for topics to discuss in future articles. **VTN**

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