



ORTHO2

Do You Know the Secret to Orthodontic Growth?

by **Roger P. Levin**

To reach the highest levels of orthodontic success, doctors need excellent clinical skills and strong business know-how. Many entrepreneurs never figure out the key drivers of their business and eventually go bankrupt. While very few orthodontic practices ever file for bankruptcy, they can experience challenges, especially in an uncertain economy such as we have now.

In its 23-year experience of consulting to thousands of orthodontists, Levin Group has found that most orthodontic practices operate at 30–50% or more below their true potential. What is the difference between highly successful orthodontists and those who struggle to grow their practices? The answer is understanding the key production drivers that make an orthodontic practice successful.

The Ultimate Key Driver

I was recently talking to one of our clients who had completed an extremely successful year with his consultant at Levin Group. This young orthodontist had grown his practice over 36% and reduced his work week from five days to three-and-a-half days. I have no doubt he will grow another 30% or more in his second year of consulting because, as he told me, he finally figured out one of the major keys to business success—referral marketing!

In the early years, he focused on being the best orthodontist possible. Unfortunately, this doctor had trouble accumulating any savings and struggled to pay all of his bills.

He built a world-class facility, hired and trained an excellent staff, and expected success to occur right away. In our conversation, the young orthodontist said it was a revelation when he finally realized that a key driver in any business is referral marketing. Without marketing, as he stated, “there is no business.” Marketing creates customers. For orthodontic practices, referral-based marketing is one of the secrets of long-term growth.

Implement a comprehensive referral marketing program and carry it out consistently for the remainder of your career.

Frequently, orthodontists believe that if they are the best in their area, they will automatically achieve financial success. Unfortunately, many orthodontists end up very disappointed, have high stress levels, and feel that they have been cheated in some way. Remember, excellent clinical skills alone are not a guarantee of success. You need the right business skills to achieve your true practice potential. And one of these skills every orthodontic practice needs to develop is referral-based marketing!

The key to orthodontic practice growth is implementing a comprehensive referral marketing program and carrying it out consistently for the remainder of your career.

Why Referral-Based Marketing?

Every business has key drivers. Conventional marketing, with logos, stationary design, business cards, etc., does not attract significant numbers of patients to orthodontic practices. These are the basic aspects of building an orthodontic practice that patients will see once they have made a choice to come to your practice.

Referral marketing is different. It is an intense and strategic focus on both patients and referring doctors using multiple strategies to encourage them to refer other people. The truth is that most patients have a limited number of people that they can or will send to your practice. However, when hundreds of patients refer low numbers of other individuals, the result is excellent.

In a new concept recently introduced to Levin Group clients, we are teaching *deliberate relationships*. Deliberate relationships is a concept where the top 200 orthodontic parents and patients receive a

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special type of marketing program to encourage them to refer other people. Although this program has only been in place for approximately 12 months, the results are already dramatic. However, it does require a marketing plan that focuses on these individuals, encouraging them to refer and expressing your appreciation once those referrals take place.

The second major aspect of referral marketing focuses on general dentists. While a patient has the opportunity to refer a few other individuals, the general dentist has the potential to send 100 patients or more per year. Many Levin Group orthodontic clients have referring doctors who send \$250,000 of production or more each year, greatly contributing to practice success. Working with Levin Group, these orthodontists developed a general dentist referral marketing program with 15–30 consistent, ongoing strategies. As I have taught in orthodontic seminars throughout the country, it is not only the quality of the marketing strategy that is important, but also the quantity. This is where a PRC comes in.

The Professional Relations Coordinator

A PRC or Professional Relations Coordinator is the key to making the ultimate driver—referral marketing—successful. Most orthodontists do not have the time, knowledge, or interest to carry out or maintain a full-blown referral marketing program. Even if you get started, there is a high likelihood that your motivation will drop off fairly quickly. On the other hand, if you hire a PRC, you will have a dedicated team member whose job is to focus on marketing, building the practice, and dramatically increasing referrals, all while you provide optimal orthodontic care and enjoy other aspects of your life.

In 1985, when I first launched the concept of referral marketing, I had not created the involvement of a PRC. In that time, clients did have positive results, but not nearly as high as I would have liked. I quickly realized that the number one bottleneck was that doctors were running the marketing program and that they only had so much time, energy, and commitment. In 1987, I implemented the PRC, and it has been a tremendous success ever since. Today, I tell orthodontists that if you do not have a PRC, it is unlikely you will have a strong marketing program.

The PRC runs 95% or more of the entire marketing program. The PRC's responsibilities include clearly defining the referral marketing strategies, creating timelines to carry them out, implementing the strategies, tracking results, and adding new strategies. The PRC's job is to continually find ways to increase referrals from patients and referring doctors using a systematic method. Marketing is a highly sophisticated science that will deliver a predictable result, if it is implemented and carried out consistently using the appropriate systems. The PRC should be thought of as a professional who will need to learn the science

of referral marketing. Unfortunately, referral marketing is a very esoteric part of marketing not taught in most business schools. With the right training and guidance, a PRC can help you generate hundreds of new patient referrals every year.

Conclusion

To guarantee a successful practice, a strong referral-based marketing program is a necessity, not an option. Practices that consistently and effectively engage in referral-based marketing will become the production and profitability leaders in their area.

You owe it to yourself, your staff, and your families to help your orthodontic practice perform in the most efficient and effective manner. Every day that you do not take steps to grow and protect your practice, opportunities for increased profitability and referrals are lost. Referral marketing is the key to making your practice stronger and highly productive. Think of it as one more way you can recession-proof your practice. ☺

About the Author



As Founder & CEO of Levin Group, Inc., Dr. Roger P. Levin, author and international lecturer, has embraced one single mission since 1985—To Improve the Lives of Dentists. Since then, hundreds of orthodontic practices have benefited from Levin Group's solutions for increasing production, boosting profitability, and reducing stress. A third-generation dentist, Dr. Levin is one of the profession's most sought-after speakers. For more information on Levin Group Practice Success seminars, visit www.levingroup.com or call 888 973-0000 and mention Ortho2 for a 50% courtesy.

Dr. Levin will present a two part course "The Secrets of Growing Your Orthodontic Practice by 30%" at the 2009 Users Group Meeting.