


Whitewater Marketing


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Whitewater Marketing
Pharmacy Services Providers & The Pace of Change
presented by
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Presentation Available at:
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1-800-844-9934

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The speaker discloses no potential conflicts of interest

 STACKPOLE & Associates, Inc. **Objectives**

- List key performance characteristics to differentiate pharmacy service providers
- Describe programmatic initiatives that will differentiate the PSP
- Model methods of communications
- List channels for communication to prospective customers

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Historical View of Marketing / Sales Management



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Today's Reality



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This Presentation

- **Marketing What No One Wants to Buy**
 - What are we "selling"
 - What is the current situation / trends
 - What is the motivation or resistance at 1st purchase v. re-purchase
 - Applications & Lessons

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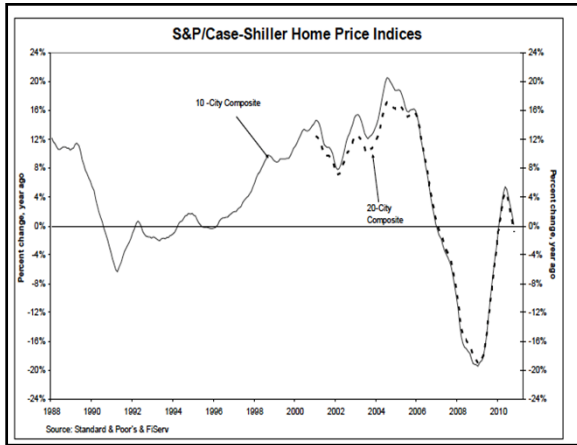
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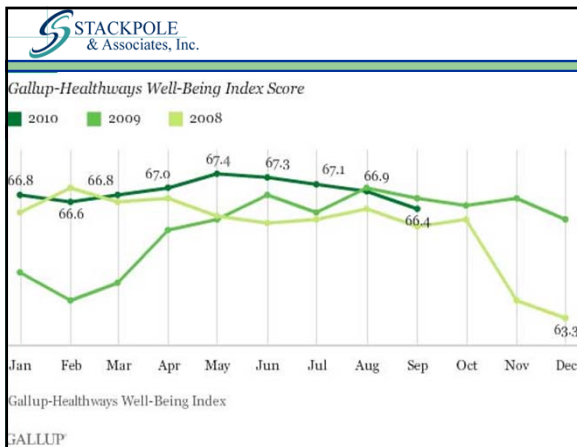
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Current Situation / Trends?

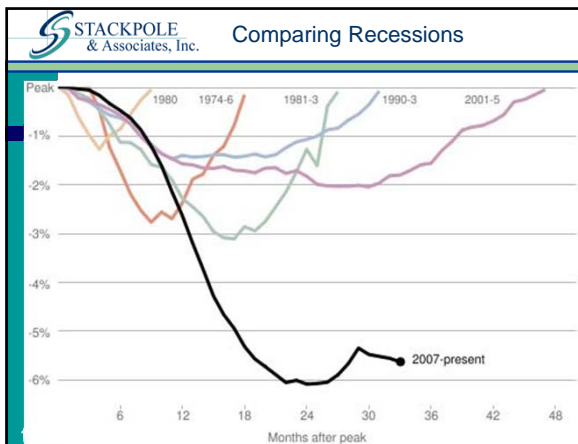






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Quiz

- Nursing Center Occupancy in 2010 is
 - A. Increased
 - B. Decreased
 - C. No Change from 2009

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The Supply Side

- Nursing home occupancy rates declined from 85.5 percent in 2004 to 82.9 percent in 2010 showing excess capacity.
 - Long term residency of "young cohorts" increasing to 14%
 - Despite the above, SNF patients are older & sicker
 - ADL dependency increasing

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The Supply Side

Of the 1.4 million residents in nursing homes:

- 64 % Medicaid,
- 22 % out of pocket / private payers, and
- 14 % Medicare
 - **The percent of residents paid for by Medicare has increased by about 16 percent since 2004 with a reduction in the percent paid by Medicaid.**

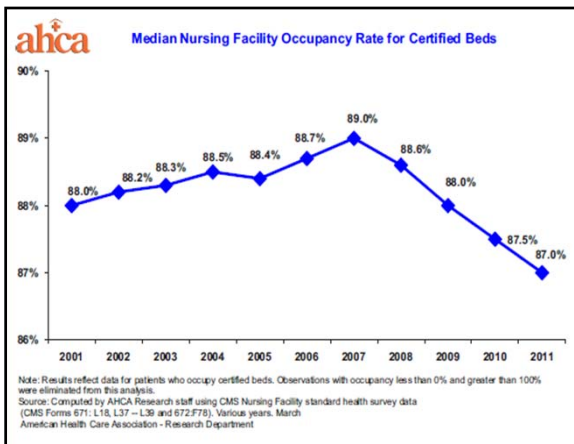
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More Supply Side

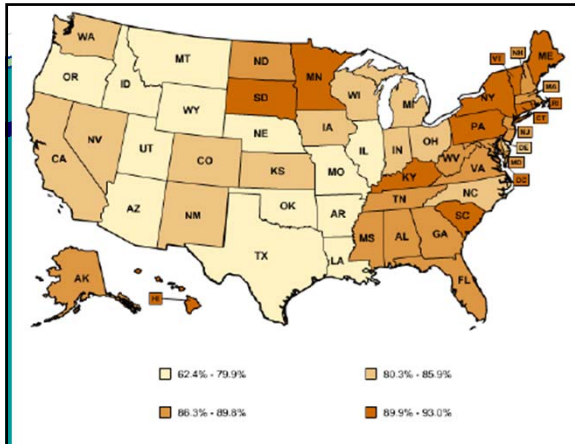
- The number of for-profit nursing homes increased from 65.9 percent of all homes in 2004 to 67 percent in 2009, while the number of non-profit nursing homes and public homes declined slightly.
- Nursing home chains were 54 percent of the total homes in 2009, showing a 3 percent increase over 2004.
 - Increase FPs in CCRCs

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Quiz

- The aged cohorts are
 - Increasing
 - Decreasing
 - Some going up, some going down
 - Staying about the same

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Demographics

We are Here

Legend:


- Projected Change Percentage of Older Cohorts 75 - 84 (Blue line)
- Projected Change Percentage of Older Cohorts 85+ (Pink line)

| Year | 2000 | 2005 | 2010 | 2015 | 2020 | 2025 | 2030 |
|------------|-------------|-------------|-------------|-------------|-------------|-------------|------|
| Birth Year | 1915 - 1929 | 1921 - 1934 | 1926 - 1939 | 1931 - 1944 | 1936 - 1949 | 1941 - 1954 | |

Source: Adapted from US Census Bureau, Current Population Reports

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Conclusion

- To Quote Randy Newman

“It’s a Jungle Out There”

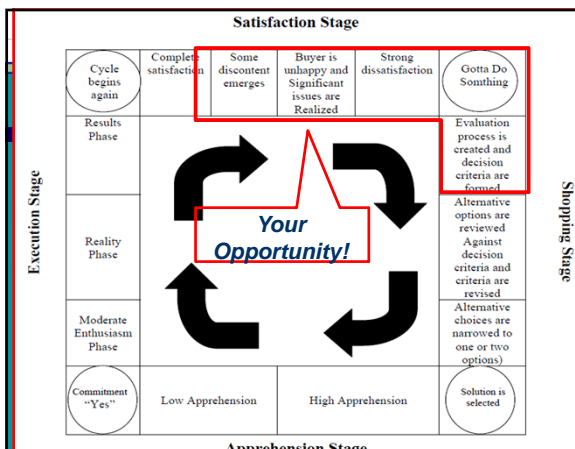
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Quiz

- The reasons SNFs change PSPs are the same reasons why they keep their PSPs


A. True
B. False

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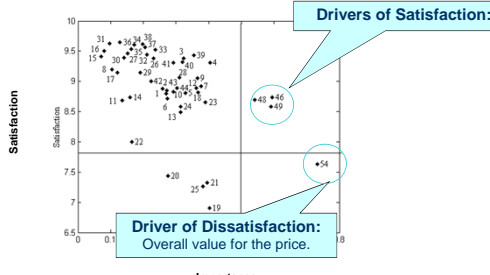
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1st Purchase (Change) V. Re-Purchase (Loyalty)

- 1st Purchase
 - Solution to current problem
- Perceived value drives loyalty (re-purchase)
- Value, satisfaction and importance
 - What is "Value"
 - Prospects & customers compare

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Priority Areas: Re-Purchase



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Staying "Top of Mind"

- IF you are an established Brand
 - Reinforce Value & Value Added
 - What have you done for me lately?
- IF you are a "new" Brand
 - Focus on what's distinct
 - The Un-Cola
 - Don't compete on Price
 - It's a Race to the Bottom
 - Testimonials & Referrals

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Staying “Top of Mind”

- **Push**
 - Email marketing
 - Send content that’s relevant & helpful
 - Events that benefit the SNF
 - Public health & wellness
 - Polypharmacy, falls prevention, etc.
- **Pull**
 - Google alerts
 - Social networking
 - Real AND virtual


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Quiz

- You now your service is a commodity (i.e., ‘generic’) when customers:
 - A. Know the costs
 - B. Bargain over price
 - C. Understand how it works
 - D. All of the above

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Differentiation


How do you differentiate a commodity?

- Find a “value added” service
 - (Not the same old “Ho-Hum”!)
 - Transitions of Care - ACOs
- Help the SNF market
- Build **YOUR** brand
- Technology

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Quiz


- The most important component of effective sales is:
 - A. Experienced sales representatives
 - B. Sales Incentives
 - C. Sales reps who know what you want them to do
 - D. Effective sales database (CRM)

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What We've Learned

- *Task Clarity is Critical to Sales Success*
 - *The sales team are clear about what they're supposed to be doing*
- *Role Alignment is Predictive of Success*
 - *Marketing, sales and the entire team (yes, operations too!) accepts responsibility for Sales, as well as Customer / Consumer / Employee loyalty!*

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A Few Definitions - For Clarity!

- Sales – a definition
 - Behaviors which persuade and influence customers and consumers to select yours vs. others'
 - Securing commitment

Revised 2007 Ethical Influence 03.10.09 30

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A Few Definitions - For Clarity!


- Marketing – a definition
 - Management of the interface between the provider and the customer / consumer
 - Creating / maintaining preference

leahsa2003ethicalinfluence.03.10.29 **31**

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Clear about Sales & Marketing

- *Marketers are seldom good sales persons*
 - *They're too realistic!*
 - *Who never gives up?*
- *Good marketers are sometimes good sales persons*
 - *Schizophrenia is fun!*
- *Good sales persons may never be good marketers*
 - *Do you want the report on time, or the volume?*
- *Don't agonize.. These are the choices*

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Conclusions

- *Your customers are hurting*
- *The don't expect it from you*
 - *Surprise them!*
- *In the Service Life Cycle. Catch 'em when they're unhappy*
 - *Stay in front of them – Push & Pull*


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Cheap subliminal suggestion → 

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