

FAILED ENGAGEMENT CASE STUDY 0018

WHAT CAN GO WRONG WHEN IMPLEMENTING A DIRECT MARKETING STRATEGY?

We met with a large specialty practice in April 2009 to outline a strategy to market their specialty services and new outpatient surgery center in suburban Philadelphia. The practice thrived in the community for more than 50 years, passing from father to son, and now employed three board certified providers and seven office staffers. The surgery center was scheduled to open in July after repeated delays by the township and licensing inspectors, and the practice administrator was concerned about further delays in light of this significant investment. The managing partner and administrator had tried numerous forms of advertising recently in an effort to increase cash flow and interest in the new facility, including TV, radio, and full page ads in local premier magazines.

At the conclusion of our presentation, we gave the administrator a choice of pricing options depending upon time commitments, and we were surprised when they chose our premium option. But they said, “We just want you to handle every aspect of marketing as we’re too busy with other projects.”

Upon agreement, we stressed the importance of referral tracking and we were assured that their staff would fully cooperate in this process. From there, our next step was to prepare our marketing strategy and begin field implementation.

Over the next four weeks, we began to survey the community referral network while we developed script pads, insurance guides, and photographic sessions that highlighted the newly completed surgery center and staff. During this time, we also tried to work with the staff to develop a comprehensive tracking system for all new referrals.

After three months of effort and 12 days in the field, the administrator called and asked us to stop all efforts as they were in a major cash crunch and could not afford our services! All of our photography and printed materials were recently completed, but they were now set aside despite the investment.

Despite just 12 days in the field, the administrator went on to complain that they had not seen the results they had hoped for and they were suspending all direct marketing efforts moving forward.

What went wrong? Many things.

- A) Our communication with this client was very poor. The administrator and staff were pulled in many directions and we allowed them to put us on the back burner many times. We had four meetings cancelled at the last minute and dozens of phone calls and emails never returned. As a result, we were not able to command the cooperation we needed to ensure our efforts in referral development and tracking, and our early results were not recognized at all.
- B) The administrator was upset at the cost of our marketing material development, despite her insistence that we use her preferred printing vendor (who we thought was overpriced). We probably should have insisted on using our printing vendor, since we get better pricing due to our volume with multiple practices.
- C) Unknown to us, the administrator continued to advertise in print, TV, and radio in addition to our services, thus driving up her marketing costs considerably. In retrospect, we should have insisted on full disclosure and participation in their entire marketing planning so that we could complement their other efforts and advise them accordingly.

In short, we had a complete communication break-down with this client. We should have insisted on being a member of their marketing planning decision process with regular meetings where we could discuss and measure the results of all efforts along with their respective ROI. This forum would have allowed us to discuss our efforts to date while soliciting cooperation across all levels of the practice (especially referral tracking which was never implemented).

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Rather than being a member of their marketing committee, we were allocated to the field and treated as an afterthought.

Looking back we realize:

- We should have established dates upfront for our monthly review of marketing efforts.
- We should have stopped the engagement in the first month when we realized that referrals were not being tracked properly.
- We should have insisted on full disclosure and participation in all of their marketing efforts in order to have an eye on their budget.

Interestingly, there are no hard feelings here and we were recently invited to the grand opening celebration of their new surgery center.