



# **HOW TO INCREASE RETENTION AND LIFETIME VALUE OF DENTAL PATIENTS**

# Contents

<b>INTRODUCTION</b> .....	3
<b>THE VALUE OF PATIENT RETENTION</b> .....	4
<b>HOW TO MEASURE RETENTION</b> .....	5
Patient Lifetime Value .....	4
Retention Rate.....	5
Industry Standards .....	6
<b>RETENTION STRATEGY 1:</b> <b>BE THE MOST PATIENT-FRIENDLY DENTIST YOU CAN BE</b> .....	7
Cost Factors .....	7
Convenience Factors.....	7
Consistency Factors.....	7
Invest in a Patient-Friendly Website .....	8
<b>RETENTION STRATEGY 2:</b> <b>CONTINUE TO BUILD TRUST IN PERSON AND ONLINE</b> .....	9
Trust in Your Office.....	9
Trust in Business Practices.....	9
Trust in Your Website .....	10
Trust in Social Media.....	10

<b>RETENTION STRATEGY 3:</b> <b>LISTEN TO YOUR PATIENTS</b> .....	11
Online Reviews .....	11
Social Listening .....	13
Email Patient Retention Surveys.....	14
<b>RETENTION STRATEGY 4:</b> <b>BUILD A REPEATABLE PATIENT LOYALTY PROGRAM</b> .....	15
Small Signs of Care Win Loyalty.....	16
Frequent Promos Can Work but Also Win Fair-Weather Fans .....	16
<b>RETENTION STRATEGY 5:</b> <b>AUTOMATE MARKETING AND NEVER MISS AN OPPORTUNITY</b> .....	17
<b>CONCLUSION</b> .....	19
<b>SOURCES</b> .....	20

## INTRODUCTION

No matter what size your practice is, you probably spend a lot of time thinking about how to bring in new patients. After all, you want to keep growing and adding to your roster because that's how you increase profit. But patients aren't collectibles, they're people—your friends, in a way. And a friend you take for granted doesn't stay your friend for very long.

When it comes to running a dental practice, you want to keep your patients as close as possible for as long as possible. Compared with marketing to acquire new patients, marketing to retain current patients is easier, cheaper, and more profitable.

- **Easier.** You are 14 times more likely to get an existing patient to come back.<sup>1</sup>
- **Cheaper.** 70% of companies have found they spend less to retain a customer rather than acquire one.<sup>2</sup>
- **More Profitable.** 49% of companies found they achieve a higher return on investment (ROI) with retention marketing.<sup>2</sup>

We explored these key statistics at length, identified methods to improve patient lifetime value (PLV), and devised recommendations for how to improve retention and profits.

Read this paper to understand how to stand out from your competition and build a stable list of patients who keep coming back for years.

EASIER

14x

You are **14 times** more likely to get an existing patient to come back

CHEAPER

70%

of companies have found they **spend less** to retain a customer rather than acquire one.

MORE PROFITABLE

49%

of companies found they achieve a **higher return** on investment (ROI) with retention marketing.



## THE VALUE OF PATIENT RETENTION

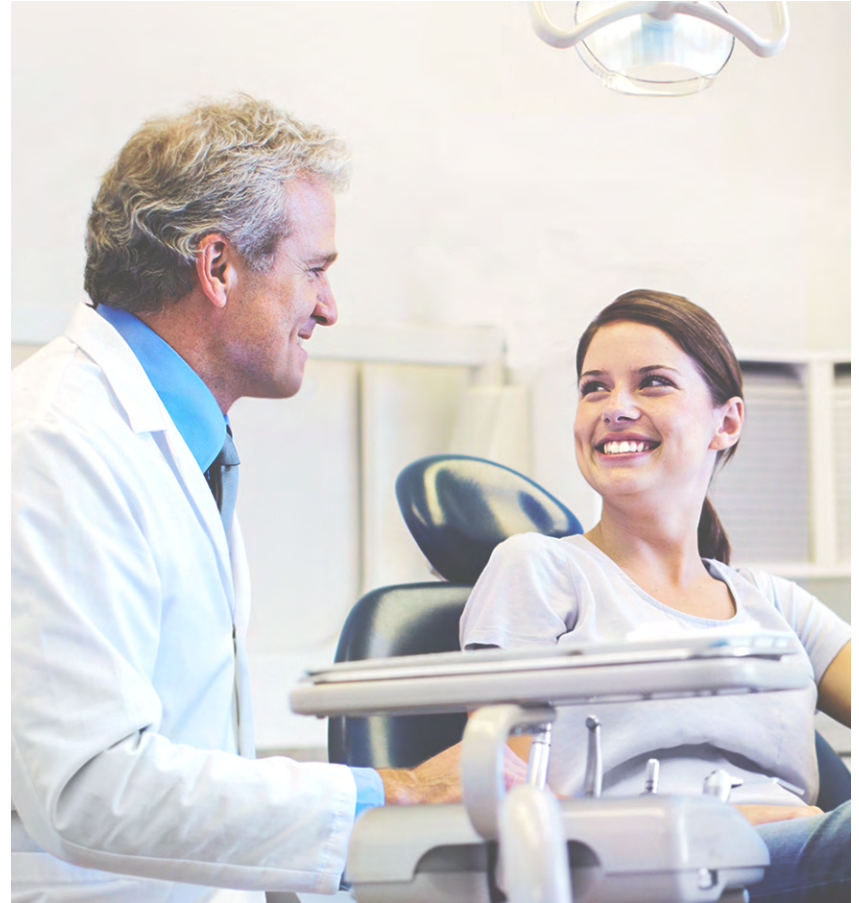
Did you know that getting a current patient to make a repeat appointment is up to 14 times more likely than getting someone in for their first appointment?<sup>1</sup> And did you know that 70% of companies find they spend less to keep an existing customer, while nearly half of companies find that retaining customers leads to a better ROI than any investment in acquisition?<sup>2</sup>

Existing patients are not only more likely to return and far cheaper to retain, but also much more profitable in the long run due to increasing repeat revenue and referrals with decreasing cost per dollar of production.

Even with that kind of value at stake, 85% of companies put more focus on acquisition. Increasing patient retention is the highest return on investment (ROI) that you can get for your practice's marketing efforts, and it will help you stand out from the competition.<sup>3</sup>

If the other dentists in your area put all their efforts into winning new business while considering their current patients secured for life, they might not realize how susceptible such "loyal" patients are to promotional offers from your competitors. If a dentist isn't remembering birthdays, cultivating online reviews, providing education on social media, and engaging in other retention efforts, what separates that dentist from any other?

A loyal patient is invaluable to your practice over the long term, which is why it's so important to keep them all coming back.



A satisfied patient is up to 14 times more likely to return than getting someone in for their first appointment.

## HOW TO MEASURE RETENTION

Measurement is an important but often overlooked aspect of your practice's marketing strategy. Consistent measurement of your marketing efforts is key to showing you what is and isn't resonating with patients. It also helps you determine your goals and identify your strategy.

In planning a marketing strategy, you want to ensure that the cost of your marketing efforts isn't higher than the estimated patient lifetime value that those efforts will generate or retain.

### Patient Lifetime Value (PLV)

PLV is a projection that estimates a patient's monetary worth to your practice after factoring in the value of your relationship over time. PLV is not a constant, and it can be recalculated and improved as needed.

You can use the PLV calculation to determine more aspects of your practice, as well:

- How many patients do I need to get to my target revenue?
- What is the potential profitability of my practice?
- Am I keeping patients long enough to get their full value?
- Are patients referring as many people as they can?

### PLV CALCULATION:

#### Average annual value of a patient

two hygiene visits per year  
@ \$250 each = \$500

×

#### Average length of client relationship

10 years @ \$500 = \$5,000

+

#### Average annual value of referrals

2 referrals @ \$5,000 = \$10,000

---

Patient Lifetime Value = \$15,000

Example of patient lifetime value calculation.

## RETENTION RATE

Retention is a measure of how many patients remain with you from one year to the next, and it can change each year. When it increases, so should your PLV because the average time patients spend with you is greater.

For example, if you had started the year with 100 patients, gained 20 patients, but ended the year with 110 patients, it would look like this:

$$(110 - 20) / 100 = 0.9 \times 100 = 90\%$$

Knowing these numbers can also help you determine what is appropriate to spend on patient retention versus acquisition, to ensure that each patient reaches their full predicted PLV.

### Industry Standards

If you are now calculating your own value, here are some industry standards for comparison:<sup>4</sup>

- **Retention rate for new patients:** 75% return after receiving their first treatment.
- **Retention rate for existing patients:** 85% return after an additional treatment.
- **Referral rate:** 2.5% of new patients are referred by an existing patient.

The remaining sections cover strategies to help practices of all sizes increase patient retention.

#### Retention rate for NEW patients:

75%

return after receiving their first treatment.

#### Retention rate for EXISTING patients:

85%

return after an additional treatment.

#### Referral rate:

2.5%

of new patients are referred by an existing patient.



## RETENTION STRATEGY 1: BE THE MOST PATIENT-FRIENDLY DENTIST YOU CAN BE

Put the patient first in every way. While there are plenty of ways to improve retention, there is no magic bullet that can undo a negative or mediocre firsthand experience. This will require introspection into your business practices, honesty about patient motivation, and empathy with your patients' perspectives. How to become a materially better dentist from a patient's point of view comes down to three major factors: cost, convenience, and consistency.

### Cost Factors

Did you know that 90% of patients think dental work is expensive? That said, 91% reported that they are much more likely to continue seeing dentists who have an honest, upfront conversation about costs and treatment plans. And 63% are more likely to choose a dentist who offers financing options.<sup>5</sup>

As dentistry becomes viewed more as a consumer purchase rather than a medical necessity, 80% of patients say that whether their insurance is accepted is one of the top factors in choosing a dentist. If you can, expand the number of insurance plans you accept to accommodate more patients.<sup>5</sup> This can also help potential patients find you, as 67% of patients cite the list of dentists on an insurance provider's website among the top three main ways they find dentists.<sup>6</sup>

### Convenience Factors

Availability plays a key role in a patient's choice to return. In fact, 74% of patients would be more likely to show up for appointments if they could be seen on the same or next day.<sup>5</sup> Patients don't always plan for dental work; many put it off until it cannot be ignored.



**63% of patients are more likely to choose a dentist who offers financing options.**

What's more, 46% consider a dentist's weekend availability before selecting one.<sup>5</sup> Patients could be too busy during the week, unable to make time, or have circumstances that prevent them from having a flexible weekday schedule. Hiring additional help may be a way to meet this demand and see more patients while still maintaining a schedule you prefer.

### Consistency Factors

Consistency refers to delivering the same great experience each time a patient comes in, as well as ensuring that all areas of the practice are synced: your front desk, social media channels, appointment reminders, hygienists, billing department, and you, the dentist.

If the front desk is friendly but the hygienist seems irritated, the dentist is late, and social media is promising the best customer service, what might a patient think? Most likely, something like, “It’s a mess. They don’t know what they’re doing.”

Remember, when it comes to procedures that most consider expensive and some consider unpleasant, patients are less likely to have sympathy for doctors who experience an “off day.”

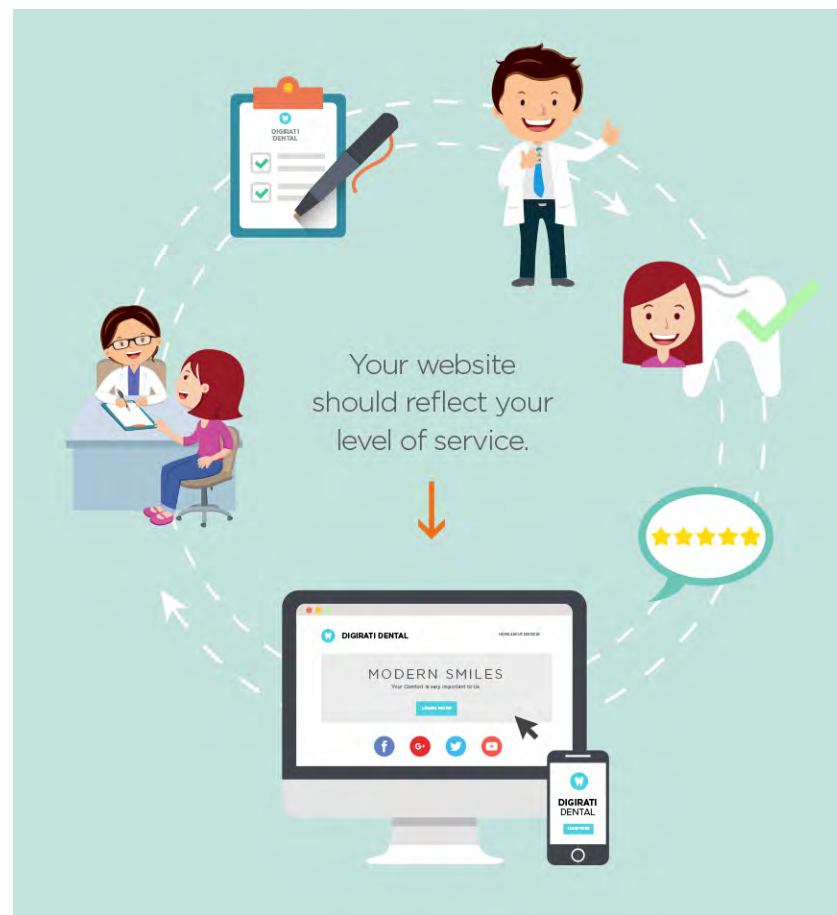
Bad patient experiences aren’t the end of the world, but they are difficult to overcome. Of people with complaints, 95% are willing to forgive a company if the issue is resolved in the *next interaction*.<sup>7</sup> That means the next phone call, email, or reply on Facebook—until the next time they are at your practice.

It takes 12 positive service experiences to make up for one negative experience, so providing consistent, exceptional service is key.<sup>8</sup> It builds trust in your practice, which is what fosters long-lasting patient relationships.

### Invest in a Patient-Friendly Website

Cost, convenience and consistency are what mean most to patients, so make these features of your practice known! Have a website that clearly communicates your flexible hours, which insurances you accept, and reviews that testify the positive experiences that patients have at your practice.

By providing the right type of content on your website that ties back to these three core values, you can help potential patients feel secure in trusting you as their dentist.



Your practice website should communicate hours of operation, insurances that you accept, and testimonials.



## RETENTION STRATEGY 2: CONTINUE TO BUILD TRUST IN PERSON AND ONLINE

The next step is to go beyond running a patient-friendly business to being a dentist in whom patients can have full confidence. They must be able to trust your practice whether they encounter it in person or online.

### Trust in Your Office

Patients want a dentist who's calm, knowledgeable and reliable. Every "uh," "hold on," and "I'll just be 10 more minutes" can chip away at their confidence in your practice. Earn trust by running on time, not leaving patients unattended, and being approachable so that they are comfortable asking questions.

### Trust in Business Practices

Patients can be very shrewd when they are being asked to pay so much for treatment and contend with insurance companies. It's important to explain the why behind your treatment plans, as 31% of patients believe that dentists try to sell them unnecessary services. This perception can be combatted, however, as 93% said they'd go back to a dentist who clearly explained which treatments were truly required and which were optional.<sup>5</sup>

Misunderstandings can come about through the difference in knowledge. The more you can visually show patients why you are recommending certain procedures, the better they can comprehend the rationale. Use photos and X-rays to point out problem areas you want to treat. Break down procedures to their simplest components and you have a great opportunity to educate patients, earn their trust, and retain them.



**93% of patients would go back to a dentist who explains which treatments are required vs. optional.**

## Trust in Your Website

It's no surprise that having a professional website is fundamental to establishing credibility and communicating expertise. In fact, 38% of affluent patients consider an informative, modern site a major factor in choosing a dental practice.<sup>6</sup> To get the most out of your investment, make sure it is well designed, loads fast, and adapts to smartphones. The latter element is essential, as half of all web traffic is now on mobile devices. Ensuring a great user experience signals competence and success, which choosy patients feel is vital before starting with a new dentist.

Beyond design and function, your website should be packed with strong educational content, like articles, infographics and videos that show your expertise. Including pages that address common questions and concerns about dental procedures is a great way to start. Regularly updated blogs can help your rankings on search results while also educating current and potential patients.

## Trust in Social Media

Your social media pages are among the more important places to prove your trust daily. Post links to the blogs you write for your site, along with other helpful advice, like toothpaste reviews or the benefits of night guards, as well as news of advances in your field. This allows you to speak to your patients more often than just during semiannual cleanings. And because it shows that

you are putting your patients' needs first, the information is welcomed. When it's time to make an appointment, there will be no question of whether to go back to you because you've been communicating with them year-round.

On social media it's important to always conduct yourself in a professional and friendly manner and be quick to respond to criticism when warranted. Try to take complaints offline by getting in touch with their writers through email or private messages, after first replying publicly to show others that you don't ignore problems. These activities are known as reputation management. Always being responsive and helpful will sway detractors and earn trust—and may even score you some referrals, since sharing is so easy on social media.

What you do and say isn't always enough to keep customers around, however. That's when it's time to listen.

## RETENTION STRATEGY 3: LISTEN TO YOUR PATIENTS

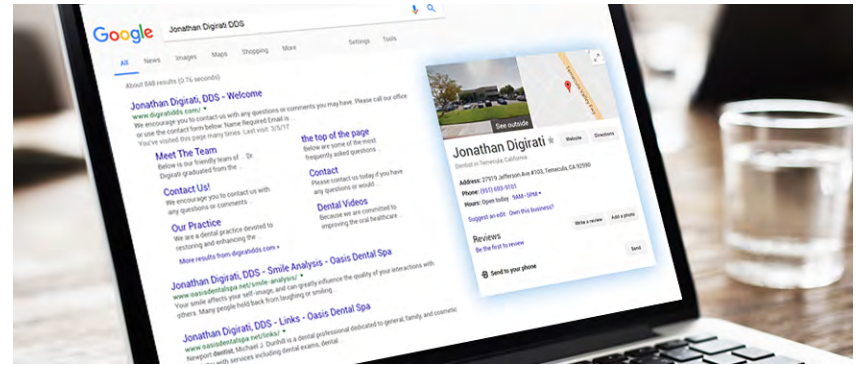
Because increasing loyalty is about building a relationship with your patients, you must take their wants into consideration. While truly dissatisfied patients may voice their grievances, these vocal malcontents make up just 4% of unhappy customers. The other 96% won't tell you they're unhappy—they'll just disappear and not come back.<sup>9</sup> And worse, 95% may still privately inform friends and family about their poor experience.<sup>10</sup>

Therefore, don't write off a few complaints as outliers; they could be a telling sign of a gap in your service that you haven't yet identified. Listen to what patients are already saying where they are most honest—like on social media—and create additional spaces for conversations with them.

### Online Reviews

A resounding 88% of consumers say they consider online reviews with the same weight as a personal recommendation, provided they deem the reviews authentic and that multiple reviews say similar things. Despite this, 40% of dentists have not set up a Facebook page for their practice, and 56% have not claimed their free listing on Google My Business, a Yelp-like service tied to Google Maps locations that shows reviews and star ratings.<sup>5</sup>

Online business directories, your social media channels, and your website—all are places where current and potential patients go to find information about you, so put these resources to work by setting up full review opportunities. Email patients after their appointments and ask them to leave an online review on any or all of these resources, while including a link to your desired review platform in the email.



Online reviews help prospective patients decide if they want to contact your practice.

You should also encourage reviews is to put a sign in your waiting room, reminding patients to leave a review at a specific link.

- Use directory sites like Yelp and Google My Business for reviews, as these websites are considered objective since business owners can't take them down.
- Reviews on social media are often considered the most honest because they're associated with a person's actual name and face, so they're staking whatever reputation they have on its validity.
- Include a reviews page on your own website to showcase your patient success stories.



## Social Listening

Social listening is the process of tracking conversations around specific phrases or topics, to learn what people are talking about and what you can say in your blog and business to be a positive part of the conversation. To get insight into patients' concerns, try searching #dentist on Twitter to gauge comments from non-dentists using it. In addition to monitoring your own reviews, visiting a competitor's page to read patient comments will give you more information to consider.

Keep track of your findings and use them to inform future blog topics, survey questions, and social media posts. This practice not only saves you the trouble of coming up with topics to write about but also helps you stay in touch with what people are saying.

You can also perform social polling through functions built into social media platforms like Facebook and Twitter. Polls are typically short—sometimes just one question—and the latest results are shared in real time. Such polls are free and low effort for both you and those being polled, and they can glean near instant data on big questions like *“Did you know Smith Dentistry has new financing options available?”*

Taking the time to research and analyze data from your patients is one of the keys to understanding their wants and needs. And once you do, you can develop programs to build their loyalty.



Engage in social listening to inform what you write about on your blog.

## Email Patient Retention Surveys

Polling on social media is a great way to get quick answers, social listening can yield unspoken insights, and reviews are perfect for collecting honest opinions. Use what you learn from these methods to build longer surveys covering topics important to you and your patients. A survey should be short and easy to take. Use these guidelines when constructing your survey.<sup>12</sup>

- Don't write ambiguous questions. They should be answerable with yes or no or a simple multiple-choice option. Ratings from 1 to 10 are also appropriate.
- Avoid “double-barrel” questions like “how easy and timely” the experience was, as those are two different concepts.
- When running repeat surveys, keep the questions identical year over year so that you can compare trends.
- Use 1-to-10 ratings for questions such as *How satisfied were you?* and *How would you rate the practice on “service”?* Ensure that the rating scale is consistent.
- Include one or two open-ended questions that allow for a typed response, where a patient can say what they truly feel with no structural restrictions. This can be the most valuable part of survey results and often adds context to patients' other responses.
- Avoid leading questions that presume an answer.

Once you conduct a survey, listen and respond to feedback as best you can. Address any major concerns that came to light and announce the resulting changes in an email or on social media to show patients that you are truly listening to them. For example, “In response to recent feedback from our patients, we have updated our patient chairs!”



Conduct surveys to see how you can improve your patient experience.



## RETENTION STRATEGY 4: BUILD A REPEATABLE PATIENT LOYALTY PROGRAM

If you have a mature practice with many patients, you may not need extra promotions or programs. When you're just starting to grow, however, it can make all the difference.

For some patients, great treatment and customer service are all well and good, but nothing beats the thrill of a surprise deal. Appeal to this personality type with a patient loyalty program that combines several little perks and rewards for the frequent patient and those who send you referrals. Just knowing that there's a meta-reason to come back to the same dentist outside of general loyalty can influence a patient's decision to stick with you.

Experiment with the following ideas to develop the right patient loyalty program for your practice.



When starting to grow your practice, consider patient loyalty programs to build your following.



## Small Signs of Care Win Loyalty

Loyalty programs work best when they seem personalized and make repeat patients feel valued. Here are some ideas to help you get started:

- **Patient appreciation events.** Select a random day each month when you give patients a small gift, like a bag of goodies or extra toothpaste samples, depending on your budget. Not only will these patients feel valued but they'll be more prone to share their positive experience on social media and elsewhere online.
- **Complimentary services.** If you know that a patient has a big event coming up (such as a wedding) and they've been your patient for years, offer them a complimentary service like teeth whitening. This unexpected gesture will thrill patients and make them likely to refer your services to others.

## Frequent Promos Can Work but Also Win Fair-Weather Fans

In contrast to the personal touches that reward familylike relationships between dentist and patient, there are short-term programs that are ripe for abuse by bargain shoppers. You may be tempted to offer blanket promotions to return patients on special days, like your practice's anniversary, for example; once these special days are known, however, they become both expected and points of contention. The bottom line on blanket promotions is to use them sparingly. They can be a quick boost or reward for long-term patients but shouldn't be relied on at the expense of your brand's value.



## RETENTION STRATEGY 5: AUTOMATE YOUR MARKETING AND NEVER MISS AN OPPORTUNITY

This guide has recommended a lot of research-backed methods for increasing customer retention: listening to patients, interacting with them through articles and newsletters, remembering their birthdays and other special occasions, engaging them on social media and offering loyalty programs, and of course being the best dentist possible. Let's be honest: one person cannot do this alone.

To make interacting with patients more manageable, set up an automated patient recall and reminder system to keep patients engaged, increase case acceptance, and reduce no-shows. There are software programs that allow you to send automated reminder messages prior to appointments, as well as post-appointment messages that ask patients to rate their experience. If they reply with a high rating, the automated message may request that they leave an online review on one of your pages.

Today, reminders can be done in the form of phone calls, text and emails, while maintaining HIPPA compliance. The benefit of texts and emails is that they aren't disruptive like a phone call; a patient in a work meeting can quickly reply yes to a text asking for confirmation of the next day's appointment, for instance.

On top of digital communications technology, you can even automate physical communication with your patients. Mailers are great for reminders that it's been a while since the last cleaning—people get considerably less mail these days compared with emails. A postcard with your smiling face, saying, "It's been a while—time for a cleaning!" and an easy web address to go to can get more patients back in than an email in a sea of spam, even if the email does have a direct link to your scheduling form.



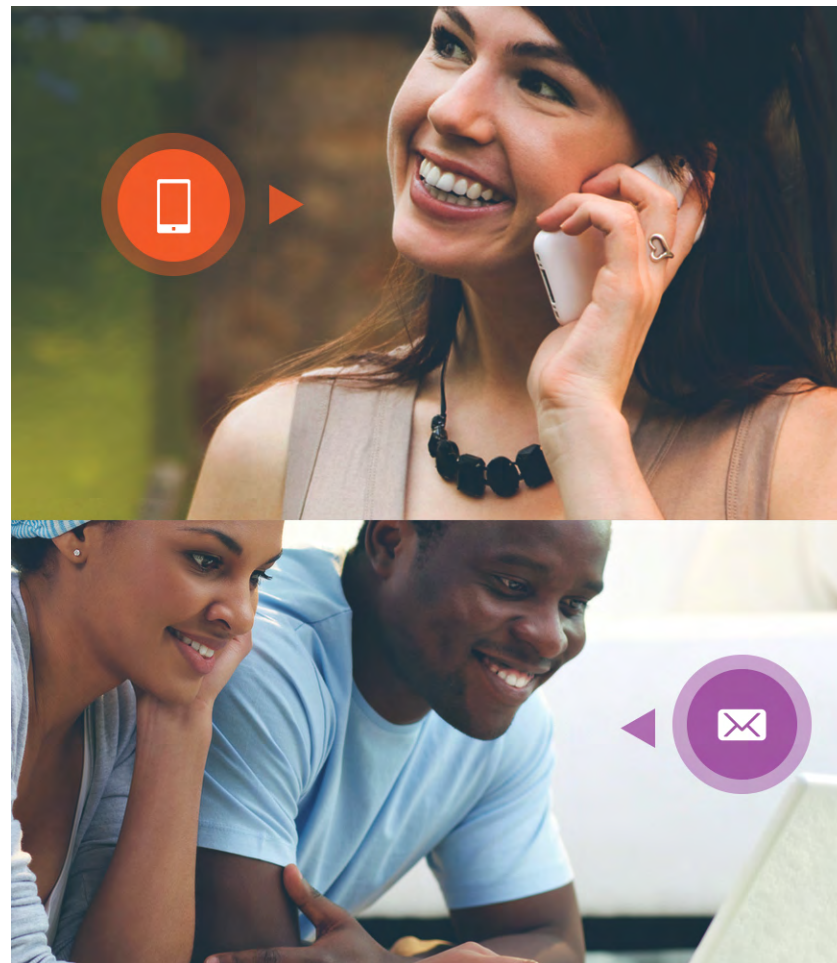
Text message and email reminders aren't disruptive like a phone call; a patient can quickly reply yes or no.



Automating patient communication can be effective and a great convenience, but you want to ensure that you don't overdo it. When you have a lot of patients to track and multiple automated messages going out, staying aware of frequency and overlap is essential—you don't want to seem like an annoying spammer.

Most important for such an automated communications system is that it lets you know you're reaching everyone. Seek a system with a dashboard that shows how you're doing with phone, text, email, and snail-mail patients—both to see how many you're reaching and individually to see who has received which communications. This way you can judge progress over time while zeroing in on likely repeat patients for personal messages and follow-ups.

Don't let the growth of your practice get in the way of consistent personal interactions. Carefully timed messages and thorough notes can help increase retention dramatically.



Look for an automated patient communications provider who can customize the timing and audience of your reminders.



## CONCLUSION

Patient retention is an often-neglected yet highly profitable aspect of marketing efforts for your dental practice. Remember that an increase in retention greatly boosts profit per patient while costing less than increasing acquisition. With a strong focus on retention, you can improve your marketing ROI, form greater relationships with your patients, increase referrals, and truly stand out from the vast number of practices out there.

Here are the key takeaways:

- Be an excellent, honest, and knowledgeable dentist.
- Provide a consistent experience for patients, involving yourself, your staff, your website, automated messaging, and a social media presence.
- Ask your patients for their opinions—and listen to all of them, especially the negative ones.
- Increase retention by showing that you care, as opposed to offering constant discounts and promotions.
- Speak to your patients year-round through useful content and automated marketing solutions.

For more information and tips on how to improve your marketing, speak with an expert. Call ProSites at (888) 932-3644.

## ABOUT PROSITES

ProSites helps dentists accelerate practice growth and acquire new patients through innovative online marketing solutions.

We take a consultative approach and create tailored marketing strategies that support your practice goals through our comprehensive suite of online marketing solutions.

- **Dental website design.** We communicate your expertise through professional designs, educational content, interactive features, and free upgrades to ensure that your website is always up-to-date.
- **Search engine optimization.** Our clients are on the first page of Google more than 11,000 times for the most important search terms in dentistry. We help you climb to the top of search engine results pages and get noticed by prospective patients.
- **Pay-per-click.** As verified Google partners, our team knows exactly how to create successful, cost-effective pay-per-click campaigns that deliver measurable results.
- **Social media management.** We will manage your entire social media presence with engaging posts and branded profiles that encourage followers to like, share, and connect with your practice.
- **Marketing ROI.** We track your marketing efforts through to your practice management system, so you can see which marketing efforts are bringing you the most profitable results.

Discover why ProSites is trusted by 7,000 dentists for their online marketing needs.

(888) 932-3644

[www.ProSites.com](http://www.ProSites.com)



# Sources

1. Pearson: ["Marketing Metrics: The Definitive Guide to Measuring Marketing Performance"](#)
2. Econsultancy: ["Almost a quarter of businesses don't carry out any relationship marketing: report"](#)
3. Econsultancy: ["Marketers More Focused on Acquisition than Retention"](#)
4. New Patients Inc.: ["Customer Lifetime Value Analysis for Dental Patients"](#)
5. Futuredontics, Inc.: ["What Dental Patients Want 2014"](#)
6. Futuredontics, Inc.: ["What Dental Patients Want 2016"](#)
7. Help Scout: ["The Art of Customer Loyalty"](#)
8. Understanding Consumers: ["Secrets to Keeping our Customers Happy!"](#)
9. 1st Financial Training Services: ["Are You Undervaluing Customer Service?"](#)
10. Zendesk: ["The Good, the Bad, and the Ugly: The Impact of Customer Service"](#)
11. BrightLocal - ["Local Consumer Review Survey 2014"](#)
12. Inc.com: ["How to Write a Customer Survey"](#)