



## **Offer – Schmoffer!**

by Howie Horrocks & Mark Dilatush

### **The Setup**

You are either already promoting your practice, or are contemplating a new promotion campaign. You have many choices in which to invest your promotion dollar. We will leave “*where*” to invest your promotion dollar for a different day. The focus of this article is “*what you say*” to get people interested in choosing you as their dentist once you have chosen a promotion medium.

No matter where you invest your marketing dollar (website, direct mail, print media, radio, television, etc), you are going to have to **say something** about your dental practice. What will you say? What *should* you say? Why should anyone out there choose you as their dentist over the other twenty dental offices in your area?

Think about that for a moment. Let that last question percolate through the neuron explosion that is undoubtedly happening inside your head right now.

Really. **What is** the big deal about your particular dental practice?

Do you take your time with patients and not rush them? Do you only use the best materials? Are you more educated than the dentists down the street? If you said yes to any of these, you’re out of luck! None of these are promotable without having your State Board knocking at your door.

What is the big deal about your practice that will get the dental consumer’s attention, without getting the State Board’s attention?

### **The Dilemma**

The dilemma is, most dentists do not understand or recognize the consumer benefits of today’s dentistry or their own seemingly hidden consumer benefits. This puts the dentist at a decision point. What should be the focus of my promotion? Many dentists then simply acquiesce to **price** as their main focus in their promotion. Thinking, without

anything else to promote, I guess I have to make an attractive **offer** (read: financial incentive) and use that as my design focus.

You have probably seen quite a few of these promotions in your own area. You see reduced fees on just about everything from initial exams, to teeth whitening, to Invisalign, dentures, emergency exams, etc.

### **The funny thing is.....**

These are the same exact dentists that complain about the reimbursement rates of insurance plans! Huh? Why is it ok for you to promote dentistry based primarily on price and not ok for an insurance company to promote dentistry based on price? That's all an insurance company does. They consolidate a market pool and sell the patients back to the providers for 80 cents on the dollar. If you take 20% off of your fees to get patients in the door – you are doing exactly the same thing!

These are also the same dentists that complain about the downward consumer pressure on their fees!

But we digress, let's move on.

### **The dental consumer (analyzed)**

At the recent Excellence in Dentistry meeting in Orlando, we unveiled a portion of our 21 years of direct consumer testing and the results of an independent study we had commissioned which was designed to statistically determine exactly how dental consumers make their choices when choosing a dental practice for their families.

In an effort to make this short enough to fit into this space, we have to boil it all down into something useful for you to use and learn from. This is an exercise. You **must** do this in order for it to sink in.

Inquire of five females 30 to 55 years of age (these are the predominant decision makers). Ask them the following question verbatim. “Would you choose a healthcare provider for you and/or your family based primarily on price?”

You are likely to get “NO!” four out of five times. You will probably get “no” five out of five times. You might get “no way!” This is your indication that this consumer would actually be **turned OFF** if she saw a promotion from a healthcare provider that was primarily promoting price.

OK, stop. Think about that for a moment. You just did your own mini-survey. The survey results clearly proved to you that there is a market segment out there that **does not** use price as a primary choice when choosing a healthcare provider. This is your “AHA” moment!

For the purposes of learning, let's just say that 50% of the dental consumers **would** choose a healthcare provider for their family based primarily on a financial incentive. Therefore, the other 50% of the market **would not** choose a healthcare provider for their family based primarily on a financial incentive.

### **The impact**

The financial impact difference between promoting a practice based on price vs promoting a practice based on the benefits of dentistry is absolutely **staggering. We are talking fully funded retirement staggering!**

It takes no graphic design skill, no copy writing skill, no testing, no targeting, and no research to promote a dental practice based primarily on price. You can call or even email a mass marketer that will throw together a design and get the word out on the street about your reduced fee offer.

But is that good for your business?

Well, temporarily it might *appear* good. You certainly may get 10 or 15 new appointments on the books. Your schedule book will *appear* fuller. This may temporarily make you feel better.

However.....

**If you promote to the dental market segment that is willing to choose a healthcare provider based primarily on price, let's look at some facts.**

Your average revenue per patient will go down  
Your re-care retention will go down  
Your long term return on investment will be crippled

**If you promote your practice primarily on the benefits of dentistry:**

Your average revenue per patient will go up  
Your re-care retention will go up  
Your long term return on investment will be robust

Those are your choices. But, it is not an "all or nothing" proposition. It doesn't have to be a "this way or that way" decision. With practices that require a significant boost in new patient flow (startup, additional dentist, additional space), you might split your promotion dollar down the middle. You might use 50% of your promotion dollars going after the top end of the market and 50% of your promotion dollars going after the bottom end of the market. You would do that until your capacity is filled. Then, you would shift all of your investment back to the top end of the dental market.

### **The irony**

We get asked all the time if we have “offers” in the work we do for our clients. Our answer is: “Sure we do! – now ask us if the patients care about the offers.” The answer to that question is typically, **no**. If we have just confused you, that was not our intent. What you are seeking is a balance. The offer should NEVER take up more than 10% of the design space, or, in the case of radio or television - be more than 10% of the message. Well, not if you are going after the top 50% of your local market. Remember the consumer test you did with the five females? Undoubtedly, you ran into someone who was almost offended by the question! That person represents the top half of the dental market! An offer should be used to simply gain another 10% to 20% additional inquiries. An offer should **not** be used to gain 100% of your inquiries. Think about that for a moment, let it resonate.

When pressed farther (because this can be confusing), we get questions like “if nobody is asking for the offer when they call, why have them within the design?” Good question. We use introductory offers as tools to push semi-interested but not committed new patients over the edge. That generates additional inquiries to the dental practice. We do **not** use the introductory offer as a primary focus. In the vast majority of our work, the reader, listener, or viewer is going to see or hear six to eight reasons to choose you **prior to** ever being exposed to any kind of introductory new patient offer.

The ironic part of all of this is that we **do** present introductory offers, but the vast majority of responders don’t even relate to the offer when they show up for their first visit. Why? The responder didn’t choose the dentist **because of** the offer. They chose this dentist because of their other primary marketable attributes. We will also tell you that the shelf life of a promotion about the benefits of today’s dentistry is **much longer** than if you promote on price. To use an example, we have had clients in the past that stopped a direct mail campaign, only to call up to two years later to report that they were still getting calls from their previous mail campaigns and they wanted to start mailing again. Price based promotions have almost zero shelf life. The consumer assumption is that if you are offering a deal today, that’s the type of business you run and you’ll be offering a deal tomorrow. If they do not have a pressing need for a dentist today and you don’t present any other benefit of coming to you, bang, zero shelf life.

### **The top half of the dental consumer market**

Clearly, we have proven since 1989, there is a significant portion of the dental market out there that would **never** choose a healthcare provider based on price. The independent study we commissioned proved that as well. Your own little micro-study from above should have proven that this market segment not only exists – it is just sitting out there waiting for someone to grab! From a practice profitability standpoint, it is clear that the top 50% of the dental market generates far greater return for the owners marketing dollar.

So what should you promote? Again, in an effort to keep things short, we will attempt to boil it all down into actionable items. What you want to do is create a “blend” of various consumer benefits. The categories of benefits would be convenience, technology, affordability. Notice we said affordability and not price! Affordability might mean you

offer plenty of treatment financing options. Affordability might mean you will submit the patients' insurance claims for them. Convenience and technology scored **very high** in all of our testing and in the independent testing we commissioned. Within the independent testing, we took the whole concept several steps forward. We actually asked questions like "Did you know it was possible to have a tooth completely restored in just one visit to the dental practice rather than the two or more visits it used to take?" Then, we followed that question up with a survey question. "Now that you know this is possible, please rate the score of importance when choosing a new dentist for you or your family." BOOM! Off the charts! Yes! Yes! Yes! I would go to that dentist! We got the same positive response from nearly every question we asked about today's dentistry.

So, why does this (promoting the benefits of dentistry) work? It works because the dental consumer has absolutely **no clue** about the benefits of today's dentistry. They have no idea you can treat periodontal disease without traditional surgery. They have no idea they can get a restoration done in one visit. They have no idea that it is possible to straighten a smile with ortho in 6 months. They have no idea about any of the dental advancements made over the last twenty to thirty years! They still think every dentist is the same and you are doing the same thing you did back when they were kids!

Your colleagues aren't telling them either. They're promoting their practice primarily on price.

## **The Closing**

**If your offer is your best foot forward – you have no feet!**

For those of you who want to learn more about how to promote your practices, plan to attend one of our upcoming Dental Marketing Summits. You can learn more about our Dental Marketing Summits here: [http://www.newpatientsinc.com/marketing\\_summit/](http://www.newpatientsinc.com/marketing_summit/)

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