

Doing the maths

Calculators at the ready – **Laura Horton** discusses the importance of making sure your patient numbers add up

$E = \frac{V^2}{D^3} + 4^P$
 $\Sigma = mc^2$
 $3^b + (c^{\text{est}})^{-2^p} = 6(2^b)$
 $\frac{4C^3}{44} = \frac{C^3(4)}{\sqrt{4 \times 3}}$
 $\frac{C_{13} \times E}{3 \times M_{24}} = \frac{3 \times 12}{3 \times M_{24}}$
 $X_{14} = X_6$
 $ABC \ 123 \ (c^{\text{est}})$
 $\frac{6^2}{9} + \frac{3}{9} = \frac{36 + 3}{9} = \frac{39}{9}$
 $\frac{1}{3} \times \frac{4}{9} = \frac{4}{27}$
 $\frac{1}{2} \times \frac{4}{9} = \frac{2}{9}$
 $\frac{1}{2} \times \frac{4}{9} = \frac{2}{9}$
 $9 + (3 - 2) = 10$
 $E = \frac{V^2}{D^3} + 4^P$
 $3^b + (c^{\text{est}})^{-2^p} = 6(2^b)$

The page is filled with handwritten mathematical notes and diagrams. At the top, there are several equations, including $E = \frac{V^2}{D^3} + 4^P$ and $\Sigma = mc^2$. Below these are more complex expressions involving powers and fractions, such as $3^b + (c^{\text{est}})^{-2^p} = 6(2^b)$ and $\frac{4C^3}{44} = \frac{C^3(4)}{\sqrt{4 \times 3}}$. There are also diagrams: a circle with a triangle inside, a shaded area under a curve, and various geometric shapes like rectangles and triangles. The handwriting is in black ink on a white background.

To own or work in a successful dental practice you are aware of the many areas that affect your success. One of these areas is the patient's experience of the practice – you must provide a service to your patients that is perceived as great value by them, and this must be delivered to a consistently high level.

It is wonderful when a practice contacts me to confirm that they wish to progress their business and invite me to deliver a training programme. There are questions that I always ask the practice owner and in the last 18 months only one principal had the answers.

However, I am not talking about the finances here, I am talking about your patient activity.

I always ask the conversion rates – how you are winning the patients' business? Typical questions I ask are:

- How many new patients rang your practice last month?
- What percentage converted to a new patient appointment?
- What percentage went ahead with treatment?
- What was the average spend?
- What were your top three referral sources?

- How much income did each source bring to the practice?
So, you ask, why should you be looking at these figures each month?

New patients contacting the practice

It is important to see where your new patients are coming from – and not just those that book appointments. You need to know how all of your enquiries have heard about the practice.

In my time I have had companies (such as *Yellow Pages/Yell.com*) call me asking for repeat custom. They will tell you that your click through rate has been 'X' thousands and is clearly working, therefore you should commit to another booking. If you know your numbers you will be able to end the phone call very quickly!

However, just because people are looking at you online or ringing you through this form of marketing, it does not necessarily mean that they are spending money in your business.

Wouldn't you like to be able to tell Yell.com that you had only 'X' amount of enquiries in the past year and how much revenue that brought you?

You must know how many new patients are calling and what the conversion rate is. The task to find out these numbers usually highlights some very important issues for practices, such as how well trained your front desk team are, if your advertising is attracting the right patients, and if you have the right offer for the caller to enable your front desk to convert the call.

So, to recap, just because a form of marketing gets the phone to ring it does not necessarily follow that it is bringing in money! Track how many calls you receive and their source, and find out what your conversion rate is each and every month.

New patients for examinations

You must also record the total number of new patients that have come to you, the dentist, for an examination or a free consultation.

New patients that go ahead with treatment

The amount of new patients that go ahead with treatment is another important conversion rate.

If your new patient system is working well then you should expect at least 80% of your patients to go ahead with the proposed treatment plan.

The biggest way that practices suffer is because the system is not set and patients are either told the fee for their appointment at reception or they are sent the treatment plan in the post, both of which are great ways to lose patients. If the dentist does not give the fee it appears you have something to hide. If you send a treatment plan in the post it is often full of jargon and does not give the patient an opportunity to ask questions and make an informed decision.

The average spend

It is vital that you know how much an average new patient spends each month in your practice. You may see this changing from month to month – it is always nice to see the average spend increase. This reflects on your marketing too.

Referral source

It is important to ask yourself, how did these new patients find the practice? What is working well for you? If they are all coming from the internet then this is working well – so do more!

For example:

| Source | Number of new patients |
|-----------------|------------------------|
| Website | 12 |
| Magazine advert | 4 |

How much does each referral source bring in to the practice each month?

Another important view that you need is how much income is coming from each referral source. You will be able to see that the website is bringing in an average of £1000 per new patient and the magazine advert you placed gave you four new patients with an average spend of £500.

For example:

| Source | Number of new patients |
|-----------------|------------------------|
| Website | £12000 |
| Magazine advert | £2000 |

By doing this you can make sure that you are getting a return on your investment in marketing expenditure.

This important task needs to be completed on the last working day of every month by the practice manager and passed to the dentist for review.

Task highlights

This task can highlight some negatives, including:

- Marketing activity is not getting the desired response. Although you are placing adverts, doing search engine optimisation etc, the phone may not be ringing from those referral sources
- You are wasting money in areas.

The task may also highlight some of the areas that you might need to address, such as:

- Nil or low return on investment
- The team need training to convert telephone enquiries
- The front desk team need to be able to offer the new patient something to attract them to the practice – a free appointment, for example
- The customer service needs to be improved to help with new patient conversions
- Treatment presentation skills need to be improved
- New systems need to be implemented to eradicate problems that have been highlighted.

This is an important area that practices do not look at. In the last 18 months only one client of mine knew these figures! My advice is to do this for the next working month and have a really good look at what is happening in your business.

Assessing this data monthly will mean you have your fingers on the pulse – now you have the knowledge and evidence on which to base future action! [PD](#)

Comments to pd@fmc.co.uk

Laura Horton is a leading treatment co-ordinator in the UK. The training Laura Horton Consulting provides is bespoke to suit the goals and vision of the practices. All training is in-house and CPD verifiable. For further information visit the website at www.laurahortonconsulting.co.uk or call 01279 755266.