

A Tailored Process

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A Tailored Process

A recently conducted survey shows what healthcare providers really need with respect to preowned imaging systems. Siemens answers by optimizing its Proven Excellence program, allowing more varied refurbishing options for more customized solutions.

By Kristina Schmidt



While the demand for high-quality equipment with modern technology continues to grow, budgets in the health sector remain limited. To solve this problem, Siemens has been refurbishing medical imaging and treatment devices for nearly ten years. Many customer references

show that Siemens Proven Excellence is a successful remedy for budget-conscious healthcare providers. Costs decrease with the purchase of refurbished devices, while quality of care increases through better access to excellent imaging and new technology. To more accurately meet

Tailored refurbishments offer new levels of customization while also achieving cost-saving incentives.

Summary

Challenge:

- Differing customer demands for refurbished medical systems

Solution:

- Siemens' optimized Proven Excellence process

Result:

- Customers can choose a Proven Excellence option that fits their needs

customer expectations, Siemens conducted a customer survey and now has introduced a flexible refurbishment portfolio with even more customized solutions.

Refurbished Systems – The Proven Excellence Process

As part of the Siemens Proven Excellence program, all systems to date have undergone an in-depth refurbishing process that ensures compliance with Siemens' excellent quality standards. After completion of this process, the systems are given the Proven Excellence quality seal. The seal represents the fulfillment of strict specifications of relevant international norms and standards as well as security regulations and stands for system characteristics that are similar to those of new systems.

The five-step Proven Excellence process starts with the stringent selection of

updated, and system tests are performed. Only then is the Proven Excellence quality seal applied. The refurbished system is then reinstalled at the new customer's site. According to contract specifications, the customer and its employees may also undergo application training. This is where a new life cycle under expert supervision begins. The process is topped off with professional services such as financing, warranty, spare parts availability, maintenance contracts, and the management of future updates for a lasting and successful partnership.

Customer Analysis

To meet customer needs, Siemens analyzed future buying patterns and expectations of customers. Nearly 100 customers in 17 countries from private and public hospitals, private practices, and imaging centers were interviewed to find potential to further improve the refurb-



The survey administered by Siemens has unveiled truths about what customers really need; such as reliability, on-site support, and competitive prices.

equipment. Evaluation criteria such as type, age, configuration and condition, upgradeability, and spare parts availability play key roles in the selection process as no compromise is allowed when selecting only the best systems. Evaluation is followed by professional disassembly, careful packing, and shipping of the device to one of Siemens' refurbishment facilities. Refurbishment itself comprises of cleaning, disinfecting, and painting the systems. The specific process for the individual system is planned according to customer requirements, and components and subsystems are thoroughly checked. After worn parts are replaced with original spare parts, software is

refurbishing process. Results showed that future purchases of new systems will decrease and refurbished system purchases will increase by more than 200 percent. While public hospitals mainly focus on the acquisition of new systems, and refurbished and preowned systems are considered only as an alternative solution, private hospitals consider the latter more common. The majority of all interviewed organizations demands systems that include installation, application, and training. Warranty plays a superior role compared to service contracts. Main expectations, however, are reliability in combination with on-site support and a competitive price. More than 50 percent

of all systems bought by private practices are preowned and refurbished. Specifically, magnetic resonance imaging (MRI) and computed tomography scanners are primarily purchased as preowned systems. Around 65 percent of all systems acquired by imaging centers are preowned – approximately 90 percent of all MRI systems installed there are preowned. As different as the buying patterns regarding refurbished and new systems are, the majority of all customers require scalable services and features. This is why Siemens decided to optimize its refurbishing process to better meet customer requirements.

Customer-optimized Refurbishing

Results show that different customers attach importance to different attributes. While large hospitals frequently put more emphasis on the appearance of their

functioning and price of the systems. Original-equipment manufacturer quality and product reliability play a major role for the hospitals' executives. Furthermore, they expect a price difference of 40 percent, comparable to dealer offers. And yet, another private practice with several branches in Cape Town, South Africa, and its outskirts, was positively surprised by the fact that the availability of spare parts, warranty, and service options of refurbished systems are comparable to those of new systems. Because of these varying demands, customers are now offered individualized refurbishing processes. They can choose which steps out of the well-established Proven Excellence process they want for their new system, and which steps they do not want to invest in. For example, in the "Basic Refurbishment" option, the system is cleaned and disinfected, and old patient data is deleted, but only visi-

updates, and worn parts of the actual system are exchanged. The Technical Refurbishment automatically includes "IT Refurbishment," that is, updates to the latest possible software and computer hardware. However, IT Refurbishment can also be booked alone. No matter which process the customer opts for, no system will ever be delivered without the mandatory safety and effectiveness test. Whether the customer wants a look-like-new system, the latest software, or a combination of both, the optimized refurbishing process offers flexible solutions based on customer needs and budgets without compromising the original Proven Excellence promise of excellent quality, security, and service. Moreover, Siemens plans to conduct the refurbishing on-site, resulting in time and cost savings by avoiding transport, which can be passed on to the customer. Additionally, the on-site refurbishing



systems, smaller regional hospitals often identify system functionality as more important. The optimized refurbishing process allows the flexible configuration of the individual previously mentioned process steps. A private radiology provider in Durbanville, South Africa, for example, considers refurbished systems a lucrative alternative to raise future systems. The expected price difference of at least 25 percent helps it offset the barrier of the negative image of preowned systems, even though it notices a slow change of that image. While the physical restoration seems to play a major role for the South African customer, a French hospital puts its priority on the

ble scratches will be repaired and painted, and cables will not be renewed. Basic Refurbishment is the basis for all other options, which can only be booked on top.

The "New Parts" option includes the exchange of various wear-and-tear parts, such as X-ray tubes or coils. The "Optical Refurbishment" gives the system a new look by repainting all surfaces. New accessories such as tabletop mattresses or arm supports are available via the "Finishing Refurbishment" option, which is automatically included with the Optical Refurbishment. Customers that choose the "Technical Refurbishment" option will receive technical hardware

process benefits the environment with less carbon dioxide emissions, thus supporting Siemens' approach toward sustainability as part of its business strategy.

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