



Incisive Business Solutions

Cosmetic Dental Practices: The Future - Today

October 2004

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Marketing Strategy. Financial Analysis. Creative Communications.

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Section 1

What Cosmetic Dentistry Movers and Shakers are saying and doing with their practices

Fred Abeles, D.D.S.: The Las Vegas Institute for Advanced Dental Studies more than doubled its physical size and course offerings in cosmetic dentistry.

While you have been worrying about trying to keep profits slightly ahead of last year, Americans have become obsessed with whiter teeth and whitening has become a billion dollar business.

No dental practice sets out to be average, but far too many end up that way. It happens gradually, day by day, bit by bit. We let go of what's important to us. We let go of what inspires us or excites us. What we're left with is mediocrity.

New Practice Model

The new practice model concentrates on meeting consumer demands. For the independent practice with a broad view of patient care, professional marketing will influence these demands. This broad view requires dramatic changes in the values of the traditional dental team, prompting a wider range of skills for everyone involved. The practitioner and team utilize advanced materials, technology and customer service concepts. The entire experience creates a seamless chain of events that meet or exceed the consumer's highest expectations. These critical new ingredients of success start with changing the mindset of the dental team to evolve an independent business that better serves the dentist, the practice and patients/guests.

- **If you are in the lower echelon and try to compete with traditional competencies while playing by the old rules, you probably are or will become an insurance-based practice.**
- **In all the traditional business models, your practice will either become: 1) a supplier to the insurance company or a direct employee of the insurance company, or 2) simply cease to exist.**

The result becomes a shift of focus from a product or service to a value-creating system. A value-creating system goes far beyond a traditional mindset for dental practices. When you think of your patients as guests and adopt value-creating systems, the possibilities are unlimited and can unlock the full potential of your practice.

New rule: Implementing the independent business profitability model

Successful dentists today think and act as independent business owners. They set their budgets for their practices based on the real cost of business.

What does it take to attract skilled professionals?

How many dollars must you allocate to influence your guests' expectations with professionally developed marketing?

What is the appropriate investment to make in continuing education, new technology and the best materials needed to deliver quality care?

What does it cost to utilize an exceptional dental lab or work with a superior supplier?

1. As a business owner and dentist: What would it cost to hire a dentist with your clinical skills and experience? You should not accept anything less.
2. You are president of a healthcare company: It is your job as president to allocate resources, people, time, and money to deliver the highest quality of care. What would an outside business pay you to run a business like yours? When the rest of the team goes home, are you still there figuring out the marketing plan? Are you still there calculating the cost of new equipment? You deserve to be paid for your efforts – just as any other healthcare firm's president.
3. As a stockholder: You have a significant investment in professional training and your business. *Your name is on the line with the bank, so you are at risk.* As a stockholder in your organization, you deserve a fair return on your investment every year.

Old rule: The office manager

In the past the office manager came up from the ranks to contribute to running the business. Many of their skills were garnered from their experience of how other practices were successful, not necessarily solid business skills.

New rule: The vice president of operations

The title is not as important as acquiring the skills. Many office managers are skilled and respected for their contributions to a practice's success, but it is time to go to the next level. Integrate their dedication and years of experience with new skills to move into the independent business model. They need to develop hard-core business skills, which will give them a new direction in their career.

"It is time to go to the next level."

Concurrently, it is time to recruit new management professionals into dental practices, injecting new viewpoints and experiences from other real world, independent business models. The well-respected veteran of dentistry with solid business skills, or the experienced management professional (whose experience may be outside of dentistry) can, with support from veterans in the field, morph into a vice president of operations, in either an administrative or clinical capacity. Fewer distractions for the president mean an elevated level of care for patients/guests. This evolving business professional needs the skills and confidence to work with a marketing company, bank, consultant, and accountant but, most importantly, he or she must develop the skills of the other personnel.

Consistent with new rule is the number of staff: The future will be based not on the quantity of staff, but on the quality. Bring into your practice only people who have the capacity to produce.

Old rule: Insurance-based referrals**New rule: Develop your "brand" image**

Move to strongly influence your patients'/guests' expectations of the practice of the future. By raising those expectations, you persuasively attract the type of patient who will appreciate the quality of care you provide. Create public awareness that quality of care goes beyond insurance coverage. Develop a well-thought-out marketing program consistent with your budgeting process that highlights your brand — not insurance.

The practice of the future must anticipate the acceleration of competition within the field of dentistry and realize that the place for homegrown marketing has been left far behind. Establish a relationship with a professional marketing company, one that can position your practice consistent with the patient/guest experience you deliver. Your vice president of operations should have the skills to orchestrate this relationship and be able to guide the process so you earn the best return on your investment.

"The place for homegrown marketing has been left far behind."

Cathy Jameson, Ph.D.: Consider opening the door in three separate, yet connected, areas: (1) your team, (2) your own patient family, and (3) your community and surrounding area. Let people know what types of cosmetic services are accessible, and that you can and do provide that care.

Open the Door by sending special mailings, newsletters, and articles about cosmetic possibilities. Write about various procedures with enthusiasm and include a brochure that “shows” the end results. Also, have patients complete a Smile Evaluation form that lets them begin thinking about potential smile changes.

During each hygiene appointment, have your hygienist take four photographs with the intraoral or digital camera: a view of the upper anteriors, the lower anteriors, a left lateral, and a right lateral. The hygienist should tell the patient that you are continually working to discover new and better ways to serve your patients, and that’s why you requested these photographs. Take the photographs and save them to your computer system. Then, one at a time, bring the photographs up on the screen and ask patients to tell you what they like the most in that particular area, what they like the least, and what they would change if they could. Then, go to the next photo. Do the same thing with each photograph. The hygienist should make notes regarding the patient’s comments, but should not go into “oration” about treatment.

When the doctor comes in, share the patient’s comments. If the patient shows an interest in cosmetic change, invite that person back to either gather the necessary data or participate in a consultation with you. Once patients receive a smile makeover, ask permission to display their portraits in your albums, intraoral camera library, and your “Wall of Smiles” if you have one. Be sure to send cosmetic patients a final photograph with a note of thanks. Include at least two of your cards and ask for referrals of other people who might be interested in a new smile.

Consider media exposure as a way of introducing cosmetic options to people in your community and surrounding area. Get professional assistance in the creation of any formal media messages, such as newspaper, television, or radio advertising, or with information on your Web page.

Program Logic Model

June Darling, Ph.D.: An Example of a Dental Program

Logic Model One dental practice staff identified their “program for success in 2003” to include these three categories: internal marketing, external marketing and technology. That is their recipe for becoming the type of successful practice they wanted to become in 2003 (as well as to prepare the groundwork for following years).

External Marketing:

A Major Category Identified for Success in the Program Logic Model

Here's how one forward-thinking dental practice broke free of tradition and embraced the future.

- Specifically, in external marketing, they would, at minimum, design a brochure and send out four separate mailings to an identified target group. The mailers would include teasers for two new products (TscanII and BriteSmile) and direct consumers to their Web site. They identified their goal: to generate two new comprehensive exams per week with clients from their identified market. Their secondary goal was to receive a minimum of 100 unique visitors per year to their Web site.

The graphic “arm” of external marketing was completed again after brainstorming all those sorts of marketing activities believed to lead to generating new clients. Selecting the specific approach of direct mailers was based on their research regarding *cost to outcome return ratios* and their budget for external marketing.

Internal Marketing:

A Second Major Category Identified for Success in the Program Logic Model

- **Logic Model.** Internal marketing included their own design of a tool for customer satisfaction feedback. Their mission statement and vision helped them design questions that uniquely dealt with perceptions of costs, quantity, relationships, and service for their market, which were consistent with their own values. The tool took the form of a customer exit evaluation. The goal was to get it completed, successfully implemented, and to receive a rating of 95% or above on all questions. Open-ended questions helped solicit new ideas for improvement.

The graphic “arm” for internal marketing and the choice of designing an exit evaluation was made again after brainstorming all those activities thought to bring about high customer satisfaction and deciding what activities were central to the identity of the practice.

Technology:

The Third Major Category Identified for Success in the Program Logic Model

- **Ability of the staff** to accurately and comprehensively perform their work including: staff (also lab) morale, individual and team education and development, the equipment and facility. The staff identified four main areas as goals: 1) to develop self-evaluations for all employees, 2) to take a class and implement procedures aimed at developing advanced team communications, 3) to begin use of TscanII, and 4) to finish AAACD accreditation.

The Logic Model keeps on working and working

A Practice Program Logic Model can be returned to and examined and perhaps slightly revised in times of unexpected economic downturns when staff often feels concomitant emotional stress. This process will support the dental staff in using less reactionary behaviors and build them into a more resilient and resourceful team. The group members will learn to stop using the easy, but poor defense mechanisms of burying heads in the sand, pointing fingers, and searching for the nonexistent “guru” as coping tools for setbacks. Escaping those senseless activities will free much individual and energy for concentrating on how to become a high performance practice.

Openly and Collaboratively Strategize your Future Plans for Success, Design your Program Logic Model

- With your staff, brainstorm all the contributors to a successful practice
- Group the items into major categories
- Detail specific behaviors under the major categories
- Look at your formula. Does it make sense? Do you have the resources?
- Tweak your plan to fit your financial, physical, and emotional resources
- Write down your specific timeline for actions
- Execute your actions following your timeline
- Revisit your Logic Model periodically and refine if necessary

Look different

Image is everything. Why would a perfectly rational person spend three times as much for a shirt that has the Ralph Lauren or Tommy Hilfiger logo on it over an identical shirt without the name-brand logo? Clothing and cosmetics companies have built entire retail empires on this one principle.

The physical plant, the furniture the accessories, the art work, the choice of music, the aromas in the office, the photo albums, the magazines and reading materials, your logo, your stationary, your own smile and your team members' smiles – even down to the writing instrument your patient uses to fill out forms – all should come together to form a cohesive image of luxury, expertise, and aesthetics.

Stop thinking like a dentist, start thinking like an artist. Create works of art. Offer your unique gift to your patients. They will love you for improving their lives.

You must reclaim your business to take advantage of the current, ever-increasing discontinuity between what consumers want and what their insurance will provide. You must discard your practice's old operational paradigms and mindsets and instead look to new practice models.

Section 2

**The Illogical Dental Programs
for Success:**

Funny but true!

The alternative approaches have not flourished for nothing – they have appeal. They can offer high drama, adrenaline and emotional roller coasters, freedom from complexity and problem solving, and escape from busy-ness. They may not, however, actually **help** practices reach their growth and profit goals.

The Ostrich Model is “The Sun Will Come Out Tomorrow.” Staff meetings will be few or non-existent. Numbers will be collected sporadically or not at all.

The Get Tough Model reaches highest drama, pumping adrenaline into the system, and sometimes creates group nausea. The symptoms can be easily recognized. These ill thought out programs for success start with the finger-pointing-blame-game in which each member blatantly or subtly accuses the other for not doing their jobs. After everyone is thoroughly depressed and emotionally drained, home remedies are pulled from every other dental office medicine chest and tried next week.

The Junkie Model probably is one of the favorites for dental staffs. And why not? It’s a rush; a feel-good team experience. The symptoms include some bi-polar behaviors (moments of mania followed by long “blah” periods), bank overdrafts, and stacks of brochures advertising Anthony Robbins. Examining the pros and cons of various CE settings and talking about the memories of past settings, headaches, and dance establishments.

The problem, of course, with most of the illogical models of success is that they seldom work to improve practice economics or staff morale in the long term. Statistically the results are poor. They need to be replaced with more logical approaches.

Section 3

**Real, information-based marketing.
It's logical!**

Marketing: Internal, External

You're already sitting on a valuable and identifiable source of new revenue – your current patient base. The dentist who counts solely on patient referrals based on exemplary dentistry to sustain a practice over the next few years may be courting disaster – not to mention many hours of empty chair time. *Actively marketing a dental practice has grown from a good idea to a probable benefit to, quite frankly, a requirement today.* The most common misconception perceives Practice Marketing as some sort of expensive, high-profile advertising.

“Actively marketing is a requirement today.”

“Visibility” is a matter of establishing and maintaining a connection between you and your patients during the time between appointments. Patient letters, newsletters, and media advertising all work, but they are not the only routes. Community involvement can be a highly gratifying means of promoting visibility without appearing self serving. Even if your speaking and writing skills are no better than average, you can aspire to become the local dental advocate by offering to speak to groups at no charge or writing non-promotional information on dental topics. Do this routinely and *you will be perceived as an opinion leader*, the kind of dentist patients look forward to seeing and are reluctant to desert. This is marketing your practice from the inside out.

It's all about cultivating attitudes and perceptions about your practice. Chief among them the sense that an appointment is actually a visit with respected and trusted friends to be warmly anticipated.

The next most likely target for expanding your practice is the patients you haven't seen in more than a year. Reestablishing the link is normally *simpler and more cost-effective* than recruiting strangers who have never walked through your office door.

Don't forget lapsed patients

A well-thought-out, internal direct-mail campaign can reactivate a surprising number of patients on your rolls. Many dentists believe that their inactive patients have forgotten about them. In reality, it's just the opposite. Those patients feel like you have forgotten about them since they haven't heard from you.

A cost-effective reactivation campaign should consist of at least two to three mailings, three to six weeks apart or, depending on the size of your list, a campaign of mailings plus follow-up telephone calls. Not only does this repetition build credibility, it's more likely to catch a patient whose dental need has just arisen since the previous letter.

If your inactive patient list is old, expect 25 to 35 percent of the first mailing to be returned, stamped “forward expired.” Use this as an opportunity to clean up your database.



“Would a direct mail campaign work for me?”

First you need statistical information obtained through outside research: a demographic/psychographic report on households within a realistic radius of your practice. The demographic component of the report details the number of families in your area and their overall economic, marital, and lifestyle patterns. At a minimum, it helps determine whether there are sufficient numbers of households in the income bracket you want to target to even warrant a direct-mail marketing effort. This is why you need a relationship with a professional marketing agency (one that specializes in dental practice marketing).

The psychographics component – the most important element – tells us what motivates the groups we’ve just identified to respond. That is, what print, direct mail, broadcast, and discount incentive (or better yet, your high value/upscale pricing) will best capture their attention and generate a response?

As is often the case, you may need your direct-mail message to change depending on the audience. For example, affluent families are more likely to respond to scheduling flexibility, convenience, and personal service. By contrast, lower or middle-income households are more apt to respond to discounting.

There is no “one-size-fits-all” solution. Direct mail can work exceedingly well...or not. That’s why it’s always better to find out as much as you can about the people in your target group before deciding on the means to reach them and the message to motivate them.

How many new patients will you have to acquire to pay for the mailing?

A simple way to determine the break-even point is to divide your cost by \$550, the national average net profit on a new patient in Middle America (although the East and West Coasts boast over \$750 profit per new patient). If your mailing cost is \$2,500, you’ll need three to five patients to break even.

What percent response should I expect? Again, you have to go back to your break-even calculation. Let’s say you do a three-mailing campaign to 2,500 people and your total cost is \$8,500. You’ll need 15 new patients to break even – that’s two-fifths of one percent! Anything over this is pure gravy. We advise clients never to expect more than a quarter of one percent...and a half percent max.

What the successful Cosmetic Dentistry practitioner knows about marketing to women... and why it works

Dentists who want to perform more cosmetic dentistry must connect with women in the right way. But like nervous boys at a junior high school dance, most dentists haven’t figured out how to talk to women.

Women are responsible for 85% of the \$7 trillion in personal consumption expenditures in this country*¹

It is important to focus marketing efforts on the portion of the population that is likely to purchase the goods or services the business offers. A business geared to hunting and fishing, for example, would fail if its marketing efforts focused exclusively on women.

Dentistry, as a whole, serves a predominantly female population, in that decision-makers on dental purchases usually are female. Although women make up only 51 percent of the U.S. population, their “power of the purse” extends to a reported 85% control over family choices about dental care and services. This means that women not only control the process of choosing a family dentist, but also – in our experience – an aesthetic dentist for themselves and their loved ones.

Women also exert great influence over the males in their lives in making these decisions

If men make only 15 percent of all dentistry purchase decisions, does it make economic sense to focus on them (e.g., have dental offices that look like a men’s club or hunting lodge)? That would be as miscalculated as having a hunting and fishing store that catered to women.

Most dentists fail to realize that changing their practices to appeal to women could earn them an exponential boost in production and income. “Companies that decide to wait [to connect with women] will be goners,” says Marti Barletta, a former marketing executive for Clorox and author of *Marketing to Women: How to Understand, Reach, and Increase Your Share of the Largest Market*. “[The business] that does the best job of marketing to women will dominate every significant product and service category for years to come.”

After designing everything from razors to cereals to water from a woman’s perspective, Procter and Gamble has now launched Crest Rejuvenating Effects, a toothpaste line featuring flavoring and packaging that appeal to the softer sex. General Motors sent an offer to a million women offering them \$100 spa certificates for test driving a GMC sport utility vehicle.

Women use their brains differently than men

When Diane Sawyer delivers the latest headlines, women not only are intently listening to the news, but are noticing her hair. Men and women simply are wired differently in the way they receive and process information. Women see not only the forest, but also the trees, the leaves, the different colors and veins in the leaves, the underbrush, and the bugs underfoot – the many nuances and details that make up the whole.

*¹ According to the U.S. Dept. of Commerce, Bureau of Economic Analysis

Women have a roving antenna. They notice everything. And to succeed in aesthetic dentistry, dentists must understand this. Everything matters and you must take a whole practice approach. Consistency is key. Your image and your skills, your teeth and what you wear, how long you take to answer the phone, your artwork, the cleanliness and texture of your surfaces, decoration, music choices, and aromas, all communicate more fully who you are and what you have to offer than anything you may say. In short, everything a woman sees, hears, touches, tastes, or smells in your office must communicate the same message: excellence and quality. *Good news:* You don't have to paint your office pink.

Experiential Marketing

Home Depot took the dull concept of a hardware store and transformed it into an exciting and educational experience. Dentists must similarly transform their offices if they want to reach a higher level of economic success.

Women don't bond with companies that market to them in an overly aggressive way. Dentists need to employ a sophisticated approach. They must connect with women by giving them a total experience instead of just a dental visit. This is what some call Experiential Marketing. What are the sights, the look, the feel, the smells, the colors and textures, and tastes of your practice?

You must create the atmosphere and environment in which people become comfortable paying for the best.

To truly connect with women, dentists must understand the benefits that generally appeal to them. If women are contemplating an investment in life-altering treatment, confidence in their clinician and their treatment results are key. *Women will pay more, travel further, and be more loyal to a practice they believe is clinically excellent and will deliver superior results.* Clinical excellence is the foundation of a successful aesthetic practice, and a doctor's experience, training, and other skills are obviously critical to ensure patient satisfaction. It is not enough, however, to deliver excellence. Patients must perceive your clinical excellence.

Making dentistry a pleasant, pampering experience is definitely in line with connecting with your biggest target. Women don't have to have cosmetic dentistry – it's elective. They also don't have to go to nice hotels or spas. They do it because they want to but, according to the American Dental Hygienists' Association, half of Americans seldom go to a dental office regularly. And, in our experience, of the 50 percent who do, many view it as a necessary evil. Many would like to have their smile improved, but they just don't want to go through hell to get there.

Climbing to the next level may involve risk. The risk is that you will "over-promise" and "under-deliver." Better be the real deal. Women don't like to be fooled. *Be cautious about adding services like Botox, microdermabrasion, nutrition counseling, or permanent makeup.* Too many services like these can give the perception that the dentist is concentrating on ancillary needs, but remains a "lightweight" in crucial areas; e.g., cosmetic dentistry. Pick your niche and focus.

Biting Down on Dental Marketing Strategy: How to Become Your Own Marketing Expert

There's an old saying that nothing succeeds like success. To get good at marketing, study what works — starting with yourself. *What kind of marketing messages get your attention? What turns you off and what do you respond to? More important, why?*

Pay attention to long-running ads and ad campaigns. Advertising costs a lot of money, and companies won't continue an ad unless it gets the desired response. If an ad keeps running for weeks, months or even years, something about it must be working. Study the ad and try to identify what might be motivating people to respond to it.

Fernando Diaz-Lundstedt, D.D.S.: When it comes to marketing, many people (dentists included) consider it a complex, confusing activity better left to the Harvard M.B.A.'s and high-priced advertising agencies of the world

The main purpose of marketing is to identify the appropriate markets for your products and services and then open up a conversation with those markets. *For dentists, that means identifying the segment of your community that could benefit from your dental services and communicating with them in a manner that motivates them to want to do business with you.*

Stay current with new developments in the field of marketing

In the old days, you could get by with the doorknob flyers, mass mailers and the occasional magazine ad. Thanks to the Internet and other new technologies, however, many of the traditional marketing tools are rapidly being replaced. For example, printed newsletters are increasingly becoming more costly and less effective than online communications. At the same time, direct mailings to mass markets are giving way to more efficient, highly targeted e-mailings.

- Commit to reading one marketing book per quarter
- Attend a marketing seminar at least once a year
- Have the latest marketing news delivered to your "e-doorstep." Web sites like www.individual.com allow you to automatically receive customized news and information (via e-mail) on subjects of your choosing.

Know your target audience

One of the best ways to learn about your target market is to see how other businesses market to them. Keep in mind that women are increasingly making the dental services decisions throughout American households. For that reason, Dr. Diaz-Lundstedt frequently browses women-oriented Web sites like oprah.com, momsonline.com and chickclick.com. He also scans magazines like Vogue and Vanity on a regular basis. The more you know about your target audience in general, the better you can communicate with them in their language.

Study your competitors' marketing materials

In addition to the message, pay close attention to the look and feel of your competitors' marketing materials. What impression do they convey to you? Do the materials instill confidence and make you want to learn more about their products and services?

Sign up for your competitors' newsletters, visit their Web sites, get on their mailing lists, and pay attention to their advertising. There is nothing wrong or unethical about Competitive Intelligence — it's just plain good business sense. Besides, you can bet that they are doing the same thing to you.

Section 4

**Advertising for Cosmetic Dentistry —
Does it work?**

The most serious advertising mistake business owners make is to expect an immediate response. People need to be hit two or three or more times with the same message before it begins to penetrate their subconscious! You have to have enough budget to enter the consumer's conscious and continue coming back. That's because repetition works, repetition works, repetition works.

Some of your messages will be reinforced by the growing media attention that most consumers have been exposed to about cosmetic dentistry on television, radio and in magazines.

A good marketing program for cosmetic dentistry – to include the proper degree of repetition – takes about four to six months to take hold. Such a program starts to pay huge dividends within 12 months. In the business world, this is considered a relatively fast return on your marketing investment.

Consistency and persistence are essential in order to achieve the repetition upon which your message depends. Insist on uniformity of design elements — from the letterhead, to the new patient brochure, to the direct mailing, to the Web site. They all serve to reinforce each other. They demonstrate that your practice is up to date, sophisticated, and high tech to those who choose to look at your materials.

You must have a plan for practice marketing that is an ongoing, integral process – something that continues in good times and bad, not just when business is up and a bit of self-promotion seems like a treat. In fact, you could make the case that external marketing strategies are more cost-effective and more successful during hard economic times, since that's when so many other dentists decide to slash overhead...and the first thing to go is, ahem, marketing.

Many dentists fail to recognize that patients don't show up when they're needed by the practice – they come in when they need the dental services!

When savvy dentists use a consistent marketing program that builds their image, they build value. By becoming a celebrity, they build value. In America, a celebrity is looked upon with value...and value overcomes cost objections! That means goodbye to patients who comparison shop for the lowest price and hello to patients who are willing to pay more for "the best."

This process of image marketing is sometimes referred to in the marketing world as "branding." To become a brand – or to have an established "image" – you have to bring something new to the marketplace. Cosmetic dentistry is still viewed as something new.

Be the first!

Being the first to bring something new to the consumer almost always leads to long-term financial gain. Being second sometimes turns out to be OK, but typically second place doesn't build the same value as being first in the marketplace.

The overall goal should be to educate prospective patients about cosmetic dentistry, while at the same time making a case for why your practice is the only "real" choice. We call this strategy "multi-faceted, image-linked marketing." Your plan to educate prospective patients must include brochures, handouts and news reprints, all of which are known as collateral marketing materials.

Consumers have 39 free hours per week. That's why limiting your marketing campaign to just one or two tactics makes it more likely it will be overlooked. Once again, the rules for marketing Your Father's Dental Practice no longer apply in today's fast-paced world, and that is especially true for cosmetic dentistry.

Be one of the few!

Every five minutes in this country, 84 Americans are buying cosmetic procedures! The majority of cosmetic cases will continue to be done by a very small minority of dentists who are building their image – or brand – within their respective communities. These smart dentists are holding on to their brand recognition with a long-term marketing program. After all, getting there is one thing; staying there is another.

As the number of dentists grows who have successfully implemented a marketing program, an increasing number of lending institutions are willing to loan money for this purpose. In fact, some lenders are now seeing the writing on the wall and recognizing that the successful cosmetic dentist of tomorrow must start marketing today.

Section 5

What should you spend in Marketing? ROI and break-even

In dentistry, external marketing is the science (and art) of attracting new patients through means other than referrals. "Practice marketing." **Internal** marketing is low profile, but high efficiency. **External** marketing is high profile, but low efficiency. Every practice has a need for both, but the way the total marketing pie is divided can vary widely.

Typically, external marketing can account for approximately 35-50% of a dentist's total marketing budget. In order to justify a \$20,000 expenditure in new patient acquisition (external) marketing, the practice would need to generate over \$800,000 annually in collections and have a marketing budget of approximately five percent. This marketing investment would run about \$1,500 to \$3,000 a month, although in many highly successful practices this figure is much higher or about equal to the cost of an employee!

3% to 7% is a good advertising budget — Garbage!

There is no correct number! Be wary of any specialist or consultant who quotes you a percentage for your ad budget. If you test ten ads and find two that work really well, why limit your spending when you can continue to make more money by repeating the ads that succeed?

You must have a great logo and strong graphics.

Perhaps. The only way to prove this is to perform an "A/B Split" test. Create one ad with a logo or graphic, and then the same ad without. You might find that using a graphic does not achieve better results.

If you must use a graphic, make certain that it enhances the direct results of the ad. The "busier" an ad looks, the more likely you'll get response – if it's laid out correctly by a skilled graphic designer.

Test everything. Track everything.

Section 6

Marketing your practice vs. marketing yourself

More than ever before, the dental practice that combines a strategic plan with a willingness to try new ideas, such as planned marketing, will have a sound business structure that will ultimately be successful.

If your practice lacks a tangible road map for the future, then talking about goals is analogous to daydreaming.

- **Step one:** Assess the effectiveness of current marketing activities.
- **Step two:** Set an incremental growth goal for the next 12 months. It is critical to set numerical goals that you can measure and that you can, thereby, manage.

Example: Increase single-tooth implant restorations by 15 percent over the next 12 months:

- **Step three:** Develop the marketing plan. Calculate the number of patients required to reach the incremental growth goal of, say, 30 single-tooth implant restorations.

Example: Growth goal number divided by average number of procedures, per patient, over past 12 months = $30 / 1.5 = 20$ patients needed (including new patients as well as increases from current patients).

Tactics and Tools

Every practice's marketing plan should include comprehensive patient education materials (video, brochures and models), easy access to third-party financing, and a practice brochure.

The dentist who frowns on marketing also sees the neighboring dentist as competition. But, in reality, the only competition a dentist should have today is for the elective dollars that prospective patients spend on products other than dental care.

What about the interior design and external improvements? Do something different to make your facility stand out. Is the building aesthetically appealing? Is the landscaping attractive? Is the area surrounding the office clean? Does it look inviting? If you are building from scratch or remodeling, *do your utmost to intrigue anyone who passes by your office.*

Aggressive marketing Magazine advertising, radio, and television

This isn't your father's economy, so your father's rules for managing financial affairs won't work any longer. New rules are needed.

Alan Murray: The Wealth of Choices: We are on the cusp of a new economy. This new economy is based upon information, due in large part to the explosive growth of the Internet and the buying power it has given to the educated consumer, worldwide.

According to several surveys, nearly half of all Americans search the Internet for information before buying a car.

As more and more dentists go online with their own Web sites, more and more consumers will have the ability to do to dentistry what they are doing to the automobile industry. They will go to dentists' Web sites to find information about the services they are interested in and then seek out the lowest prices for those services. (We know that dentists cannot diagnose over the Web today, although technology may make this possible in the future.) But consumers can search for information on cosmetic dentistry and then decide, on their own, if they want eight porcelain veneers. They then can relay that information to various dentists' Web sites and ask for each one's fee for eight veneers.

Dentists who do not respond would not be considered. In the end, it would turn into a quest for the lowest bidder. Think this scenario is impossible? Just wait, it's coming...and faster than you might think! It's happening because the consumer has the power in the new economy.

Consumers in today's new economy will dramatically impact the profitability of dentistry in the immediate future, and a profession with an average overhead of 70% has little-to-no wiggle room for surviving sagging profits!

In spite of this approaching scenario, some dentists – a small minority – will do extremely well financially. They will make themselves exempt from the inherent “price shopping” techniques of the new, empowered consumer.

More sophisticated marketing

The information superhighway goes both ways. On the one hand, consumers are becoming educated about products and services, pitting merchants, banks, doctors, hospitals, dealerships, etc. against each other. On the other hand, these merchants – banks, doctors, hospitals, dealerships, etc. – are gaining a great deal of information about consumers. This information is extremely valuable because it allows sellers to become more in tune with what buyers want.

As information about the individual consumer becomes more available, businesses are learning to become more sophisticated at using it to discriminate among buyers. In other words, *businesses are becoming better at target marketing.*

To capture the cosmetic dentistry market in your community, you are going to need to immediately *implement a sophisticated marketing program that will allow you to be more competitive in the marketplace.* Our father's way of marketing a dental practice no longer applies to today's cosmetic dental practice. The leading cosmetic dentists in the immediate future will either be exceptionally savvy marketers themselves or they will work with a leading marketing company that specializes in cosmetic dentistry.

Be appreciated by the few!

Although the need for sophisticated marketing is now widely recognized, few dentists actually implemented a marketing plan for cosmetic dentistry. For you, the field still is open. Cosmetic dentistry is relatively new to consumers. As a result, dentists who embrace this new way of marketing *not only can earn an embarrassingly high income, but they also can find awesome mental and emotional satisfaction in doing more extensive treatments on a smaller number of patients.* These patients will show you a level of appreciation that may be more meaningful to you than the added income they provide.

Cosmetic dentistry is comprised almost entirely of elective procedures, paid for out of the consumer's discretionary spending budget. As a result, consumers typically will shop price or value when it comes to discretionary spending. The market value here is in the benefits of cosmetic dentistry to the patient.

Getting the best price possible for the products and services they purchase

This is especially true when consumers see no difference in value between the product or service offered by the lowest bidder and the highest bidder. As an example, if one lab does a porcelain veneer for you for \$100 per unit and another does the same quality porcelain veneer for \$250 per unit, you would pick the lowest bidder, wouldn't you? We all would! Why would any of us willingly pay more money for the exact same "perceived value?"

Differentiating your target audiences

Marketing by generation is a sophisticated way to get the consumer to “own” the benefits of your services. If you are marketing cosmetic dentistry and the photos and copy you are using in your ads are geared toward a 30-year-old married couple with two children, you are not likely to “connect” with a 65-year-old. Consumers are being hit with more than *3,000 marketing messages each and every day*, and an increasing percentage of those marketers are using targeted messages.

You need to have several marketing programs at your disposal, each designed for a *specific target market*. Consumers are more likely to opt for cosmetic dentistry – and select you as their dentist – *if they identify with your marketing message*. You know your message is achieving the desired result if a consumer who is exposed to your marketing program says, “Yep, that’s me doc is talking about!”

The Web and why it can make or break you

Dr. Tom Orent: Your Web site can be your primary marketing tool. Your prospective clients can learn all about you and your practice from the comfort of their armchair at home or while sipping a mocha latte at Starbucks. Information about bleaching, bonding, and veneers is just a mouse click away. Keep it fresh and interesting. (And don’t forget the placement search engines).

Nobody’s ever going to read the whole thing.

Conventional wisdom says that shorter is better. But we have found that the exact opposite is true! Barring copy that is boring to read, the longer your ad, the more effective it will be. The copy should capture your readers’ attention and grip their emotional needs.

Repetition is the key. Yes, repetition works, repetition works, repetition works. Repetition will – in most instances – increase the results of an ad. However, every ad should have measurably profitable results.

Section 7

Leading edge: Capturing tomorrow's techniques

Lasers: Why you need them to grow

Louis Malcmacher, D.D.S.: Laser in the dental office has received more and more press in recent years. There's a good reason why.

According to Dr. Malcmacher, it takes a lot of time to understand the science behind lasers. But the next big question is, do you want a laser for soft-tissue applications only or a laser that does both soft-and hard-tissue applications? Soft-tissue lasers can be bought as inexpensively as \$10,000. A combination soft/hard tissue laser will cost you in the realm of \$35,000 to \$50,000, which makes it a very significant investment. The big advantage is that you have a much wider range of applications possible with these lasers and their uses will continue to expand in your office for years to come.

Malcmacher believes the best example of a soft-tissue laser is the Waterlase by the Biolase Company. Biolase has put significant effort into having its laser applications passed by the FDA, and in this regard has done dentistry a great favor by bringing high technology to the forefront for dentist and patients alike.

- **Anesthesia** – Laser reduces or eliminates the need for anesthesia when doing some soft-tissue procedures and some restorative procedures. Reducing the need for anesthesia certainly helps build the practice because patients, if they would have their way, do not want to get numb for anything.
- **Laser** applications for soft tissue usually are bloodless and heal more rapidly than when you use cold steel. The postoperative appearance looks better to the patient, and the patient has fewer postoperative problems. It is just one example of how lasers can make dentistry faster, easier and better.
- **A laser dentist** certainly lets patients know that you are a state-of-the-art, 21st Century practitioner who has invested to help make treatment more comfortable.

Elliot Mechanic, B.Sc., D.D.S., Camille Halaby, C.D.T., and Chadi Saade, B.A.A.: Dentists are benefiting from advancements in lasers, computer-aided design/computer-aided manufacturing (CAD/CAM), air abrasion and cosmetic imaging, and many other tools to show their patients that their practices are state-of-the-art and can deliver superior services. Dental imaging software has been designed and is used to excite and elevate our Adobe Photoshop software, which has been adapted for dentistry.

It's Time for Whitening

Roger P. Levin, D.D.S., M.B.A., CEO Levin Group: Although leading manufacturers have provided excellent products, education, and support to practices, many dentists and hygienists have not thoroughly informed every patient about tooth whitening options.

Initial sales of Procter & Gamble's *Crest White Strips*, the leading retail whitening product, have been extremely successful, and many Americans are beginning to view tooth whitening to be as important to their appearance as hair care, make up or fashion.

Over-the-counter products like White Strips will remain a significant aspect of tooth whitening, but they will also create an opportunity to literally triple the number of professionally administered whitening cases. To put it simply, *patients trust their dentists and hygienists*, and will follow their recommendations as long as they are provided with reasonable *education and benefit-oriented information*. Many patients who are seeking to improve the color of their teeth would benefit from tray whitening and will be willing to avail themselves of this service if the practice gives the appropriate information.

White Strips has an alternative professional kit with increased concentrations of hydrogen peroxide and more strips that can be used by dental practices. Patients are introduced to whitening and White Strips by their dentists, who have the added advantage of being guided by professionals who are aware of the potential benefits and limitations of the various whitening methods currently available.

If just eight Crest White Strips patients per month return to the dental office for additional cosmetic treatment, then this new stream of cosmetic revenue can significantly add to the practice's bottom line.

Conclusion

This is the best era ever to build a cosmetic component in your practice and *take aesthetic dentistry to new heights*. Interest in tooth-whitening procedures will be the catalyst for a significant increase in aesthetic treatment. Many contemporary practices should now be able to increase their revenues by incorporating a variety of whitening opportunities.

Cosmetic Dentistry Improves Face Value

America's seniors are just as appearance-conscious as the rest of us. These days, more senior citizens are keeping their teeth longer, due largely to improved dental care.

"When a person has areas of abrasion, it's harder to maintain and keep teeth clean, and this compromises the health of the gum area," says Dr. Dean Lodding, an accredited member of the American Academy of Cosmetic Dentistry (AACD). Even so, cosmetic dentistry can help seniors to enjoy a youthful, healthy, attractive smile.

A 'Smile Lift' Can Take Years Off Your Looks

Christine Soares, D.D.S.: If the idea of taking 10 or 20 years off your appearance sounds appealing, but cosmetic surgery seems too drastic or dangerous, there is another option. Cosmetic dentistry is catching on among those who want a big change in their looks without a big ordeal. It's painless, non-invasive, and the dentist's tools have come a long way since braces and chalky looking bonding.

"The smile is one of the most positive emotions," explains Manhattan dentist Larry Rosenthal. "Cosmetic dentistry is the ability to change the appearance of a tooth or a row of teeth, and more importantly, it's the ability to change the way someone smiles. Today, using Smile Design principle, we can make teeth look very real and very natural, and make people look 10, 20 years younger," he adds. "I love watching a patient look in the mirror and say, 'Oh God, that's me? I've waited for years to look like this.' It's a very rewarding profession."

Designing A New You

Rosenthal achieves these transformations through the combination of his own *cosmetic surgeon's eye* and a state-of-the-art technology called porcelain veneering – a process whereby little ceramic covers are custom-made for and attached to individual teeth. In fact, many cosmetic surgeons and dermatologists refer patients to Rosenthal to achieve alterations for which *collagen injections or surgery used to be the only alternatives*.

“We call it a Smile Lift because the corners of the mouth, as you get older, turn down. That has a connotation of a frown, of aging, of skin starting to sag a little bit. Some young people have it too, by the way,” Rosenthal explains. “What we do is, by building the tips of the sides of the teeth out, we’re able to support the lips. And the pink part of the lip, it’s called the Vermillion Border, will roll up, and all of a sudden your lip will be fuller permanently. *It’s all because the teeth were set in the right place and were designed properly.* That is the essence of true smile design,” according to Rosenthal.

Rosenthal feels the perfect smile should also feature *near perfect, but always natural looking teeth*. Whether a patient’s teeth are discolored, chipped, crooked, or gapped, Rosenthal can design a renovation plan that might include some combination of bleaching, laser gum contouring, and porcelain veneers. With each new patient, he first sits down to discuss the problems that need to be fixed, and the overall effect the patient wants to achieve. “We’ll design and shape teeth according to the personality, the look and size of a person, even their hair and eye color will come into play. It has evolved truly into an art form,” says Rosenthal, who uses computer images during the planning process to show the patient what he or she would look like when the work is done.

Natural-looking veneers

To manufacture the required veneers, ceramicists in Rosenthal’s in-house lab mix liquid porcelain to the desired shade, and hand paint it onto platinum foil to form each tooth-shaped veneer. To avoid an unnatural whiteness, the color is built in layers along the surface of the veneer in tones varying from something approximating two-percent milk near the gum line end of the “tooth,” to more of a skim milk shade at the tip. The porcelain is then baked in an oven for two minutes at 1,800 degrees Fahrenheit. When they’re done, and the foil is peeled off, the resulting half-millimeter-thick wafers are translucent, with a surface texture virtually indistinguishable from natural tooth enamel.

In some ways, they’re an improvement on real enamel. “Saliva can’t penetrate, stains can’t penetrate, the color will stay the same and the shine will stay the same, for 10 to 15 years. It’s one of the hardest substances known to mankind,” explains Rosenthal. As an added plus, he says, “It’s almost like a skating rink to bacteria. You put your tongue around your teeth and you don’t feel that morning plaque because the bacteria can’t stick to it.”

The porcelain veneers are attached to the patient's teeth with a *bonding agent derived from the substance that NASA developed to attach ceramic heat shield tiles to the space shuttle*. Because the veneers are created in Rosenthal's own lab, simple Smile Lifts can be completed in a single day, and even complex jobs can be done in under a week. And since the entire process is non-invasive, there is no recovery time. This new lease on beauty, however, doesn't come cheap.

Consumers are advised:

- Find a dentist who has taken some hands-on courses, either at universities or accredited institutions.
- Make sure the dentist has information to give you about all the procedures (pros and cons), so you have a realistic understanding of what you're going to go through and the results you can expect.
- Make sure the dentist has performed the procedure before, even written papers about the procedure.
- The dentist should be able to show you before and after photos of other patients, and should be able to put you in touch with previous patients so you can ask about their satisfaction with that dentist's work.
- There is no licenser for the specialty of cosmetic dentistry, but you can contact the field's largest membership organization, the American Academy of Cosmetic Dentistry, to find a cosmetic dentist in your area.

Cosmetic Dentistry: The artist vs. the technician — Creative uses of dental imaging

Bradley L. Jones, AACD: More often than not, our patients' smiles end up looking like our mentor's patients' smiles.

Nature and beauty do not follow strict guidelines, and smiles have as many varieties as there are people.

“What’s wrong with this mouth — what do I need to fix,” Jones asks himself. “What do I like about this smile— what esthetic qualities should I preserve? I found that when everything I liked about the patient’s preoperative scenario was maintained, the results were strikingly more natural and personalized,” he explains.

The patient’s natural tooth shape and proportions should also be our guide when designing an individual smile makeover. In effect, a smile that has been “mentored by nature.”

One of the common mistakes Jones sees in “cookie cutter” restorations is that each and every tooth is exactly the same color. In nature, however, centrals are commonly higher in value and laterals are lower in value. Canines are denser and more chromatic, especially at the cervical. Bicuspid are closer to the chroma and value of laterals.

“Many technicians and clinicians think of value as a gray scale. This would be true if we were painting these teeth on a canvas, but because dentition has depth, we have to think of value as light-reflecting (high-value), and light-absorbing (low-value),” Jones said.

In conclusion, Jones believes that this relationship with nature is key to creating undetectable dentistry. “It is my goal to have at least one undetectable case in my career. The only way I am going to accomplish this is to continue to be mentored by nature,” he said.

Go forth and prosper!

The possibilities in dentistry are getting more exciting on a daily basis. Dentists are thinking outside the box and performing services that were unimaginable just a few short years ago. Imagining software is just one of a number of tools that dentists now have at their disposal to help them provide superior services. This article has gleaned information from some of America’s leading dentists to illustrate just some of the potential creative applications of imaging. Using your imagination and talent, the possibilities truly are endless. Have fun!

Section 8

Glossary: How cosmetic dentistry works

Dr. Jerry Gordon: Some people simply want to look younger, and cosmetic dentistry is like a dental facelift that can quickly “reverse” the natural aging process of the teeth. Others, the majority, have had unattractive teeth their whole lives and have always felt self-conscious because of them. They will rarely smile, which can often hide a warm side of their personality.

Porcelain Veneers

Porcelain Laminate Veneers, or simply “veneers,” are custom-made porcelain wafers that the dentist places over the fronts of the teeth to enhance their appearance and also to repair damage. Veneers can dramatically change a person’s smile and help improve their self-confidence. In the 1920s and 30s, actors, actresses and other performers would often go to the extreme measure of having their teeth extracted and dentures (false teeth) made to improve their smile. Fortunately, this radical procedure has given way to veneers, a far more conservative approach. Veneers are what give many Hollywood movie stars that dazzling smile we see on the silver screen.

Veneers can be used to improve a wide variety of cosmetic dental problems. They can whiten stained or discolored teeth, close gaps between teeth, “correct” a crooked smile without the need for braces, repair chips and imperfections, and create a more attractive or youthful looking smile. The procedure usually involves removing only a thin amount of the outermost layer of the tooth, called the enamel. The dentist then takes molds (impressions of the mouth). Temporary veneers are then placed for the patient to wear while the permanent veneers are being made. The procedure usually takes between one and a half and two hours.

The cost that largely depends on how many veneers are required to produce the desired results. In most cases, a minimum six veneers are needed, and are usually placed on the upper six front teeth, (\$500 to \$900 per tooth).

Tooth Whitening

Use of peroxide-based materials to whiten teeth. The in-office systems use 35% hydrogen peroxide gels coupled with a high intensity light to whiten the teeth. The gums need to be protected with some systems, and then gels are placed on the teeth. A laser or plasma arc light source activates the peroxide to oxidize stains on the tooth surface. In about an hour, the teeth become four to six shades lighter.

At-home systems most often use 10% to 20% carbamine peroxide gels to oxidize stains. The dentist makes impressions (molds) of the mouth, and then has soft mouth trays made. The patient is fitted with the trays, and then is instructed to place a thin ribbon of the gel into the tray and wear while sleeping. Most whitening occurs in one to two weeks. Dr. Gordon has found that a combination of in-office and at-home systems works the best. The procedure is safe when monitored by a dentist and does not damage the tooth in any way.

The cost of in-office whitening is between \$500 and \$1,100, the more expensive end when a laser is used. Store bought bleaching systems are not as effective as dentist-managed systems. Unsupervised use of store-bought bleaching systems can cause painful sensitivity to untreated dental cavities. The mouth trays are not custom-made, which can cause gum irritation, and the peroxides are not as strong or effective.

Tooth shaping

Tooth shaping involves removing a small amount (generally 1 to 2 millimeters) of the enamel of the teeth. Tooth shaping can shorten long teeth, round off pointed teeth, and help create a pleasing smile that gently follows the contour of the lower lip. The procedure is quick and painless (the enamel has no nerves), and is usually completed in less than 30 minutes and costs about \$25 to \$75 per tooth.

Resin or tooth-colored fillings

Composite, white fillings or bonding can make a substantial improvement in the appearance of the teeth in a short period of time. Resin is what dentists use to repair small cavities or chips in front teeth, as well as fill cavities cosmetically in back teeth. Using resin instead of porcelain veneers for cosmetic dentistry saves time and money.

Disadvantages with resin: They are not as strong as porcelain veneers, and require repairs every few years. Resin can discolor over time and, at \$100 to \$400 to per tooth, does not have as much natural beauty as porcelain veneers.

Gum-lifts

Gum-lifts (gingivectomy) involve the removal of gum to make the teeth appear longer, and the gum-line even. An uneven gum-line can make the teeth appear to have different lengths (a “gummy” smile), which takes away from the appearance of an attractive smile. Gum-lifts generally cost about \$75 to \$175 per tooth.

Braces

Dr. Gordon sometimes recommends braces to his adult patients for cosmetic reasons, but very few are interested. They would rather use other cosmetic options that get results faster, usually within two weeks, and often for less money.

Conclusion

Smart consumers will evaluate any dentist before agreeing to cosmetic dentistry. Ask: Is the dentist experienced in cosmetic dentistry and has he or she taken advanced continuing education courses in current techniques? Can you see before and after pictures and *testimonial letters* of people who have had similar treatment in the past? Does the dentist have imaging or presentation devices to help demonstrate how the procedure is done, and what results might be expected?

Cosmetic dentistry is really more of an art than a science. Training and experience matter and should be considered when choosing a dentist for cosmetic procedures. The patient should always talk to the dentist about what outcome you expect before you begin treatment, and you should explore all the alternatives available in the exciting area of cosmetic dentistry before starting treatment.

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