

Marketing Mishaps

Turn Your Practice “Inside Out”

Changing your marketing focus from extensive media campaigns to superior customer service may reverse sinking LASIK volumes.

BY SHAREEF MAHDAVI

The US refractive market seems to be caught in a holding pattern. Doctors and industry people are sniffing around for answers as to why procedural volumes are down and consumer interest does not seem to be growing. We tend to point our fingers at big external factors, such as negative publicity and an economic slump, which have reinforced the challenges of marketing. Each month, this column has examined in detail a different aspect of the marketing process. Like many of you, I have gained a real appreciation for the difficulty in conducting effective marketing. So why is it so hard?

“The advertising that focused on technology and price unintentionally pushed consumers away.”

THE SCIENCE OF MARKETING

Marketing is a highly complex process, often mistakenly reduced to a single activity (such as advertising) or a single event (running an ad in the newspaper). Like clinical skill, marketing is a combination of art and science. Unlike the highly predictable nature of LASIK clinical outcomes, human behavior can be highly unpredictable. The function of marketing is to influence human behavior, and it's essential to realize that your batting average in this capacity is much lower than what you achieve clinically as a refractive surgeon. With consumer purchasing behavior, there are infinitely more variables, and you can't control them all.

In just 6 years, refractive surgeons have witnessed the evolution of refractive surgery from a concept tested in clinical trials to a full-blown product category that I term medical retail. This product has returned unaided vision to millions of people (the digital counter would now read, “Over 6 million served worldwide”), and created job opportunities and wealth for both providers and indus-

try. This revolutionary growth did not occur without a lot of pain. In a dramatic attempt to capitalize on LASIK's popularity, discounters sprang up and then failed, and patients with poor outcomes found an audience willing to listen. More than one overzealous doctor made news headlines that didn't “make mama proud.”

Due to the unfortunate events of the past, many insiders are now wondering how the industry will move forward: What's it going to take to get procedural volume up in my practice? This is perhaps the one question that practitioners ask every single day. Having spent the past 12 months on a tour of duty through

the “battlefields” of refractive marketing, I'd summarize what I've seen as follows:

Providers have largely failed to properly appraise the benefit received by those undergoing LASIK. The excellent outcomes have generated tremendous consumer awareness and word-of-mouth referrals. Desperate to differentiate themselves, however, doctors have mostly relied on two weapons: technology and price. Advertisements were seen and heard everywhere. Consumers, who fear blindness more than death, were confused by all the different messages. The advertising that focused on technology and price unintentionally pushed consumers away. The demand for LASIK and laser vision correction seems to have stalled, a problem exacerbated by negative news stories.

No one knows for certain how long this trend will continue, but the providers who are most concerned are those who have approached the marketing challenge from the outside looking in. This “outside-in” approach relies on tools outside the practice to make it grow, and

these practitioners hope these tools will compensate for the deficiencies on the inside that prevent the practice from becoming successful.

OUTSIDE LOOKING IN

What are the signs of the “outside-in” approach? Outside-in practitioners advertise before their staff learns how to properly answer the phone and qualify interested callers. Their advertising focuses on the price instead of the benefits of LASIK and/or the unique, differentiating aspects of the surgeon and practice. The most willing patients are treated like cream—skimmed off the top—while little is done to cultivate relationships with those individuals who are just beginning their decision-making process. Similarly, prospects who don't have cash in hand are deemed less worthy because of the extra effort that practices must put forth to help them obtain financing. A high procedural volume may allow the practice to compensate with “new technology” as the centerpiece of its offering. Consequently, it fails to deliver a LASIK version of the “Nordstrom Experience” that has defined superior customer service. When a competing provider makes a move, those “outside-in” practitioners spend a great deal of energy figuring out how to react or respond.

INSIDE LOOKING OUT

Over time, providers who take the opposite approach—working from the inside looking out—will fare much better in refractive surgery. The “inside-out” approach looks at LASIK from the patient's point of view and builds an offering around that perspective. It recognizes that fear, not price, is the main deterrent to acceptance, and it trains the entire staff to become “fear managers.” Before engaging in expensive external marketing, the “inside-out” approach focuses first on internal issues that affect the patient's experience and continuously looks for ways to improve. It creates opportunities to build relationships with prospective customers and takes into account that there is a high degree of consideration in deciding on this procedure. This approach focuses on meeting emotional needs rather than simply rational concerns (such as price), and it strives to create a safe and trustworthy environment. The attitude of the “inside-out” practice is not to take its role for granted, and to work constantly to improve the way it offers this miraculous procedure.

The halt in procedural growth that began in fiscal year 2000 caused many practices to examine their marketing approaches. Those that have adopted much of the “inside-out” approach have held their own ground, by shifting resources from expensive media campaigns to more affordable guerrilla-marketing tactics. In essence,

they spend less and get more. But, these practices are the minority; others have either given up or simply declared that they will “wait and see” in hopes that the stormy economy will pass. This is symptomatic of advanced forms of “outside-in” behavior, and their reliance of these practices on advertising to generate patients has put them in a bind as to how to operate in a down market. They decry the high cost of advertising and fail to see options in how to attract patients at a lower cost.

While LASIK seems to have prematurely been turned into a commodity, the next several years will once again create opportunity for volume and revenue growth to rebound for the refractive surgeon. For instance, customized LASIK and refractive IOLs are around the corner. But how they ultimately affect the growth in the refractive market depends largely on the ability of doctors to change the way they've been communicating with patients and the media.

CHANGE THE PERCEPTION

Largely due to negative press, many consumers believe that, although it is effective, LASIK may not be safe for them (the thought of seeing halos and glare at night stops any further consideration). Here is where the saying “perception is reality” will be put to the test. Let's eliminate all the confusing messages in the marketplace and focus on a single topic: safety. As surgeons, you know that customized ablations may increase safety by a few percentage points. However, through a series of messages focused on how new technology works to enhance patient safety, consistently told by all, the industry can dramatically improve the public's perception of laser vision correction.

This will not happen overnight; it will take time and a concerted effort by each and every provider to recognize that his fortune is tied to a greater good. The message relayed to each interested patient affects whether or not they choose to undergo the procedure, and every procedure performed has the potential to impact many procedures in the future. With that in mind, the future is brighter than it might currently seem. You can stop worrying about what's happening on the outside and take a look at what's going on inside your practice, inside your prospective patients, and inside your own approach to refractive surgery. ■

Each month, industry veteran Shareef Mahdavi looks at a different topic relating to the business of refractive surgery and explores how mistakes from the past can be used by all providers for effective marketing. He was formerly the head of marketing for VISX and is based in Pleasanton, California. Mr. Mahdavi may be reached at (925) 425-9963; shareef@sm2consulting.com.