

Driving growth through relentless daily pursuit: An interview with Kevin Kumler

Successful growth transformation means embedding growth into your business DNA.

Kevin Kumler with Barr Seitz



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Growth requires a qualitative and quantitative understanding of metrics to allocate resources, the willingness to accept slower short-term rates to realize faster ones down the road, and a daily, laserlike focus on performance. Zocdoc President of Health Systems Kevin Kumler, under whose leadership the company's hospitals and health-systems business has doubled, shares his insights on growth with McKinsey's Barr Seitz.

Managing and measuring new talent

Early on, when we were in our first stage of hypergrowth, we hired a bunch of people, and we didn't know what some of them were doing. We learned two things from that: one was that we needed to pair people up, because a lot of the learning is apprenticeship. And second, we needed leading indicators to tell us how people are doing—and I don't mean the standard metrics of pipeline and sales, which are really lagging indicators in an industry where sales cycles are six to nine months. We can't wait that long to understand how somebody's doing.

We needed to know the early pipeline or funnel metrics that tell us if somebody is making progress today: Was today a good day or not? How many concept meetings did they run? What was the conversion rate from one meeting to the next? Are they able to develop momentum in a deal? Those are early signs that indicate—even if a particular sale doesn't happen—that they'll be successful in the long run.

Allocating resources to drive growth

We're a product company, so everything we do is A/B testing. So if you visit our site or use our app, you and I might have very different experiences, because we're A/B testing a given feature.

One of those will produce the higher conversion. So we'll reduce the investment on the B test to zero and increase the investment on the A test to 100. This isn't slightly shifting resources from one to another; it's taking the things that work, moving everything into that, and creating a new challenger for that A test. And that's not only our product, that's also our business model.

The second way this manifests itself in our business is our annual planning process, where we sit down now to look at next year and say, "Okay, if we had to clean-sheet where we're going to put resources next year, which areas are clearly growing fast but could grow faster if they had more resources? And which areas are doing fine but not producing the same level of results?"

Creating new growth

Every single morning, everyone in the company gets an email with all the patient feedback from the day before, from everyone who's used our service. So we see the verbatim comments and understand how they rate us from one to ten and if they're going to recommend us to their friends.

We all read that each day, which ends up impacting what the operations team might do that day. It impacts how the product team will prioritize their time, and it impacts conversations with our paying customers, the health systems and the providers.

On the health system and provider side, we'll also do some surveys, but it's really about spending time with them in person, in their place of work, seeing what's working in the product and what's not. So ultimately, those are some of the things that play back into our product.

We're also establishing a product advisory council so that executives we work with on the client side who are interested in cocreation can have a voice, not just in what we're doing this year, but in helping to shape our roadmap three to five years out.

Getting customers to use the products

Getting to the consumer is not about marketing. It's not just about awareness. It's providing something of value to them. So every day, every single person in our company gets a net promoter score email to see how we did yesterday with patients.

And our net promoter score, we're proud to say, is in the range of 70 to 72, and that's for two reasons. One: yes, we have a great product. Two, we're addressing a really painful need. Access in healthcare is something that most Americans struggle with. It takes over three weeks to get access to a physician, and we found a way to take it from three weeks to within 24 hours in most markets. So we're solving a real pain point for patients—and we're doing it with a product they love to use.

Accelerating growth at Zocdoc

I've had a number of roles since I've been here, and I've taken the same sort of approach each time. Don't make any changes right away. Understand what's really going on.

There's both a quantitative and qualitative aspect to that. The quantitative side is understanding which metrics matter and putting a real focus on that. In many cases, just reallocating an individual's time makes all the difference between a 20 percent growth rate and a 60 percent growth rate. The second is the qualitative understanding. You have to get out and follow people in their daily lives to understand what's happening, or the data you look at won't make any sense.

So when I started on our local sales force, I would do ride-alongs, going on customer calls and asking a lot of questions. Some were good, and some were not. But that was part of my own education about what really mattered, and even though I'm now in our enterprise business, it's very important that I'm still out talking to customers, talking to our team, and understanding what roadblocks they see to our growth.

Building Zocdoc's growth DNA

When we think about building a growth DNA, it's got to start with a product that has real value, because we're both B2B and B2C. So we have to have a product that patients and consumers love, a product that delivers real ROI to our customers.

We've taken some decisions over the years that resulted in a short-term slower growth track that allowed us to have a much faster one in the medium term. To give an example, in our first three years, we didn't leave Manhattan, and there's a very limited cap on the size of a business if it doesn't leave Manhattan and New York City.

But that was the time that we really figured out the product, both from a patient side and from a provider side. So once we decided to go to the next 10, 15 and 20 cities, we weren't figuring out the product, the value proposition, and how to talk about it while we were trying to scale.

There are a lot of times when it's tempting as a growth company to take that next multimillion-dollar sale, and we're blessed in some ways by being a private company that doesn't have somebody breathing down our neck for month-over-month growth. That allows us to sometimes decide not to take the easy deal that's on the table and instead do the one that might be slightly smaller but that we think we can replicate 20 times in the next two years.

Tracking areas of growth

Getting clean data in order to understand what's growing and not growing isn't always easy. So there are a couple things we do.

One, as a technology company, we really invest in data science. Data is at the core of whether our product's working or not. We need to be able to understand not just what consumers are doing but why they're doing it. We have a team of Ph.D.s building out our knowledge infrastructure using dashboards with a data lake that product managers and sales leaders can access to really understand what's going on.

Second, if you look across our executive team, most of us come from an analyst background of one sort or another, and on our sales team, we have a sales operations and strategy team that's sort of the central nervous system of our go-to-market strategy. They're constantly digging into locate friction points we can get rid of and areas where we're actually growing fast but may not have realized it, areas where we should be increasing investment and scaling.

Maintaining a growth mind-set

There's no world where we can sort of bump along and still exist. We don't have \$30 billion dollars in global sales, at which point you can just cut a few departments and survive just on belt tightening. In many ways that's actually an advantage for us. When we come to work in the morning, we know we have to grow today or we're not going to succeed. If you look across the team, when you talk about the mind-set of growth, it attracts a certain type of person who loves solving those types of problems.

A pure optimizer would go crazy at a company in our current growth stage, because there are things everywhere that could be a little bit better. But just

making those things a little bit better isn't going to lead us to the kind of growth we want. So you need the ability to ignore that and focus on the things that really will make a difference in doubling, tripling, quadrupling the company.

There are a couple of things I do. First, I have a daily priority list that is shared with my executive assistant and my team. I use the app Wunderlist, which is great, because I can tag different people on things that need to get done and then check in on a regular basis.

I also hold weekly one-on-ones with my team and regular business-review meetings to make sure we stay on task. We look at the five things we said we were going to get done over the last week and check the status to see which ones are green, yellow and red. For things that are red, we need to figure out what makes us believe they're going to be green next week. The answer can't just be that we're going keep doing the same stuff that we did, otherwise they would already be green this week. So it's important to step back and do a retrospective on what's not working and reallocate resources accordingly.

Lastly, I've got a really good executive assistant whom I can share my goals with and help him understand what I'm trying to accomplish in any given day or week. He then proactively goes into my schedule and reallocates my time, so I don't have to worry whether I have time to allocate to the thing that I set as my number-two priority for the week.

Kevin Kumler is president of health systems at Zocdoc. The interview was conducted by **Barr Seitz** of Digital McKinsey and McKinsey's Marketing & Sales Practice.

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