



SECRETS TO SUCCESS

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Practice success in today's economy

AS YOU ARE WELL AWARE, the United States economy is struggling. According to government reports, our economy has remained flat since the Great Recession of 2008.

The Bureau of Economic Analysis shows the United States has had a record 10 straight years with less than 3% growth in the GDP (gross domestic product). *Forbes Magazine* reported on October 12 this year that our economy is stuck at only 1.5% growth.

In January, *ADA News* issued a dismal forecast for dentist incomes in which it stated: "Since the early 2000s dental spending has flattened but the number of dentists has increased, resulting in stagnant dentist earnings ..." The ADA goes on to say, "Recent analysis shows that a 'new normal' may be emerging in terms of dental spending, demand for dental care, and dentist earnings."

ADA News also reports that dentist wages have been on a steady decline since 2005 as the number of dentists has increased 4.8% since 2005 to reach an all-time high of 60.9 dentists per 100,000 population. So the question is, are lower dentist earnings the "new normal" for you and your practice, or is there something you can do differently to break out of the norm?

The answer is *yes*, you can break out of the norm! My practice and the practices of dentists with whom I work all over the country have had record growth during this struggling economy. There are many changes that you can make to the way you practice the "business of dentistry" to create a growing and profitable practice even in the present economy.

It is a fact that our patients are spending less money in our dental offices, because they have less money to spend. I have found over the years that my patients will find a way to afford what they want, but not necessarily what they need. So how do you and your office team help patients *want* what they need and thus increase your case acceptance? How do you, as a private practitioner, also compete with the increasing number of dentists and the continued growth of corporate dentistry?

First, you must distinguish yourself and your practice from the crowd to receive more new patients while you also increase your case acceptance rate. Segmenting dental treatment into more affordable stages is a necessity for most of our patients, because they have less income to

spend. Presenting too much treatment too soon often results in sticker shock, which leads to delayed decisions regarding necessary dental treatment. How many times a week do you hear "I'll think about it, Doctor," or "I'll check my schedule and call you back"?

Another problem with patient sticker shock is that it decreases your referral rate. People who don't allow you to do treatment typically don't refer their friends and families either. They don't get to see how good of a dentist you are if they never let you work in their mouths.

Learning how you and your team can communicate with your patients in a way that reinforces the *need* for dental treatment—without confusing or overeducating—will increase your case acceptance. You and your team can connect with patients on an emotional level to help them want the treatment they need.

"Consumerizing" your practice is another important area where we have to be competitive in our industry today. This means making your practice patient friendly in a way that meets the desires and demands of today, such as convenient appointment days and times, competitive fees, easy payment options, multiple services offered, great customer service, and no waiting for an appointment or waiting in the reception area.

Everything you and your team do in your practice should be for your patients' benefit. "That's our policy" doesn't fly anymore. Consumerizing your practice will keep you competitive, especially with the patients you acquire through marketing.

Having an effective marketing campaign is a key strategy to bringing in the number of new patients you need every month. You must know what works and what doesn't in reaching potential patients if you are going to be competitive. You should know your patient acquisition cost, number of calls generated, conversion rate of caller to new-patient appointment, average case size, monthly ROI (return on investment), and number of new patients generated per marketing piece.

Over the next 12 months I will discuss these items in detail, as well as share other strategies for you to build a growing, successful practice in today's economic environment. You will learn to practice the business of dentistry differently so as not to participate in the "new normal." **DE**

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