

# Launching Group Purchasing Services into Surgical Centers

## Matching Talent to Tasks

### ⊕ Challenge

Evaluate client's existing sales strategy and support infrastructure, and launch GPO-type services into the elective surgery center marketplace.

### ⊕ Action

Target ideal territory for the service, establish the most profitable prospect within the segment and determine the best type of sales representative for the environment.

### ⊕ Results

The client's sales model was established and optimized within 90 days, saving the company from future missteps that could have resulted in greater revenue loss.

### Launching Into a New Market

The SalesForce4Hire team was engaged to launch Group Purchasing Organization (GPO)-type services into the relatively untapped elective surgery center marketplace.

Our client was highly proficient operating in the traditional acute care environment where the GPO business model is well established and delivers a consistent, predictable rate of return. However, we recommended prototyping the sales process prior to a full-scale launch considering that the concept was relatively novel in the elective surgery segment and the scale of consumption was dramatically different than in a hospital environment.

### Targeting the Optimal Territory and Sales Representative

First, we profiled optimal surgery centers for the service, and then evaluated the population density of those accounts as well as the associate rate of procedures throughout the country. We then aligned the rate of procedures with the products consumed to determine market saturation opportunities. After determining the areas that offered the highest density of potential accounts and associated procedures—while minding operating expenses—we targeted Florida for the site of the prototype launch.

Next, we evaluated the buying criteria and buying influences within the targeted account base. We determined the true prospect within this segment—profit-driven businesses that did not depend on reimbursement for cash flow.

The owner-physician, or group of owner-physicians, has the greatest stake in driving profitability as well as having the intellectual ability to understand the value proposition, the authority to sign the contract and the ability to afford the service.

We learned quickly that the traditional sales talent employed in the established GPO segment was not well-matched for the task. Instead, the environment required dedicated sales representatives that could not only tend to a territory, but also build it from the ground up.

Finally, we determined the type of sales representative that best-suited the environment.

We learned quickly that the traditional sales talent employed in the established GPO segment was not well-matched for the task. Instead, the environment required dedicated sales representatives that could not only tend to a territory, but also build it from the ground up.

These sales reps needed to operate within a two- to three-hour driving radius, thereby eliminating the need for air travel and minimizing excessive overnight stays. This optimized the ROI for each sale resource deployed, and compensation was heavily weighted toward incentive pay on incremental contract growth.

## An Enduring Sales Model

Within 90 days, we were able to establish and optimize the sales model, dramatically accelerating the client's learning curve while containing costs and minimizing exposure to the greater marketplace.

Our Sales Prototyping® process revealed that the client's assumptions that their existing sales support infrastructure for the acute care customer base was not appropriate for the new dynamics of the surgery center marketplace. This alone saved the client substantial growing pains and the potential for costly missteps, which, if executed over a large customer target base, could have easily derailed the market's confidence in their service and delivery capabilities.

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