

## Opinion Leaders That Are Influencing Your Hospital Buyers Purchase Decisions



Thomas J. Williams and Glen Hall

They are often behind the scenes and observable to only their client...the hospital stakeholder. They often only surface to the sales representative late in the buying process but they are a presence in many of the hospital purchase decisions taking place today. They are third party influencers who don't sell a product that competes with yours. Instead they sell knowledge and insight, verify clinical evidence, and offer price benchmark comparisons. Here are some examples of organizations (and their areas of expertise) you should know about depending upon the product or service that you sell to hospitals today. If they are involved in the purchase of your product or service you or someone in your organization needs to be aware of their presence, influence, opinion of your product or service and their connection to which stakeholder.

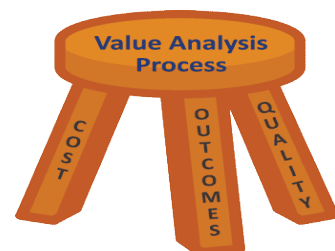
### **Clinical Evidence**

These firms collect, review and analyze clinical data. They tell the hospitals if the clinical evidence they have received from a manufacturer is sound or if the clinical study was improperly designed or slanted to favor someone. Examples include:

- ECRI
- Hayes Inc.

### **Value Analysis Management**

These organizations provide process workflow management to value analysis committees. Since most hospitals have multiple VAC committees and numerous on-going projects it's difficult to keep up with the myriad



of data and information without some type of software tool. Some of these organizations are:

- Data Leverage Group (DLG)
- Greenlight
- MedApproved
- Procured Health
- Various GPO offerings

### Going Rep-Less in the OR



There are three basic ways whereby third-party influencers are trying to remove sales reps from the OR particularly in Orthopedics and Spine. The models described below have had variable success despite a plethora of media attention around the successful implementation of going rep-less at Loma Linda University Medical Center.

- **Rep-Less Sales Model:** Under this model an implant manufacturer sells their product direct to the hospital at a significant discount (40-50%) and with no local sales representative support. The hospitals that purchase these products hire and train their own personnel to perform the functions of the sales representative. Examples of firms offering products in this manner are: Renovis Surgical Technologies, Royal Oak Medical Devices, Cardinal Health in partnership with Emerge Medical, Microport Implant Partners and Smith & Nephew Syncera. The latter provides training for the OR and central processing personnel.
- **Remote Assist Model:** Under this model a manufacturer offers a network of tele-conferencing sites at hospitals that allows sales representatives to remotely assist the surgeon during surgery. An example is Bang Surgical. They have an OR Grade video broadcasting system that can be wheeled in and out of any OR. Using the BANG product allows manufacturers to lower their implant price and still offer hospitals case coverage and product support on demand. Another example is Nurep. They have an iPad based tool that is compliant with health industry privacy laws and offers a way for sales representatives to provide real-time assistance to surgeons remotely.
- **Service Line Optimization:**  
Let's face it, the OR is a service line with revenues and costs. Its purpose is to generate exceptional patient outcomes and earn profits. When a hospital decides, it wants to standardize products and services/reduce clinical variation, or it wants to go Rep-Less and replace all of the functions the sales representative performs, the hospital still must maintain and ideally improve the clinical and business operation of the OR. This takes outside advice and expertise. Firms that have created a business model to accomplish this goal for hospitals are Intralign and Ortho Stream. They provide a readiness assessment, process transformation roadmap, surgical extenders and supply chain services with generic technologies.]

## Consulting Companies



There isn't a Health System in the country that at some point or another, has not used a consulting company in conjunction with their own in-house resources to address the myriad of challenges facing healthcare providers. The list below represents small smattering of key influencers across domains of expertise.

- Advisory Board
- GE-Camden
- Hayes Inc
- Huron Consulting-Camden
- Navigant
- Quorum Health resources
- Price Waterhouse

## Purchased Services

Over the last 3-5 years the amount of scrutiny in this area has exploded exponentially and so have the tools and services being provided to Healthcare Systems. When Healthcare Systems deploy the right combination of people, tools and processes they are realizing between 20-40% cost reductions in this area. In addition, to all the major GPOs providing services in this area, many companies have jumped into this arena as well. Some examples are:

- ECRI
- MD Buyline
- Medpricer
- Valify

## Parting Thoughts

With Healthcare providers having an ever-growing number of product and service options to choose from, third party influencers are emerging as key stakeholders/allies in helping healthcare decision makers sort through, and make sense of, the volume of product/service options that come across their desks each year. What does this mean to companies like yours selling into this space? Now more than ever your marketing, sales, and service claims need to have a cogent and consistent message (Value Proposition) that third party influencers can quickly and accurately verify. You cannot afford to have any part of your organization that interfaces with a potential customer deliver a message that is inconsistent with your value proposition or cannot be validated by a neutral 3<sup>rd</sup> party.

Also organizations need to determine which third party influencers they can, or cannot, approach. Of those they can approach, their chances are markedly increased by being proactive in helping addressing the Healthcare System's needs.

As always, we welcome your thoughts and input. Let's start a discussion and elevate the sales profession with a thoughtful and informative discourse.

Authors: Thomas J. Williams and Glen Hall

If you enjoyed this post, please share it with your social network and connect with us on:

- Blog: <http://strategicdynamicsfirm.com/blog/>
- LinkedIn- Tom Williams: [www.linkedin.com/in/thomasjwilliams](http://www.linkedin.com/in/thomasjwilliams)
- LinkedIn- Glen Hall <https://www.linkedin.com/in/glen-hall-36286512>
- LinkedIn Publisher: <https://www.linkedin.com/today/author/8734131>
- Twitter: [https://twitter.com/sd\\_firm](https://twitter.com/sd_firm)

Photos courtesy of Google Images.

©Strategic Dynamics Inc. All Rights Reserved. 2017