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## Dental Entrepreneur

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### Marketing the Million Dollar Practice

*Seven Simplified Steps to Achieving Your Production Goals in Your First Year*

Marketing is one of the most misunderstood areas in practice management. It can be very overwhelming and expensive, especially if you missed the half hour on the last day of class before you graduated from dental school.

My heart and soul is in marketing and sales. When I was asked to write this article I put myself back to when I really learned about marketing. I wasn't in college either. I loved going to Rutgers and learning but I retained very little. It wasn't my professors or the curriculum. RU is a great academic school (now finally a good football school) but I realized quickly when starting my marketing business that I didn't know how to apply what I learned when I got on the court. It is very different when you are in the stands observing the game than on the court running your own business where every decision costs actual dollars, not monopoly money. It can paralyze you or cost you loads of cash, not to mention the loans you signed your life away on.

My grandfather Nicholas taught me something I carry with me every day. He said, “The best educators make complex things simple to understand and duplicate.”

I have made enough mistakes in my marketing career to pay for a few Ferraris. I have lived to tell you these things so you do not have to feel the pain in your pocket or stay awake all night. So strap yourself into my imaginary Ferrari and join me on a turbocharged marketing ride toward your first million in production. In your first year.

To start let's distinguish between sales and marketing. Most doctors and team members collapse the two. Marketing is anything that creates interest. It makes someone raise their hand. It is the phone ringing. It is the patient asking about treatment. It is lead generation.

Sales is lead converting. It leads an interested party into a commitment or agreement. An agreement usually accompanies a signature and an exchange of money. Sales in dentistry occurs when the phone rings and a person commits to an appointment. Sales in a dental practice is case acceptance. I outline a killer sales system in my book, *Million Dollar Dentistry*. But for this article I'll be focusing on marketing.

Now you know there's a separation between the two. You need marketing to create interest and the opportunity to convert your service into sales which pays your bills and allows you to live the lifestyle you deserve.

The source of your entire future success lies in marketing your practice, so put down that beer for a moment and pay close attention.

The first step in marketing your practice is to determine your position. No not *that* one ... Your *marketing* position. Let me introduce you to the QSP Triangle. Most practices want to be all things to all people: High **quality** lab and artistry, high attention to **service**, and low **prices**. Understand you cannot offer all three or you will end up like the veteran doctors who call on me wondering why they are making little cash. Here's the deal: you need to pick two of the three – Quality, Service or Price – own your position, and make everything in your practice line up with it. Let me give you a real world example so you can understand further. If you choose a Quality and Service positioning it would resemble Ritz Carlton – 500 thread count sheets, Tiffany chandeliers, people to escort you to the bathroom, calling you by Ma'am or Sir – and cost you the equivalent of a half-crown per night. A Quality Service example is Costco – name brand products, low prices, but no service. You could get run over by a beeping forklift, the lines are a mile long, and you have to box you own stuff. Oh yeah, and you have to buy all six lawnmowers shrink wrapped together. Finally, we have the Service and Price position which is best exemplified by Mickey D's. Low prices – the dollar value meals. Quick service – in and out in seven minutes or less. But how's the quality?

Think of the confusion there'd be if the Ritz advertised in *Money Mailer* offering \$29 rooms. You'd be asking yourself, "What's wrong?" How 'bout if McDonald's offered high quality Kobe beef for \$10? And Costco would never add service because if they had to pay the salaries they'd go broke.

Now let's apply this to a dental practice. If you want to attract patients who appreciate taking your time to explain their condition, recommend solutions and come up with payments that fit their budget and your practice's policies, don't dangle an offer in a cheap mailer where prospective readers are looking for bargains. If you are in a solid demographic area, there are thousands of potential patients who want Quality and Service, but you need to rethink how you attract them.

Before we get into specific tactics on how to attract the right type of patients, let's establish how many patients you really need. There are three primary ways to build a million dollar practice right out of the box. The first is obviously new patients, the second, patient retention and the last is case acceptance.

How many new patients do you need? The answer is 1,250. Using the aforementioned model we can do some simple math. 1,250 patients yield 1,000 active patients with an 80 percent re-care effectiveness (patient retention). If you charge \$75 per hygiene visit and they come in two times per year they have made you \$150. By adding a solid case acceptance system, you will easily close one crown per patient per year. Say you charge a very conservative \$850 per crown. \$850 plus \$150 yields \$1,000 annually per patient. Multiplying this by your 1,000 active patients generates your One Mill. Sound simple? It is.

So far you've got step one: pick and stick to your position. Step two is understanding the math to get that one million.

Step three is to distinguish between external and internal marketing. External marketing is well represented by direct mail. External marketing is what you do outside the four walls of your practice. Yellow Pages is another example of external marketing, but I wouldn't put your money here unless you are a sedation practice. Yellow Pages is passé in today's virtual era, yet some doctors think they need to advertise there because "everyone else is".

Internal marketing is your wall hangings, referral system, and the most powerful and effective internal marketing vehicle – your hygienist. (All of NextLevel's clients who start new practices begin with a hygienist.) Hygienists are trusted by people more than the doctor, especially a doctor fresh out of the water, struggling to pay off student loans and a sparkly new office with equipment. Most doctors want to deliver their own hygiene because they cannot afford a hygienist. You *can* afford one that generates internal marketing. You *can* justify his or her salary when you see them as a marketing investment. They can also educate and create interest in cosmetics and other treatments because they have a captive patient for an hour and the patient doesn't think there's an agenda beyond helping them look good, feel good and be healthy. The path of least resistance, my friend. Buck the

inherent belief that all dentists are money hungry, although we know differently. This way over time you can earn the patient's trust.

Step four is to attack your marketplace from three primary audiences. Audience number one are the homeowners that match your position in the QSP Triangle. There are awesome dental marketing companies that can provide you with a targeted list so you can reach the exact demographic you desire with the right format and appropriate offer.

Audience number two is the small businesses that surround your office. These people may not reside locally but work in the area and want to utilize services before work, over lunch, or after work. My team and I have developed a cool program to introduce your office to this audience and continue to captivate them. We create stylish coffee mugs printed with the practice name and a "Got White Teeth?" or "Got A Good Looking Mug?" slogan. Included is a VIP card that invites them in for a new patient offer and VIP appointment times for their convenience.

The final audience is the corporations that are within a five mile radius of your new pride and joy. Before we approach the corporation we do some homework and strategize a bit. We call all the insurance reps in the area and interview THEM to see if they are a fit for the practice. This is revolutionary in the business as we are partnering with quality insurance companies to create win-win opportunities with our doctors. These insurance companies are actually willing to help providers that reach out and ask for support. We work with our doctors and insurance carriers to negotiate higher fees, increase and induce cash flow, and to identify the companies who can send new patients to a practice. This is a recent breakthrough in practice management and insurance relations. The action to take once you have maxed fee schedules and set up streamlined processing is to reach out to the human resource coordinators offering lunch and learns, special offers for employees, flyers to be distributed, etc. Sometimes just letting the employees know of a convenient location is enough. Word of mouth travels like fire in a work environment, especially when you send flowers to each of the first 20 patients who are referred by that company. Everyone will ask where the flowers came from, especially the jealous ladies.

Step five is to track where your results are coming from. Using a structured phone intake form with questions that properly set up the patient upon entering your practice will produce great results.

This brings me to step six: Your internal referral system. Asking the question at the initial phone call, "Who may we thank for referring you to our office?" does a few peripheral things. First you are educating them right out of the box that they too can refer people. Also you'll want to have an automated mechanism that recognizes those who send you patients. Anything that is rewarded is duplicated. Send a 50 dollar gift card to Starbucks or Home Depot. This keeps your name out there and reinforces the principle that applies to referrals: 20 percent of your patients refer 80 percent of your patients. This is because they are influencers in many circles, have an expressive personality and like to know the best of the best. I got this strategy from one of my favorite books, "The Tipping Point" by Malcolm Gladwell. Run out and get it – it rocks.

We end with step seven: be different. If you do the same thing your classmates are doing, you can expect the same results. Spend the money and get a proven mentor to coach you. Look at things as an investment rather than a cost. Getting help doesn't make you less of a person; actually, the reverse is true. By the time you're done with school and setting up your office you will have invested well over seven figures and many sleepless nights. Suffering and slavery in dentistry are optional, not mandatory. You can make a difference in the lives of many. Do not forget that you deserve it all – a great family, lots of toys, and a thriving practice. Do not wait; life is not a dress rehearsal. Do not hold on for that someday: "When I \_\_\_\_\_, I'll start." Do it right from the start.

Hopefully I have enlightened you on how to go about marketing your practice. I practice what I preach, and now you've experienced how I market my practice. By educating and having my team assist you in implementing this stuff, you can focus on what you do best. I look forward to our paths crossing soon.

ABOUT THE AUTHOR:

Gary Kadi innovated the NextLevel Methodology and is one of America's leading dental practice developers. His twelve years of transforming and developing dental practices are captured in his book, *Million Dollar Dentistry*. He can be reached at (480) 361-9955 or [gary@nextlevelpractice.com](mailto:gary@nextlevelpractice.com). Gain additional insight and knowledge for your journey to success by visiting: [www.nextlevelpractice.com](http://www.nextlevelpractice.com).