

Techniques to determine YOUR competitive advantage

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How successfully have you been able to analyze your competitive advantage relative to location, service, price, product and qualifications? If you have not yet found your marketing niche, some other areas to explore are instrumentation, customers served, percentage of market share and resourcefulness.

Do you think you can use technology to differentiate your services in the marketplace? Does your competition have acoustic resonance imaging equipment; electro-acoustic hearing instrument measuring equipment; computerized audiometers, tympanometry and/or assistive listening devices? You can change the perception of your office by creating a hi-tech image. Offer a computerized evaluation of potential customers' current hearing instruments, a test of hearing instrument battery life and special diagnostic hearing tests.

In order to see if a technological differentiation is appropriate for your office, it is necessary to analyze your customer base and describe the type of individual currently being serviced by your business. Are you attracting a wealthy "carriage trade" population? Is this reflective of the area in which you are located or is there some service or image that has attracted this clientele. The easiest way to find out is by asking your customers how they chose to come to your office. This will provide you with some insights about continuing this approach or attempting to obtain new avenues to explore. If they have come because of the amount of time you spend with them, the professional way they are treated and so forth, then you should evaluate your advertisements and promotions to determine if this type of information is highlighted as benefits for your clients. By reviewing your target area, you may find that there are underserved population groups. Perhaps, a focused campaign with a revised image would be more appropriate to reach these potential customers. Your resourcefulness and creativity are primary assets in deciding the direction of your business.

A further review of **the competitive levels** of the other hearing instrument dis-

pensers in your area will provide additional insights as to your potential for making or maintaining a specific position. Is there one dispenser that controls a large percentage of your market area? This would be a **dominant or strong** facility that controls the behavior of the other competitors or can take independent action. The next level is considered **favorable**. These dispensers can exploit certain areas/niche markets, like fitting lawyers, hunters, etc. These businesses

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also have the opportunities to improve their positions. The **tenable** level is for businesses that are satisfactorily maintaining status quo; however, they may find it difficult to make improvements and create a new and improved image. Then there are the **weak** or nonviable. In order to succeed, these offices must change and alter their course. These are potential takeover situations for a more aggressive dispenser.

To demonstrate how to analyze your competitive advantage, let's look at a small bedroom community outside of a large metropolitan area. A dispensing audiologist has just purchased an office from a hearing instrument specialist. Within a seven-mile radius there are four other dispensing offices. One is a franchise dispenser with audiologists on staff. The office is the dominant market leader in the area. Promotions, direct mail and advertising are its key tactics.

The second dispenser, at the favorable level of competition, is a hearing instrument specialist, who has been in the area for 40 years and uses this as a reliability factor in marketing its services. The next group are dispensing audiologists who work with otolaryngologists. They also are at the favorable competitive level but in a niche market. They provide service essentially on referral from the physicians and do not advertise. The fourth office is operated by a part-time private practice audiologist whose business is tenable to weak. The

business operates with a low overhead and has focused on a low price strategy.

In determining where to position the new office, the decision was made to focus on coupling the assets of highly technical and professional expertise with an independent practice that is responsive to patients' needs. Care had to be taken to make this plan a slow transition, to maintain a comfort level for the current user base.

A resourceful technique that combined the use of modern technology with the goal of responsiveness to patient's needs was the use of a beeper system. In this way, the dispenser demonstrated the availability of 24-hour service, dependability and a caring attitude.

Another tactic was to broaden the base of professional referrals. In view of the strength of the otology group and their strong affiliation with primary referral sources, it was necessary to reach the more peripheral specialists like the cardiologist, ophthalmologist, neurologist, oncologist, in addition to the general/family practitioner, internist and pediatrician.

Any new physician in the community was immediately contacted and given information about the hearing services offered by this office. At the same time, techniques for cross-marketing with brochures from each office were discussed and referral pads were provided.

Current patients were asked for the names of all of their physicians and these doctors were sent information regarding their mutual clients that explained how to overcome the communication barriers which might interfere with treatment. Follow-up phone calls were made to discuss the patient and at the same time describe the type of services the dispenser could offer to this physician's patients. Use of the client's name offered an opportunity to bypass the gatekeeper and speak directly with the doctor. Public relations programs like open house seminars on pertinent subjects such as tinnitus and hearing in noise also embellished the professional independent image of this office.

The analysis of the competition is a tool in establishing the uniqueness of your office. Your resourcefulness in using this information is the key to a successful practice. □

Marketing versus sales and the importance of setting goals

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Do you market or sell your services and hearing devices? Many dispensers are confused regarding the difference between marketing and sales and how to use these different philosophies to achieve their objectives.

Marketing is consumer driven, as Peter Drucker, the guru of marketing, has defined it. This means viewing your business from your customer's point of view. Determining and evaluating your end user's, the hearing-impaired individual's, changing wants and needs and fitting your company's products, services and means of distribution to the new needs and wants of the marketplace.

Selling is product oriented. It focuses on premium and rebate offers. The distinction between selling and marketing is the difference between telling a customer "I'll sell you this hearing aid for \$600 today only," versus "Tell me how you think we can help you hear better? In what types of situations are you having difficulty hearing?"

Selling is one part of the total marketing concept. Theoretically, if you are marketing, so that you understand and know your client very well, then they will see the need for your hearing services or hearing devices and be ready to buy without your having to "sell" them. In reality, marketing does include promotion and selling as a part of the total effort. After determining your client's needs, wants and preferences, you still have to help them in the decision-making process to make the right choice.

One method of determining how to reach your potential customers is to evaluate the demographics of your market area. Is it changing? Is your user population getting older? Are the people you fit three to four years ago no longer capable of traveling on their own to your office? Would they welcome a home visit where you would on-site clean and check their hearing instruments and pro-

vide a new hearing test and a computerized analysis of their hearing instruments with portable equipment?

How well is the current hearing instrument technology you are offering meeting the needs of your older client population? Is your clients' palsy affecting their ability to handle the volume control wheel on their hearing instrument? Would a new remote con-

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trol model be easier for them to handle? How much time do they spend watching television? Would an infrared assistive listening device provide more enjoyment for them than their current hearing instrument in that situation?

Note the difference in the approach used. Rather than advertising "a new high-tech remote control hearing aid" or "an assistive listening device to watch TV" and focusing on the product, you now are trying to solve your clients' problems by viewing the difficulties from their perspective.

The philosophical difference between the marketing and product/selling concept is readily apparent when you verbalize your business' goals and objectives. For example, when asked the goals for next year, one dispenser might say, "to increase hearing aid sales by 10%," another might say, "to increase the number of hearing-impaired customers served by 10%." Both approaches may achieve the same profitable results, however, one focuses on sales volume and the other on customer satisfaction. Although the correlation between increased sales volume and customer satisfaction may be high, the difference is in the dispenser's point of view.

Many dispensers are reluctant to commit their thoughts and ideas about their goals and objectives to a written statement and prefer the

vagaries of "my goal is to increase my business!" However, how do you analyze the success of any marketing idea and find its profitability if you have not established a numerical goal at the outset?

For example, JD, a hearing instrument dispenser, wanted to "increase" her business; however, she had a limited budget and limited time. She used the standard approaches of speaking to senior citizen groups, offering free hearing screenings, etc. and after six months had one new client. Is this an "increase" in business? How do you value the time she invested in the promotions to determine if this was a profitable result? This can be evaluated by keeping records of the dispenser's time and hourly rate; however, if a specific increase in business had been previously set, then JD would have known how much time to invest and for how long before evaluating the success or failure of her program.

Dispenser NW had a goal of providing more complete hearing services to his clientele and decided to determine how successfully they were able to use the telephone. He then set his objective to increase the number of individuals who could hear well on the telephone by 10% and proceeded with a program to assess improvement through counseling, use of telecoils, telephone amplifiers, etc.

The strategies the dispenser used were to create awareness in his newsletter by discussing telephone use, problems and solutions and to routinely ask every individual who was seen for follow-up appointments about their telephone use. It should be noted that the results were measurable and the client's perception of value was considerable, with the long-term effect of increased confidence in the dispenser's service.

In this example, both the marketing versus selling concepts were utilized successfully in conjunction with specific, measurable, simple goals. By paying more attention to what your customer needs and using the technology, products and service to meet those needs with creative programs, you can convert them into profitable opportunities. □

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