Whitepaper

MARKETING BEST PRACTICES

A GUIDE FOR MODERN DENTAL PRACTICES



MARKETING BEST PRACTICES FOR MODERN DENTISTS

In dentistry, the conventional wisdom long held that traditional marketing tactics like yellow pages, direct mailers and printed ads were the best and only strategies for finding new patients. Then came the age of new media, and many experts advised dentists to shift their focus to alternative marketing channels. So who's right? As is often the case, the truth actually lies somewhere in the middle. Rather than discounting your long-standing marketing strategies altogether, the best solution is to reexamine their actual performance -- preserving those that are still yielding results, and eliminating those that are ineffective or outdated.

Dental practice management experts agree that, "for a dental practice to remain in the feefor-service arena, today's marketplace demands a presence with external and internal marketing."¹ But exposing which channels are working hard enough for you can be a challenge.

Consider the pros and cons of 10 of the most common dental advertising approaches as you refine your practice's marketing plan:

YELLOW PAGES

Yellow Page ads are an old standby in dentistry, with a recent poll revealing that 61% of dentists still use this medium to advertise.² However, these books have become gradually less and less cost effective over time. There is a massive consumer migration away from the Yellow Pages to Internet search, especially with the advent of smart phones. This means Yellow Pages are a dying medium – compounded by the fact that there are simply too many books and no way to determine which ones people are throwing away and which ones they're keeping, if any. The biggest negative with Yellow Pages is that advertisers are committed for a year whether the ad yields results or not. And once the ad is printed, it lives on for as long as people keep that particular

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book, meaning contact information can become inaccurate if the practice moves or changes phone numbers.

Yellow Page ads can also be difficult to track because if you advertise in multiple phonebooks, patients generally won't remember which one they found you in. That means unless you're being extremely sophisticated and using a different trackable phone number for each ad, you'll never know the results. If you currently have a good ad, and are able to measure positive results, stick with it. Otherwise, it may be time to move away from this medium.

If you do decide to continue with Yellow Pages some good rules of thumb are: Opt for color ads, stay around 1/4 page in size, and don't clutter up the ad with too much information. Also note that Yellow Pages companies are now often offering online listings as a combination with an ad in the printed book.

DIRECT MAIL

Direct mail advertising (postcards, self-mailers, etc.) has been the standard approach of many dental practices for decades, and it still can work if done well. Across all industries, one to three percent is considered a great response rate in this medium,³ but for a dental practice, response rates tend to be quite a bit lower. If it's well-designed, uses high-quality printing and has a good message in it, direct mail from a dental practice typically yields between 0.1 and 0.5 percent results. (That means for every 1,000 pieces that go out, you should get 1 to 5 new patients.) It's important to note that this response rate will vary based on factors that are unfortunately out of your control: how many other dentists are doing it, what other dental advertising is going on, the receptivity of your demographic to "junk mail" and the quantity of direct mail that each resident already receives.

The other problem is that direct mail is going to burn itself out in somewhere between six months and a year. Then you'll have to let your market "cool off" for another six months. This is why it's critical to track your results closely -- you want to know when to stop. This also makes direct mail less sustainable. You can't count on it month in and month out indefinitely, which means you'll need something else to drive new patients in during the dry months.

RADIO AND TV COMMERCIALS

Broadcast advertising can be very effective if you're in a town that's small enough. If you are in a city that's too large, the return will diminish because new patients won't go any great distance to your practice. The solution may be local cable, but very often they can't tell you how many people will be watching the shows you will be on. (Whereas the major TV networks have Nielsen ratings that tell them the size of the audience, cable stations estimate viewership based on subscribers -- which is the equivalent of making up the number).

If you decide to advertise your practice on television, there are a few things to remember. First, view it as a test, and only pursue this medium if you have the budget to experiment. Second, to tell if it's working you'll need to try it for at least three months, with frequent airings. Finally, get someone to produce a good-looking commercial. Cheap really fails on TV. With HD video cameras, the cost of producing a TV commercial has come down considerably, but this is not a job for amateurs in film school. You will probably have to pay \$20,000 or more for a good TV spot.

Radio is much more inexpensive to produce, usually around \$2,000 per spot. And media buying professionals will tell you that despite growing trends in TV, cable and internet advertising, radio advertising can still perform, particularly in cities where a large portion of commuters are still driving to work.⁴ The difficulty with radio is that promoting dentistry is what is called "a visual sell," which means emotional persuasion is done by showing the positive results. As a result, in radio, you have to work harder to paint a vivid picture. Another option is

to promote a special service, like implants or no-prep veneers. Tell the listener what is new and why your practice is different.

NEWSPAPERS AND MAGAZINES

Print advertising is usually ineffective for dentists and tends to be disproportionately expensive. Newspaper circulation and readership have steadily declined over the last 10 years.⁵ And the total subscriber number is misleading because it tells you nothing about who actually sees your ad. "Print advertising is usually ineffective for dentists and tends to be disproportionately expensive." Magazines can cost from \$1,200 to \$5,000 per month or per issue, depending on ad size and demographics for a 12-week campaign.⁶ Some cosmetic dentists may be able to justify the cost of these ad pages in local high-end consumer magazines, but most dentists may end up losing. Being in them also can make you seem expensive, so your target audience is narrowed, and you may miss the best source of new patients: the avoiders and procrastinators.

N E W S L E T T E R S

A newsletter is one of the most effective tools to grow and maintain your dental practice, which explains why a national survey in 2011 revealed that 53% of small business owners use newsletters to communicate with their current clients.⁷ After all, if you're not communicating what you do to your patients on a regular basis, then why would you bother advertising to new patients?

Newsletters offer multiple advantages. First, they can usually be produced cost-effectively, particularly if you send them via email. Second, they keep you top of mind for existing patients, helping lower your recall time and prevent patients from going dormant – and ultimately guaranteeing you more production. And lastly, digital newsletters with interesting, relevant content can be easily forwarded to friends and family, potentially bringing in more patients from word of mouth. Newsletters are a baseline marketing tactic that every practice should be using -- either digitally, by mail, or both.

PUBLIC RELATIONS

In general, dentists should tread lightly when engaging in on-camera Public Relations efforts, particularly if you're not telegenic (as most people are not) or get nervous on camera (as most people do). That doesn't make good television. If you're the exception, great. But for most dentists, other advertising approaches will likely be a better use of time and resources.

One Public Relations tactic that can be more successful is writing a regular article in a local newspaper. This is worth pursuing if another local dentist else isn't already doing it. Become a source to the neighborhood reporter working the health beat. Offer him a tour of your office and go out to lunch to discuss the importance of oral health in relation to a person's overall health. The next time he's writing an article, he may think of you as a resource and call you for a "There are roughly 156,000 dental practitioners in the United States and in any given area, only one or two dentists can share the spotlight."

quote, or even a bylined article. Over time, you may build a name for yourself in this way. But keep in mind that there are roughly 156,000 dental practitioners in the United States⁸ and in any given area, only one or two dentists can share the spotlight.

VALPAK®, ETC.

Advertising in this medium does not do much for a dental practice. You show up in a stack of 100 other advertisers, and the only people who open them are those looking for a big discount. Experiment if you must, but do it with a critical eye, and look very closely at not only the total patients, but the total production from the mailers as well.

FOREIGN LANGUAGE MARKETING

Speaking another language in your office is highly advisable now more than ever, with the country's diversity growing rapidly. The 2010 government census reports that over the last ten years, the Hispanic and Asian population have grown considerably.⁹

To tap into these markets, you may want to test using the local newspaper of a particular community, or advertising in the ethnic supermarkets. They also have language-specific Yellow Pages, and this is one instance where this approach may be more effective. It's also worthwhile to promote the languages spoken in your practice on all your materials (website, mailers, etc.) as this helps set your practice apart."

DENTAL SEMINARS FOR LOCAL BUSINESSES

If you are starting a practice in a new area, one of the least-expensive promotions you can do is to offer a dental seminar to local businesses in the area. Most businesses over 100 employees regularly do seminars for their staff, usually to explain benefits such as the 401(k) plan or their health coverage, or for sexual harassment awareness, etc. However, almost none of them take an in-depth approach to their employees' dental health. This is a great opportunity.

Contact the Human Resources department of the company and explain to them the high cost of untreated dentistry, reflected in absenteeism and lower productivity. Say that you are willing to do one-hour presentations and explain the value of taking care of their teeth, and also explain in detail how their dental benefits work, if they offer a plan. You may get a big case each time you do this. Do it for as many businesses as you can. Then get back there on a regular basis and a lot of work may come your way thereafter.

NEW PATIENT LEADS

Many companies will sell their product based on a claim that they deliver "new patients" to your practice, when in fact they offer any number of marketing services – from websites to video production. A true lead referral service will directly engage in a wide variety of marketing and advertising activities in order to deliver a consistent flow of new patients to your practice, and should have the following characteristics. First, it should provide a steady stream of pre-qualified, local leads whose needs and payment method have been matched against your practice profile. Second, results should be easily measurable – and you should receive a guarantee on <u>actual</u> production (as opposed to "potential revenue" or any other hypothetical metric). Ideally, it should also be a company that specializes in dentistry and only markets to dental patients. Given these factors, a lead referral service will be a consistent source of new patient leads and help steadily increase your patient base – more consistently and with more trackablity than most other marketing approaches

Another benefit of this approach is that in order to generate leads, referral services are already doing a large amount of advertising for you. In other words, the company invests a much higher amount to attract consumers than a single dental practice could (or should) ever spend on its own. This can be a huge win for dental practices with limited marketing resources, because you reap the benefits of big budget advertising without the expense – and the only thing you pay for are the actual leads generated for your practice.

A final consideration is that in order for referral services to be most effective, your front office must be well-trained to receive media-generated leads. The success of any advertising will depend upon the efficacy of your front desk, so consider investing in phone skills training. Remember, the person answering the first phone call is the single most important factor in turning a new patient lead into an actual patient of record. Top referral services will often include phone skills training as part of the membership.

SUMMARY

Clearly, each of the traditional advertising approaches has its own benefits and drawbacks – and no one approach will work exactly the same for every practice. A healthy mix of traditional and new media, combined with high patient loyalty and word of mouth is usually the best strategy for a healthy growing practice. Whatever you decide to do, track your results assiduously so you can do more of what works, and eliminate the tactics that under perform. The most sophisticated way to track your marketing would be to create a unique phone number and URL for every advertising channel, and run a report to measure how many calls or clicks each receives. However, in a dental practice this can also be achieved more simply by training the front desk to ask every new patient how they heard about the practice, then recording the source of that patient in the practice management software. The important factor is to be able to see clear numerical proof of which channels are bringing in new patients and production, and continuing to adjust your strategy to yield the best return on your marketing investment.

ABOUT FUTUREDONTICS®

Futuredontics, parent company of 1-800-DENTIST®, is America's leading provider of dental marketing services & software. Since 1986, the company has been dedicated exclusively to dentistry, developing powerful products and resources that help dentists thrive in the evolving digital world.

The company's flagship product, **1-800-DENTIST**, has delivered over 7 million new patient leads to dental practices nationwide. **PatientActivator®**, their patient communications and online marketing solution, increases production and boosts the practice's online presence with automated appointment confirmations and tools for social media, reviews and much more. **ReputationMonitor®** helps dentists protect their online reputation – monitoring hundreds of directories, reviews sites and social media platforms, and displaying them all on a single screen. And **WebDirector®** delivers custom websites, mobile sites and branded social pages all for one low price. In addition, Futuredontics offers an extensive library of dental marketing resources – including in-depth whitepapers, Webinars and front desk training. With unlimited live customer support, dentistry's best marketing products and the largest dental website in North America, Futuredontics is the proven way for dental practices to grow their patient base and increase production year after year.

To learn more about Futuredontics' suite of marketing products or our additional resources, call 1-855-230-1313 or visit www.futuredontics.com

FOOTNOTES

¹ Blatchford, William, DDS. How to profit from...marketing. Dental Economics, March 1, 2001.

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⁴ How to Buy Radio Advertising on a Budget. http://www.inc.com/guides/2010/09/how-to-buy-radio-advertising-on-a-budget.html, September 02, 2010.

⁵ Pew Research Center's Project for Excellence in Journalism, 2011 State of the News Media.

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