

Focusing on Facts: Change Creates Economic Opportunities!

It has been said that we have but one lamp by which we are guided, and that is the lamp of experience. Related to this, every fact that is learned becomes a key to other facts. Personally speaking — and through your own experience, you might agree — I've grown to honor facts more and theory less. And so, to the facts — the whole truth and nothing but.

A recurrent theme is present in my field, vision care, and it often carries throughout the entire insurance and financial services industry. It's by now an old and nonstop recording revolving around turbulence and change in the marketplace. As the tune goes, "It seems to me I've heard that song before; it's from an old familiar score. I know it well, that melody!"

Throughout history, we've witnessed change; we always have and probably always will. The point is, we have all been through changes, some having greater personal impact than others. And many of us are continuing to face changes — and again, probably always will.

So be it, except to add that concerns brought about by change are understandable.

But facts are stubborn things. And since we are all working to maintain and expand products and services — it seems the time is long overdue to work to douse the flames of professional concern that independent professionals have about losing out to big operations and PPO networks.

Let me introduce, from my perspective, four facts:

1. *Out of economic change and turmoil rise economic opportunities.*

However, before you start thinking that all you have to do is ride the waves, be aware of this: Many independents in many businesses have been replaced not only by "super retailers" pushing more volume at lower prices they were also replaced by aggressive, economy-minded, value-added

retailers — retailers that are able to adjust their thinking to bring greater efficiencies to their existing operations.

Look around at other industries like convenience stores. Examples include stores as 7-Eleven, Quik Stop Markets, and Gas-N-Go. These operations took nonproductive space and turned it into revenue-generating square footage by adding gasoline dispensers in their parking lots. And those independent service station owners who failed to plan, failed to upgrade — and/or failed to expand — are now working for the automotive operations at Sears, Kmart, Firestone, or Goodyear.

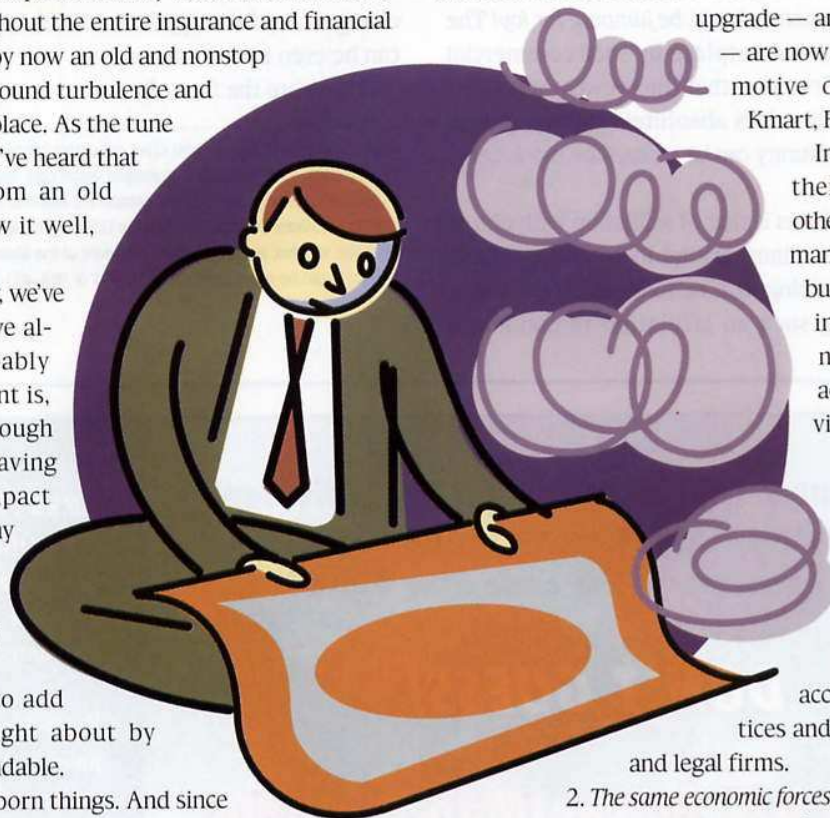
In the end, it was not their suppliers or some other force that put a good many independents out of business. It was their own inability or unwillingness to take appropriate action in the face of obvious market conditions.

Similar analogies can be drawn between the independent druggist and the commercial pharmacy chains, and between independent accounting and law practices and the larger accounting and legal firms.

2. *The same economic forces that have affected other industries are at work in the practice of optometry and, the chances are great, in your line of endeavor.* Since 1978, the number of available dispensing outlets (opticians, optometrists, ophthalmologists) has increased 45 percent. During this same time span, the increase in the total U.S. population has been only 15 percent.

Why is the growth in optometric providers so much greater than the increase in our nation's populace? It's linked to the graying of America, to the undeniable fact that Americans are living longer and, with each year, are more and more in need of eyewear.

This "aging" phenomenon attracted a shoe manufacturer to jump into the retail vision market. *(continues on page 47)*



The market demographics (age, income, location, and need) translated into high growth potential. So, the margins available in the eyewear dispensing field and U.S. Shoe's merchandising knowledge and experience all came together to create an optimum market entry decision for U.S. Shoe through its Precision Lenscrafters Division

As in all areas of commercial enterprise, once the ice is broken and someone takes the first plunge — others are sure to follow. Eyelab, Eye Co., OptiWorld, and others have joined the Pearles and LensCrafters in the marketplace — all to the chagrin of independent optometry.

3. *Rather than being fearful and critical of these organizations, independent optometry should be jumping for joy!* The entry into the eyewear marketplace by such commercial organizations is an affirmation that the eyewear market is not only alive and well — it is absolutely bubbling with opportunity! That opportunity can be realized by those savvy enough to grasp it.

One of the opportunities is that of affiliating with one of the many third-party plans available to independent optometry. But, before doing so, it behooves all in the vision care field considering such an affiliation to conduct a

thorough analysis of the third party and its operations.

Independence is a precious commodity; it comes with built-in value that translates to the ability not to succumb to peer pressure.

4. *The future is bright!* The economic changes occurring in the optometric field — “superstores,” high-tech laser surgical innovations, and Medicare-Medicaid developments — will no doubt mean continuing changes, and ever-growing opportunities, in the professional ranks of optometry.

Now weigh all that has been stated and compare it with what is happening — or will be happening — in the financial services industry. Whatever your lines of endeavor, you've probably noted some striking similarities.

To summarize none of us are now what we have been. Hopefully, we're wiser and better at what we do. And, with change — and the opportunities it inevitably brings — we can be even better tomorrow.

Those are the facts. 🌐

Paul J. Disser is chairman and chief executive officer of Spectrum Vision Systems Inc. (Overland Park, Kansas), a managed vision care company and preferred provider organization serving over 20,000 companies and four million subscribers throughout the United States, Puerto Rico, and the U.S. Virgin Islands. Disser is a veteran industry marketer, speaker, author, and past president of the Mass Marketing Insurance Institute (MI2). He can be reach at 800-635-7874 or 913-451-1672.

Want to know your company's 1999 individual life insurance market share in the Big Apple, Dade County and the Lone Star State?



DON'T GUESS!

LIMRA's U.S. MarketMap can help!

- LIMRA's U.S. MarketMap is the **ONLY** source of geographic sales estimates available for individual life insurance.
- It provides number of policies, premium per policy, and annualized premiums for every state, MSA and county.
- You get hard copy reports and diskettes or CD-ROMs.



For more information on LIMRA's U.S. MarketMap, contact: Kenneth N. Isenberg at 860-285-7744, or email at kisenberg@limra.com, or Karen R. Terry at 860-285-7757, or email at kterry@limra.com.