



MAY 2014

The Digital Dental Practice

2014 Dental Market Survey
Digital Marketing and Patient Communications

By Diana P. Friedman, MA, MBA

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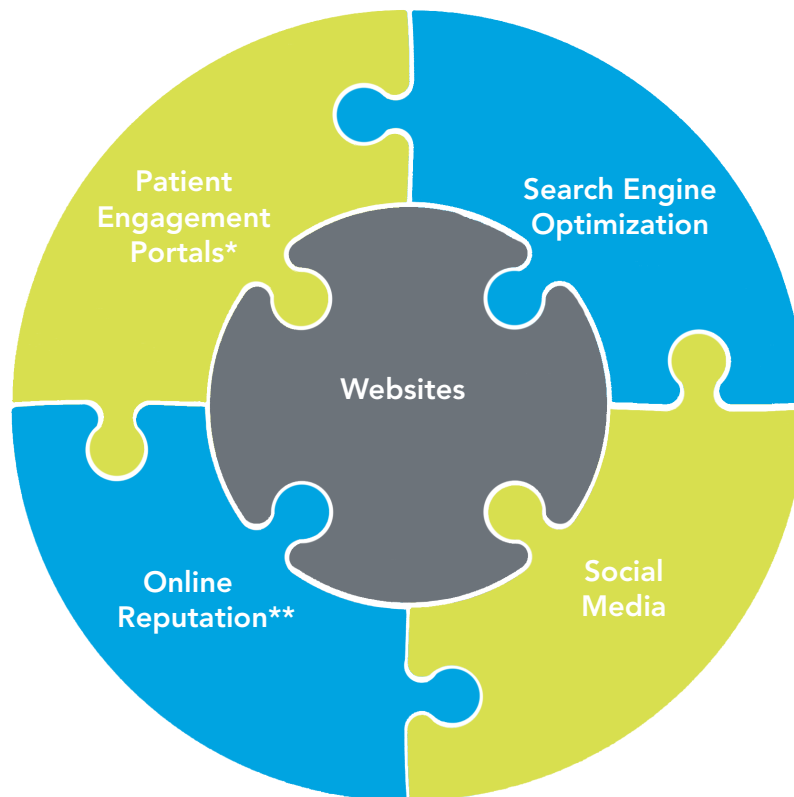
2014 Dental Market Survey Digital Marketing and Patient Communications

The Internet has become a powerful global game changer, impacting how businesses interact with their market and transact their services. Dentistry has not been immune to the profound effect the digital world has had on how local enterprises market and grow their businesses.

Even though the Internet has dramatically impacted how the business of dentistry is done, only limited timely research studying its impact has been available. This is the reason Sesame Communications commissioned a national study from *Dental Products Report*, a reputable and experienced research firm and recognized publisher of a journal centered on dental products.

The national research study was designed to evaluate the adoption of digital technology in patient engagement and practice marketing areas. In addition, the study aimed to understand what service providers were leading the transition to the digital age of dentistry. Areas the study covered include patient engagement portals, websites, search engine optimization, social media and online reputation management.

Digital Dental World



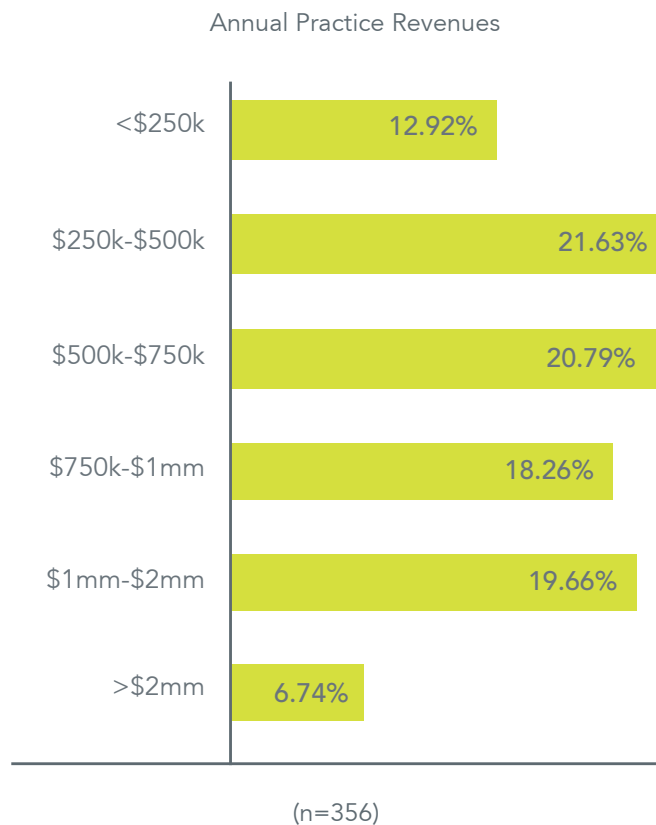
* This area of the study focused on automated appointment reminders and patient login functionality
** This area of the study centered on online patient review syndication

The national study was conducted in March 2014 and included **589 dental professionals**. 82% of respondents were dentists (74% represented practice owners) and 13% were office managers.

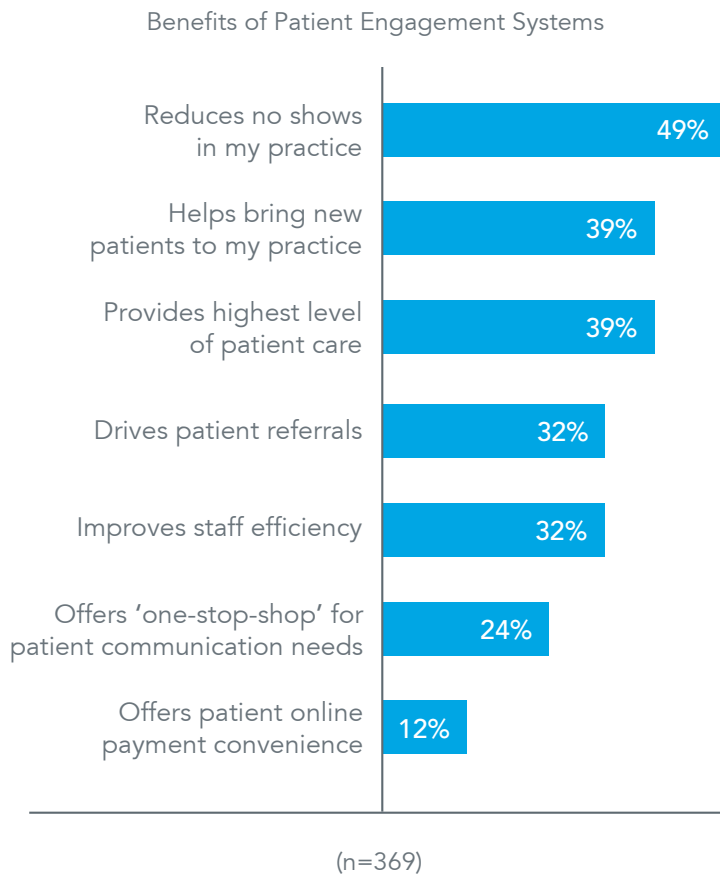
The research study yielded statistically significant findings and the participating practices' demographics conform to the industry key profile parameters. 84.49% of participants represented practices with one or two dentists with 83.73% seeing up to 30 patients per day. In terms of annual revenues, study participants had a normal distribution, as represented below.

The findings of the study are considered highly significant, as 92% of participants stated they had an impact on the acquisition of patient engagement technologies in their practices. Notably 65% of study participants stated they had the primary responsibility for selecting technology products and services for communicating with prospective and existing patients in their practice. An additional 27% of participants stated they shared this responsibility.

In order to ensure the integrity of the data and not bias results, the study was conducted by *Dental Products Report* anonymously, without disclosing the identity of the sponsor of the study.



Patient Engagement Platforms



Digital patient engagement platforms (sometimes identified as 'Patient Login' systems) have reached the early majority stage, with 50.55% of study participants stating they use an automated patient appointment reminder system; the leading functionality of patient engagement platforms. The highest percentage of users (24%) leveraged the automated appointment reminders included in their practice management software. The remainder of practices used a specialized patient engagement platform provider, with Dental Sesame having the highest brand recognition at 71.65% of the leading providers. The average investment in a 'Patient Login' platform ranges from \$100-\$300 per month and varies according to the functionality and sophistication the solution offers.

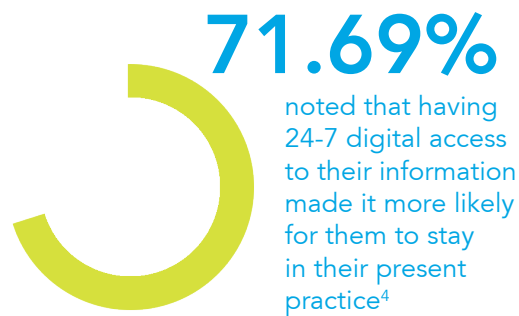
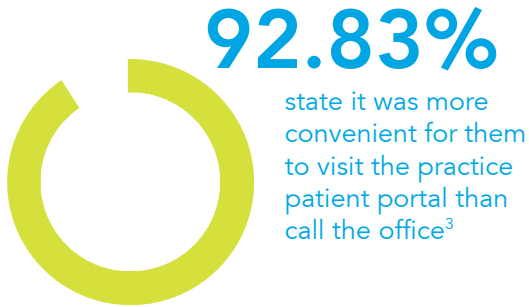
The focus on this section of the study was to understand what value patient engagement platforms had for dental practices and whether these investments converted into positive ROI in terms of practice growth, operational efficiency and patient experience.

Automated Appointment Reminders

The leading value associated with the automated appointment reminder functionality reported by practices was a **reduction in no-shows**. 74.25% of respondents noted that a reduction in no-shows was an important benefit of their patient engagement system. Furthermore, a significant 73.89% of participants in the study stated that this functionality actually reduced no-shows. This finding confirmed a previously published research study by Sesame Communications.¹ This study included 1,707,664 appointments scheduled in 64 dental practices over a five year period. The study found that practices moving to an automated appointment reminder system experienced a 19.58% reduction in no-show rates resulting, on average, in a year-over-year production increase of \$31,460.

The second most significant benefit of an automated appointment reminder system is **patient preference**. The study showed patients overwhelmingly prefer automated reminders, as an astounding 79.5% of patients prefer text or email appointment reminders over phone calls.²

Patient Preferences Concerning Appointment Reminder Systems



The third most important benefit of a patient engagement system cited by 72.37% of research participants was improvement in **staff efficiency**. Managing the practice schedule is the most critical role of the administrative team, as this ultimately determines the production the practice will achieve. Patient confirmation often is a time consuming undertaking. In a busy and hectic practice the administrative team is not always able to reach and confirm all patients, which may negatively impact production and ultimately practice profitability, as collections are derivatives of the production the practice achieves. Implementing an automated appointment reminder system not only drives the revenue and patient satisfaction parameters noted above, it also allows the administrative team to focus on other tasks which enhance the patient experience and drive significantly more value for the practice.



The fourth most significant benefit of a patient engagement system cited by research participants was improvement in **new patient acquisition**. A significant 70.74% of dental professionals noted it as an important benefit. Patient engagement portals help practices attract new patients by remaining engaged with existing patients and providing gentle and consistent reminders to refer friends and family to the practice. The software functionality often makes referring a prospective patient to the practice a quick and easy process encouraging more referrals.

Over the past quarter a new service has entered the dental industry enabling patient engagement portals to significantly enhance the new patient referral capabilities of the software. Launched exclusively by Sesame Communications, Healthgrades Enhanced Profiles™ provide practices with access to 20 million prospective patients seeking to schedule an appointment with a dental care provider. The system leverages post appointment patient reviews, syndicating them onto premium practice profiles in order to ensure the practice ranks higher in the organic results on Healthgrades. Most importantly for dentists, the reviews syndicated onto Healthgrades are qualified and verified to be from existing patients, which is critical to optimizing the integrity of your online reputation. More on this topic can be found in the section on reputation management.

HEALTHGRADES
ENHANCED PROFILES
PROVIDE PRACTICES
WITH ACCESS TO

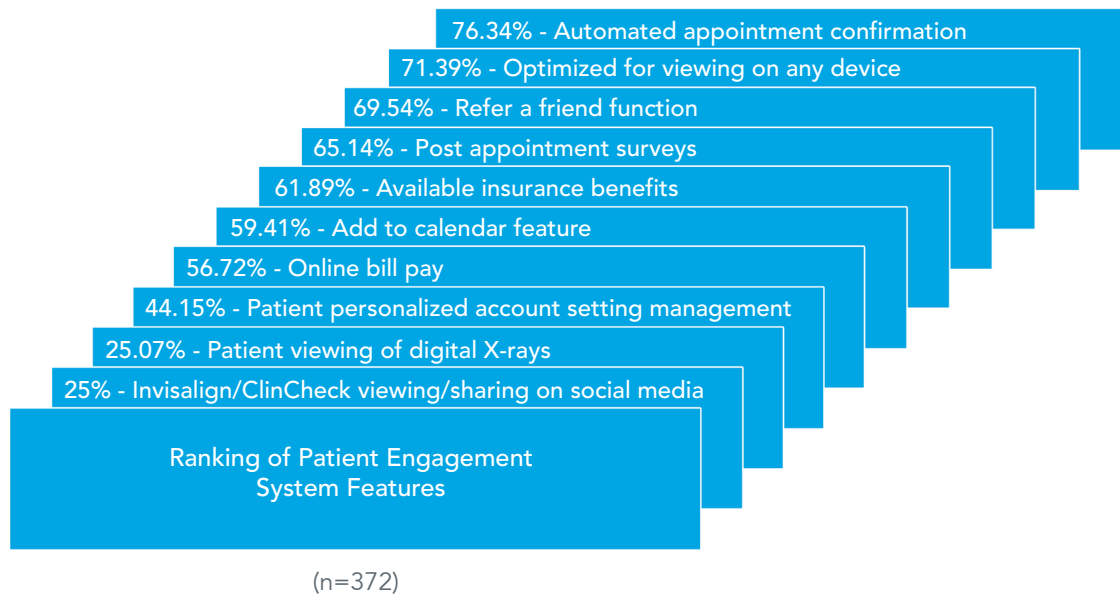
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MILLION

PROSPECTIVE PATIENTS
LOOKING TO SCHEDULE
AN APPOINTMENT WITH
A DENTAL CARE PROVIDER

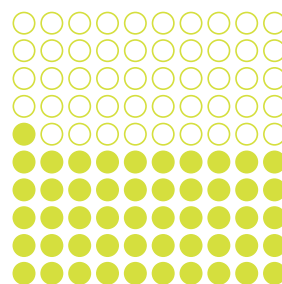
The fifth most significant benefit of a patient engagement system cited by research participants was **patient retention**, which is achieved by providing the highest level of customer care to patients. This finding is not surprising as dentists dedicate great attention and care to managing the patient experience and creating an environment in which patients feel comfortable and confident to proceed with treatment recommendation. Online patient engagement systems effectively optimize patient retention as well as recare and treatment activation.

The final aspect of patient engagement systems which the study evaluated was the actual features of the systems, and the value placed on them by dental professionals. The graphic below provides detailed results. Not surprisingly three of the leading valued features were appointment reminder confirmation, patient referral functionality and post appointment patient surveys. The value of these was articulated in the previous section.

A key learning from this analysis which begs further discussion is the finding that 71.39% of participants stated an important benefit of a patient engagement system is the ability for patients to **access the information from any mobile device**. Considering the fact that over the next year experts expect mobile devices to exceed computers in terms of the device used to access the Internet, this point is critical. In order to ensure you provide this important benefit to your patients make certain all portal access and functionality is optimized for any mobile device. Patients should be able to confirm appointments from their iPhones, pay their bill on their iPad, or perform any other related task from the mobile device of their choice. Interestingly, not all dental patient engagement systems presently provide this advanced functionality.



In conclusion, patient engagement systems effectively address a strong patient preference to communicate digitally and transact with the practice online. Significantly, providing this patient benefit actually results in significant gains for the practice in terms of production, efficiency and new patient growth. With 51% of dental practices using some sort of patient engagement portal, now is the time to take your patient communication platform to the next level and remain competitive in your local market.



51%
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Dental Sesame had
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recognition at

71.65%

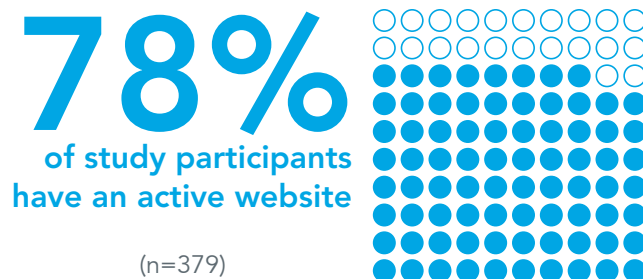
of participants
using a specialized
patient engagement
platform provider

Websites

In the digital age of dentistry the Internet is the place where patients seek information on dental procedures and providers, select a practice, and then engage and transact with that practice. A 2014 US Census Bureau study revealed 81% of consumers in North America are online. The same study also found users spend 5.2 hours per day accessing the Internet via their desktop or laptop computers and an additional 2.4 hours on either a tablet or smartphone.⁵ Practices that want to reach more consumers need to leverage the immense power of the Internet. The cornerstone of any effective web presence is a well branded, mobile optimized practice website. In an increasingly crowded world wide web, a successful practice must be managed proactively with an effective search engine optimization strategy to keep it visible in search results and include relevant, timely and patient engaging content. Dental practice websites are all about acquiring new patients.

As evidenced by the graphic below, dentists have embraced this new technology with 78% of study participants noting they have an active website.

Percentage of Dental Practices with a Website



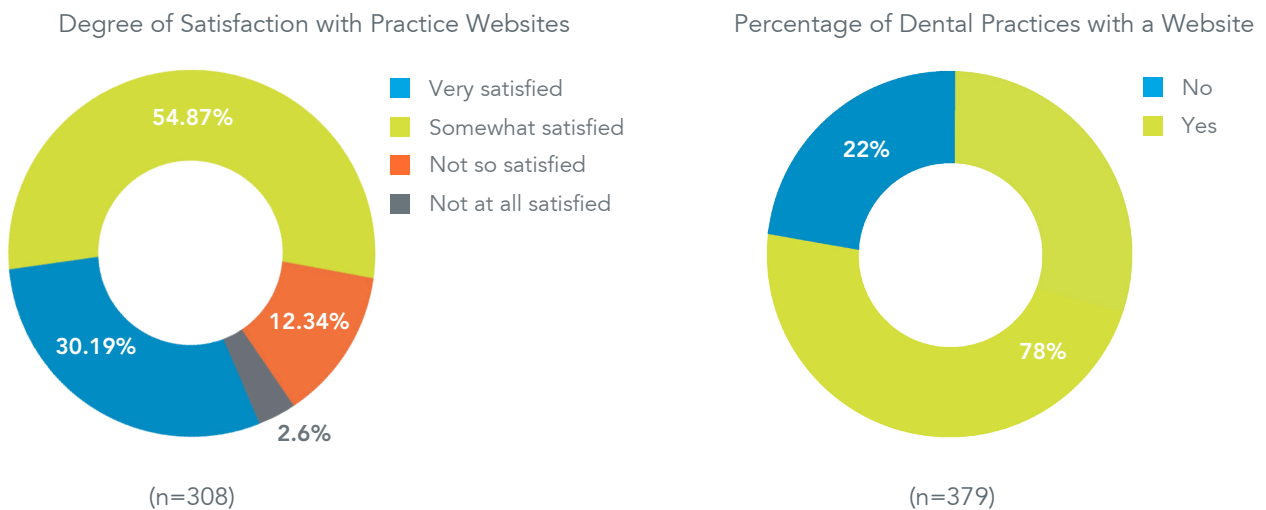
92.61%

of surveyed doctors
ranked Sesame
Communications
highest in website
developer brand
awareness

The growing dental market has attracted an ever-increasing number of web development companies. At times it can be overwhelming to identify who the reputable industry experts are. The current research queried brand awareness of website developers and Sesame Communications ranked highest, with 92.61% recognition.

An additional critical consideration in determining who to collaborate with on your website has to do with identifying a provider who specializes in dentistry. As you clearly recognize, dental practices are extremely unique small enterprises. Their distinctive profile is largely impacted by the dentist(s) leading the practice, their vision, clinical philosophy, community engagement and brand identity. A 'one-size-fits-all' website approach to design does not allow you to effectively showcase the unique features of your practice and stand out from the crowd in your local community.

A positive finding of the research study is the confirmation that dental professionals and the dental marketing industry have advanced significantly in their understanding of the digital marketing world. Research studies such as the breakthrough analysis by Sesame Communications of consumer and dental professional website preferences, grounded in the Patient Appeal Rating⁶ principles, have helped dentists become more informed and expert consumers of websites. As a result, 78% of dentists stated they have a practice website. They now tend to be more engaged in the website development process and bring a clearer vision of their preferred outcome. In turn, the industry has delivered more sophisticated and better websites to address this growing need.

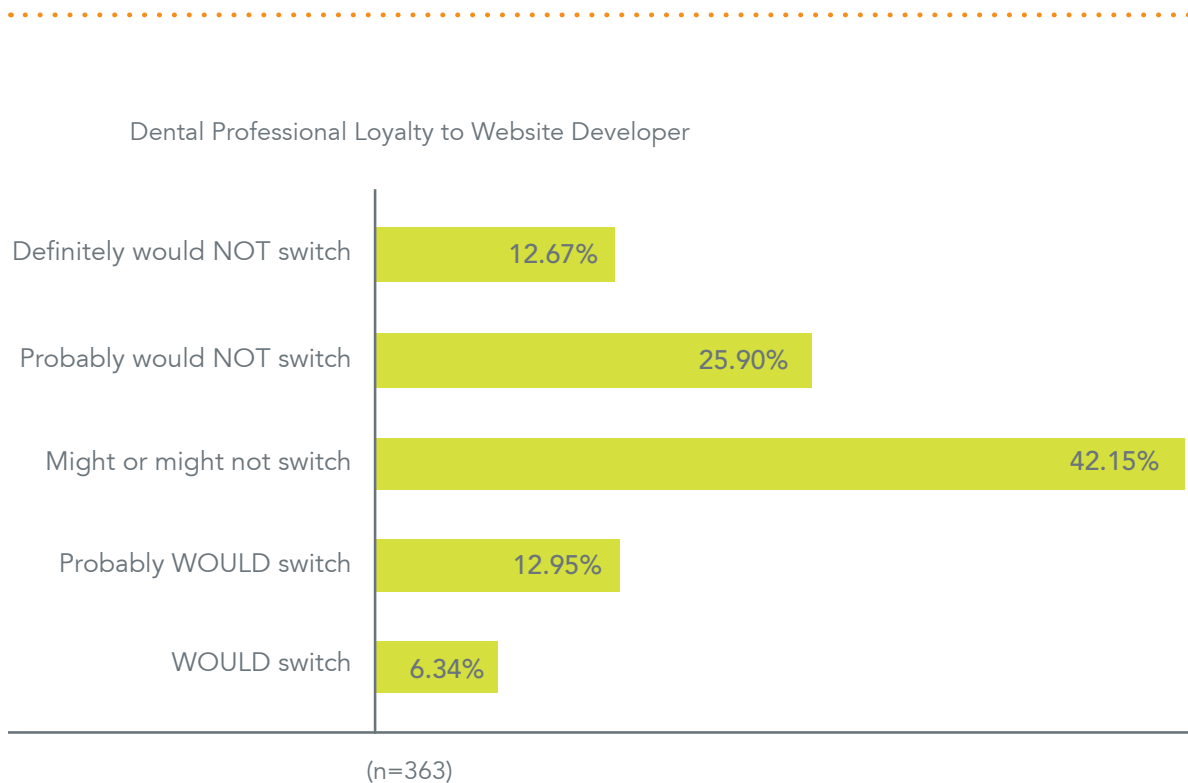


This trend is evidenced by the fact that, overall, dental professionals have a positive perception of their websites. A significant 85.06% of surveyed dental professionals noted a degree of satisfaction with their practice website, as shown above.

With the proliferation of web content and the ever-increasing complexity of search crawling algorithms, it is imperative that a practice have a website that is up to the latest standards in terms of navigation, code, responsiveness to mobile devices, and SEO properties. This generally means **a practice needs to update their website every 3-4 years to remain competitive** in their local market.

An interesting finding of the study is that most dentists do not feel strongly bound to the developer and host of their present website. While traditionally dentists tend to be brand loyal, this may not be the case when it comes to their website developer. As shown in chart below, while there is a slight preference by dentists to develop a new generation website using their existing web provider (38.57%), a significant segment of practices (42.15%) are agnostic as to who to use, and 19.28% state interest in considering a new provider.

This information shows dentists have become more educated and sophisticated purchasers of website services. In order to make the optimal choice for your practice, it is important you chose a website provider who has a high retention rate of its clients. In an era when dentists 'vote with their feet' and walk to find new providers, a company with a retention rate of over 90%⁷ is the gold standard.

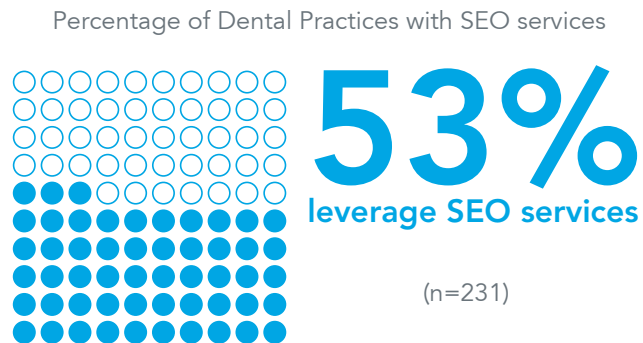


SEO and Social Media

Search Engine Optimization

Search engine optimization has clearly become a recognized necessity in the dental industry, with an astounding 53% of dental practices stating they leverage SEO services to optimize the placement of their website and visibility online.⁸

This transition from earlier statistics demonstrates a significant shift in knowledge and sophistication of dentists when navigating their practice brand online. Dental practices generally serve a local, geographically defined community. This is the reason why SEO has to be focused exclusively on the local market.

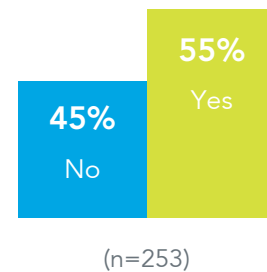


As is the case with other digital marketing service providers, there has been a proliferation of small companies entering the dental space. It is imperative that dental practices select a provider who specializes in dentistry. A significant component in a successful SEO strategy centers on content. It is important you provide not only relevant content to your patient community, but also content that is clinically accurate, patient and Internet friendly.⁹

Social Media

In a similar pattern to SEO, the current research study found that the majority of practices (55%)¹⁰ have an active social media strategy. Some of these services may be performed internally by a marketing coordinator and some may be requisitioned from a third party external provider.

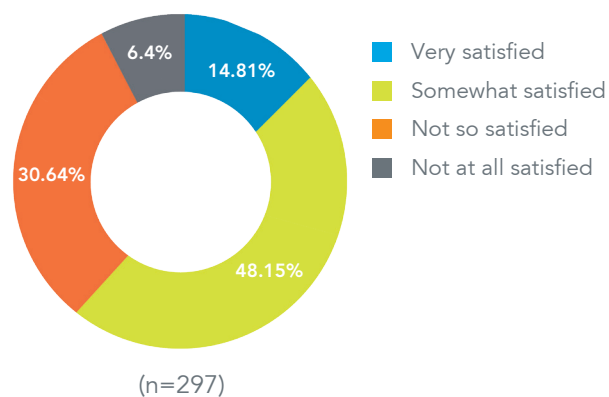
Percentage of Dental Practices with Active Social Media Management



Summary

An interesting finding regarding SEO and social media services correlates with the growing sophistication of the dentists in understanding online practice marketing. The study found that, overall, dentists are more satisfied with the SEO and social media services they receive now than they were two years ago. An impressive 62.96% note they are satisfied, compared to 37.04% who are not.

Degree of Satisfaction with SEO / Social Media Services



69.44%

of dental professionals
could not state how many
reviews they receive on a
monthly basis

Online Reputation

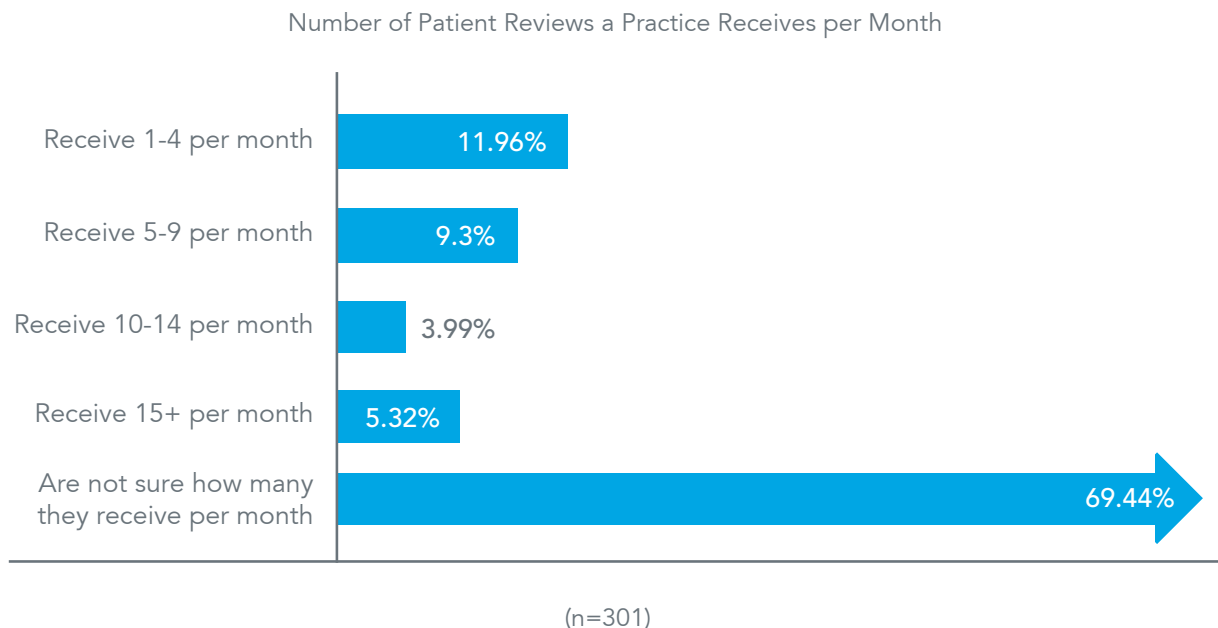
Online Patient Review Syndication

In the brick and mortar world it was easier for a practice to protect and guide its reputation in the community. On the Internet this has morphed into a much more challenging task. Most dentists can relate to an instance where a negative patient review appears on a directory or consumer chat-room, and the practice is unable to identify the author or take the corrective actions necessary to remedy the situation.

An effective strategy for managing online reputation incorporates what the practice controls, including its well branded website, social media channels and digital patient communications. Most of these aspects can be efficiently managed by a reputable, dental industry expert service provider. The optimal strategy is to use a single provider for all digital communications to existing and prospective patients, ensuring the brand voice and image remains consistent and the practice gains synergies from its multiple tactics.

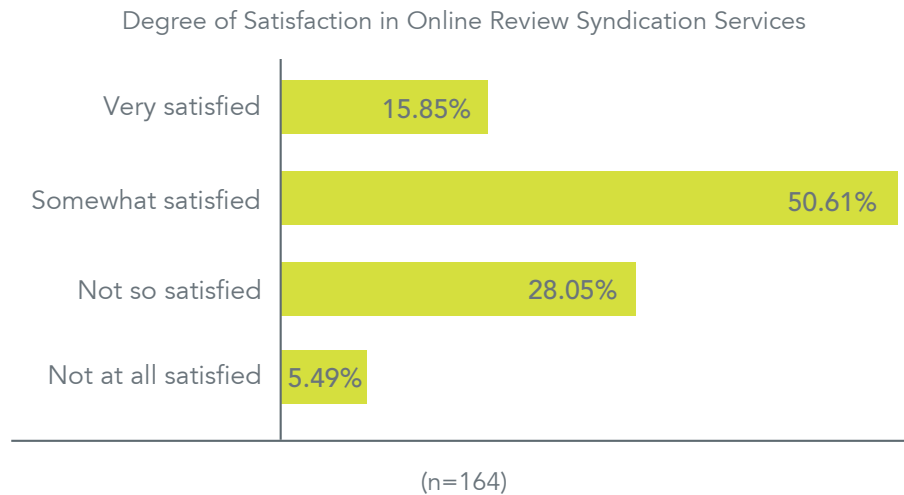
Patient Reviews

Online patient reviews have been a recognized cornerstone of online reputation management. Not surprisingly, they have been a top concern for dentists, especially since their ability to effectively monitor and address these reviews has historically been limited.



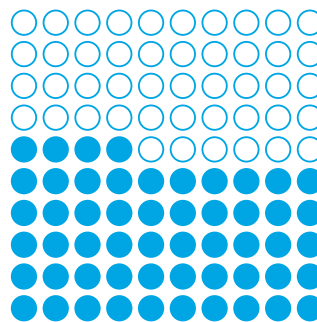
The study found that while dentists are aware of, and concerned about, their online patient reviews, on average their practice publishes only a limited number of reviews. Surprisingly most dental professionals (69.44%) could not state how many reviews they receive on a monthly basis, as per the information shown above.

The current study further investigated practices that use a review syndication service (n=164) to assess the degree to which the practices stated satisfaction with the service. Only 15.85% of practices that use such services stated they were very satisfied with their service. The majority were either somewhat satisfied (50.61%) or not satisfied (33.54%). This finding may reflect a lack of understanding as to how review syndication translates into measurable practice benefits. Without a precise ROI assessment of such a service, it is more challenging for dentists to determine if the service delivered value to their practice.



15

In the past, service providers have addressed concerns about patient reviews by publishing multiple patient reviews on to practice ‘micro-sites’, which ranked independently on search engine results as separate channels for the practice. The challenge with this approach is that consumers do not necessarily enter these unknown sites to investigate a practice. They tend to check reviews on sites that they trust such as Angie’s List® and Healthgrades®.



54%
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within a week

This aspect of online reputation has recently transformed itself, providing a more effective solution to this troubling concern. In December 2013, Healthgrades, the most trusted medical review and provider search portal in the U.S., significantly expanded their presence in the dental industry. What makes Healthgrades so powerful for dentistry is the fact that it delivers more than 20 million annual searches for dental care providers each year. The general consumer market does not even have to be aware of this portal. When querying a search engine for a dental provider in a designated geographic area, often multiple listings on page one of the results will be Healthgrades listings. Once prospective patients click on to the site they receive comprehensive information about providers, making it possible for them to promptly make an educated choice. Importantly, Healthgrades searchers represent the optimal demographic for dental practice—72% are women and 52% represent households of over \$75,000 in annual income. Most significantly **54% of Healthgrades visitors schedule an appointment** with a care provider within a week. With Enhanced Profiles from Sesame Communications, dental practices can ensure that their profiles are more prominently displayed in search results, block competitive practices from the profile and provide easy functionality to request an appointment by email or phone.

DENTAL SESAME GENERATED

22

NEW QUALIFIED PATIENT REVIEWS IN THE FIRST MONTH ONLINE¹¹

Healthgrades can dramatically, quickly and positively impact your practice's online reputation. Enhanced Profiles allow your practice to appear at the top of the search results. By activating Dental Sesame, a patient engagement system, you are able to immediately publish to Healthgrades verified patient reviews and place them at the top of search results on portals patients visit to select their dental care provider.

The best way to effectively address a negative review online is to have multiple qualified positive reviews in place. When shopping, online consumers will rarely change their opinion of a company based on a single negative review as long as other reviews are positive.

More significantly, when the practice publishes qualified patient reviews, they know the identity of the author and can circle back with a patient who had a negative experience, address the issue, and request the patient update their review. Healthgrades will actively display only the last review from each distinct patient.

16

As stated earlier, the lack of clarity about the appropriate expectation and ROI key performance indicators that the practice should establish for their reputation management and online patient review systems, has made it challenging for dentists to assess the value of such activity.

With the advent of Healthgrades a new variable is introduced. Syndication of online patient reviews can now translate seamlessly and easily into new patient calls. Considering the fact that approximately 50% of practice production comes from new patients, this is significant.

Healthgrades Enhanced Profiles place qualified patient reviews on high ranking, consumer targeted search results. The profiles allow patients to review prospective dental care providers, and if so inclined, easily request an appointment by calling the practice or clicking an email request button. Considering the fact Healthgrades has traditionally tracked 54% of searchers scheduling appointments, this is a unique opportunity to drive practice value through online review syndication. In a study by Sesame Communications,¹² practices averaged 10 calls / email appointment requests from their Healthgrades Enhanced Profile in each of the first three months post profile activation. This is a significant flow of patient inquiries on a single initiative.

Conclusion

Limited research information has existed on dental professional utilization and perception of online patient engagement and practice marketing solutions. This study conducted by *Dental Products Report*, provides a significant insight into this growth area for dental professionals. Key findings support the fact that dentists have embraced these new digital technologies, have become more knowledgeable and discerning about the companies they partner with, and are now increasingly focusing on identifying effective ways to monetize these services and drive positive ROI for their practices.

About Diana P. Friedman, MA, MBA

As CEO of Sesame Communications, Diana defines the company's strategic direction and its ongoing transformation into a high growth, cloud based SaaS enterprise. She is also a member of the Sesame Communications Board of Directors.

Diana brings a 20 year track record of success leading the launch of innovative technologies and fortifying brand positioning for companies in the dental professional and consumer markets. Prior to joining Sesame, Diana held senior management roles at Novalar Pharmaceuticals, Philips Sonicare and Levin Group. She also served as a senior market development consultant to top tier companies within the dental sector.

Diana holds an MBA in Management and Marketing and an MA in Sociology from Arizona State University. She serves on the Board of Directors of the Dental Trade Alliance Foundation as well as the Seattle Symphony.

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4. Sesame Database Fact, Sesame Communications, October 2011
5. 2014 US Census Bureau, InternetWorldStats, CNNIC
6. Get Found Get Chosen Study, Sesame Communications, 2009
7. Sesame Communications has a retention rate of 94% on all its website Members
8. Considering the total sample size of the study, the practices answering yes to the SEO number (n=231) represent 39.22% of the total size of respondents (n=578)
9. In this national study Sesame Communications ranked #1 in terms of brand recognition, with 94.32% of responded noting they were aware of this service provider
10. Calculating the number of dentists responding 'yes' to this social media question (n=253) as a percentage of the total sample size (n=589) this percentage is 42.95%
11. Sesame Research Brief, Patient Acquisition Performance Metrics, February 2014
12. Sesame Database Fact, Sesame Communications, March 2014