

What You Need to Know as You Consider Dental Practice Marketing

Professional marketing is a way of reaching the almost 50% of Americans who do not seek regular dental care. It is a way of educating those people with facts about the marvels of modern dentistry and with preventive information, making them realize that regular dental care is absolutely necessary for total health. People demand that which they value. Marketing, properly executed, teaches people to value oral health.

Dental marketing efforts can be separated, studied, and implemented as two different undertakings: **INTERNAL MARKETING** and **EXTERNAL MARKETING**.

- **INTERNAL MARKETING** might also be titled "Investment in the team and the practice." As staff members work together to grow in professional competence and strengthen interpersonal relationships, a sense of enthusiastic pride in the practice and in the care provided for patients will develop. The dentist and all team members will learn to show genuine concern for patients and sincere pride in the practice. This enthusiasm will be passed to patients who will sense an extra measure of concern and care from the dental team. From caring comes retention of current patients and referrals of new ones. Internal Marketing retains current patients through the warmth, care, enthusiasm, and competence of the dentist and the team members. And Internal Marketing assures referrals of family and friends by current patients.
- **EXTERNAL MARKETING** involves efforts by the dentist and team members to attract new patients by raising practice visibility and reputation across the community. A practice undertaking External Marketing activities must have a Marketing Plan in place so that efforts are not simply sporadic, scattered, and ineffective. The dentist must first decide whether to target a certain segment of the community as new patients or to market broadly, attracting patients from all segments of the population. Targeted segments may be chosen by age, address, occupation, socioeconomic status, etc. Specifics for developing a Marketing Plan follow this article.

Costs and Returns of an Effective Marketing Plan

Marketing costs typically run between 2% and 5% of gross collections, closer to 5% if a Marketing Coordinator is employed as a separate staff position. Each satisfied new patient is expected to generate about \$700 to \$1000 annually in restorative treatment, hygiene care, and referrals. In general practice, an average of 25 new patients monthly could, therefore, generate between \$210,000 and \$300,000 or more per year in increased revenue.

Optimum Number of New Patients---What's the Typical Count per Month?

Opinions vary about the number of new patients needed monthly to assure practice viability and growth. The most widely accepted theory is that approximately 10% of monthly patient visits should be new patients.

Using the 10% rule of thumb and over 30 years of practice management consulting experience, I suggest that most mature (ten years or older) practices need an average of 25 to 35 new patients monthly in general practice, 60 to 70 or more per month in pediatric dental practices, 30 to 40 in orthodontic offices because not all will go into treatment immediately, 40 to 50 in endodontics, 40 to 45 in other specialties, depending on the mix of services offered. There are, of course, many exceptions to these guidelines.

In order to accurately monitor net practice growth, the number of inactivated patients should be counted also. If, for example, an office is seeing an average of 30 new patients monthly but inactivating an average of 15, there is a net gain of only 15 new patients monthly, an insufficient number to maintain a thriving practice in most cases.