



The Good Stuff: Marketing KPI Targets

7 Essential KPIs to Drive Your Marketing Success.

Introduction

What makes or breaks a successful marketing strategy? One word: data.

Sure, you can throw money at the wall and see what sticks. But if you want a focused, efficient, and predictable approach to marketing that can compete with what the big DSOs are doing, you need to start looking at the numbers.

Not just any numbers, either, but the right ones. Cost-per-click, page views, Google ranking – interesting, yes, but these figures may or may not directly relate to the actual number of new patients coming through your practice doors. Too often, common marketing data points like these just give your operations team more noise and less signal.

So, what should you be looking at? The critical stat, of course, is how many new marketing patients you're seeing and retaining. To move that number upward, though, you need to be able to collect as much accurate data as you can, dig through it – preferably in real-time – and use what you find as a springboard to innovate, iterate, and continue to refine your marketing efforts.

This may feel like a big job – and it is. But it's also what separates you from the vast majority of dental practices, many of which are still operating like a mom-and-pop business from decades past. Data-driven marketing can help you do three things better than most:

1. Provide predictable growth
2. Spend your money wisely
3. Become more effective, efficient, and sustainable

Putting in the effort here is the difference between being just another dental practice and becoming something more. There's nothing wrong with being the former – but if you have the energy and the ambition to swing for the fences, then head with us to the dugout and let's start getting our ducks in a row, and mix metaphors while we're at it.

How Do You Know if You Have Access to the Right Marketing Data?

To build a successful, data-driven marketing campaign, you need to be able to answer three questions.

1. How much does it cost to make the phone ring with a new potential patient on the line?
2. How much does it cost to drive a new patient through the door?
3. Is each new patient coming from marketing or another referral source?

The KPIs we're emphasizing in this paper will help you get those answers — and more. Data in hand, you can start to get a clear sense of your ROI or lifetime patient value and streamline your daily business operations and marketing efforts.

What Do You Need to Measure?

To keep things simple, we're highlighting seven essential KPIs that you need to be paying attention to in order to predictably grow your practice or group. We've also identified specific target numbers for you to aim for (something that the vast majority of dental practices don't even consider).

1. **Cost-per-Opportunity (CPO)**
2. **Cost-per-Acquisition (CPA)**
3. **Marketing Recare Rate**
4. **Average Time to Appointment**
5. **Marketing Phone Conversion Rate**
6. **Marketing No-Show Rate**
7. **True Lifetime Value & Return-on-Investment**

The more clearly you can measure each of these numbers, the more you will understand how far your money is going, how well you convert leads into patients, and where those patients are coming from.

As we take our walk through each of these, please remember: any actual data points below (like industry averages) are based entirely on digital marketing numbers. That

means our data does not include referrals, cold-call telemarketing, mailers, or any other non-web-based marketing techniques, and is also based on numbers from general dentists, not specialty practices like ortho or perio.

Equally important to bear in mind is that our KPI targets are only broad guidelines, as your specific market will affect how much you have to spend. A practice in Omaha will likely achieve a lower CPO and CPA than one in San Francisco. Shoot for the target, but also consider your context.

In other words, think of these numbers as a good rule of thumb for a general dental practice and use accordingly. With those caveats out of the way, let's dive in.

1. Cost-per-Opportunity (CPO)

Here's a great question that is too often ignored: how much does it cost to get an actual person to contact your dental office?

We don't just mean look at your website or click on your Google Adwords campaign, either, as that may or may not lead anywhere. More important is how much you are spending in order to get a live person on the phone or over email — in a position to talk to your sales team or front desk staff.

SMC target number: <\$100

If this number is too high, consider how you're deploying your marketing dollars. What can you do differently? Sit down with your marketing team and start to get honest about what is working and what needs improvement.

2. Cost-per-Acquisition (CPA)

This is a big one: how much does it cost to bring a new patient through your doors? CPA is a catch-all number, incorporating your expenses through every stage of your marketing funnel to give you an average per-patient figure. Use this information as a

way to track your efforts to streamline your marketing process. If you can lower your CPA while keeping your real new patient numbers steady or rising, you're in great shape.

SMC target number: <\$150-\$200

Note: If your CPA is higher than you'd like, the first place to look for improvement is often your no-show rate (see number 6 on our list!). What can you do to get more patients to actually show up for their initial appointments?

3. Marketing Recare Rate

Now that you've gotten your shiny new patient to come in for their first appointment, what are you doing to keep them there for the long haul? What percentage of your new patients schedule a follow-up appointment?

Repeat patients are bread and butter for your business — but the industry average recare rate is just 40 percent. We think that number is shockingly low and has a great deal of room for growth.

SMC target number: >75 percent

To hit that number, you'll need a sustained, ongoing effort that makes it easy for your patients to schedule appointments, reminds them to show up, and encourages them to develop an emotional connection with your practice.

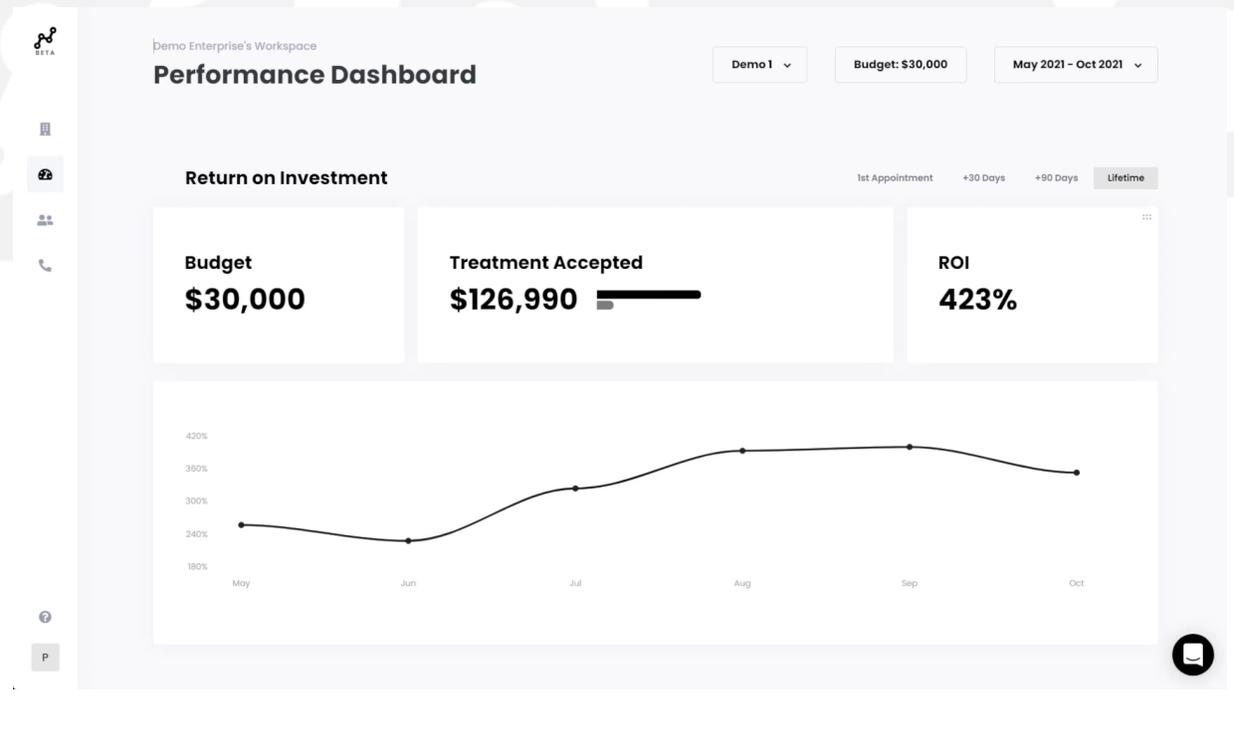
Also (and this is huge): make sure your patients schedule their next appointment BEFORE they leave your office. You'll save a ton of time and energy — industry data suggests that you may have to contact an existing patient up to nine times to get them to schedule a follow-up hygiene appointment once they've walked out of your doors.

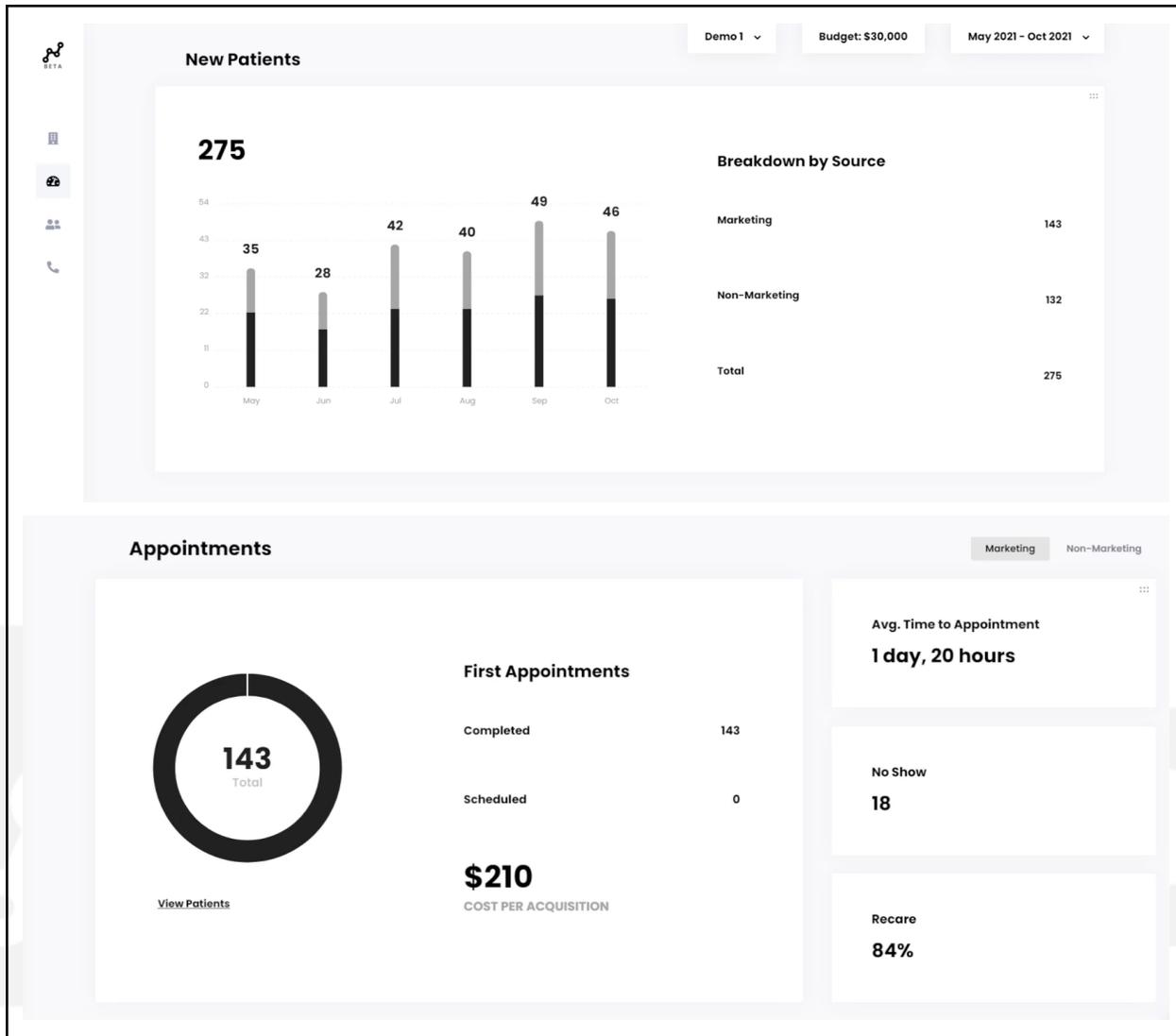
Want to Boost Your Data Collection? Use the Right Software

In order to actually collect all the data you need to build an effective marketing campaign, you need a system in place. This will give you the ability to measure not just patient conversion and retention, but a wealth of figures like cost-per-opportunity or cost-per-acquisition that are essential to helping you make smart decisions about where and how to spend your budget.

While you have options to choose from, we're partial to the one we've created ourselves. The SMC App integrates with your existing patient management software to give you a comprehensive perspective on how your lead generation and conversion efforts are performing – all in real-time.

As a result, you and your marketing team will be able to make up-to-the-minute decisions on what's working, what needs improvement, and what your next action items should be. You'll also be ahead of the curve, as only a quarter of dental practices measure any of their KPIs in real-time.





4. Average Time to Appointment

Which practice would you choose to visit: the one that can see you tomorrow or the one that doesn't have an appointment until next week? All other things being relatively equal, most of us will pick the first over the second.

Right now, the industry average is a 7+ business day wait time. That means if you can improve on that, you've got a HUGE advantage over your competitors.

SMC target number: <2-3 business days

To hit this, you'll need to optimize your systems. Develop a smooth patient booking operation, build a strong recruiting effort to make sure you've got enough qualified dental professionals on-hand to manage your patient flow, and kick your marketing operation into high gear.

You'll also want to implement a block-scheduling approach for your chairs that prioritizes room for new patients and create standardized patient care protocols to keep things running efficiently and on time. Use your morning team meeting to identify any pain points during the coming day and make sure your team has a plan to move past them. Challenge your team to identify one extra opening in the morning and one after lunch that can be used for an emergency call or fitting in a new patient on short notice.

5. Marketing Phone Conversion Rate

A major goal of your marketing is to get potential new patients on the phone (even today, over two-thirds of leads come through phone calls). But once you have them on the line, how many people actually schedule an appointment?

The industry average is 70 percent. That means roughly one-third of your potential new patients go from being open to scheduling an appointment to hanging up without one — and that means you have room to bring more of those patients through your door.

SMC target number: >80 percent

The number one way to boost your phone conversation rate is by training your front desk or call center team to handle calls more effectively.

6. Marketing No-Show Rate

You've navigated the gauntlet and scheduled a new patient for an initial cleaning. Then they don't show up!

In the dental business, this happens about 25 percent of the time. Since these patients have already agreed to come see you, getting them across the finish line is a lower-hanging fruit than some, and will help you lower your overall CPA number considerably.

SMC target number: <10 percent

What can you do to reduce your no-show rate? Hit the confirmation process hard. Train your team on best practices for handling calls confirming patient appointments and developing a personal connection with patients over the phone. Make sure to employ (friendly) reminders like calling or texting your patients in the days leading up to their appointment and consider canceling appointments where the patient does not confirm 24 hours ahead of time (since that slot can then go to another new patient).

To learn more, check out our whitepaper on [decreasing your no-show rate](#).

7. True Lifetime Value & Return-on-Investment

What are all of the last six KPIs pointing you towards? Increasing the lifetime value of your patients to your business and delivering you a better return on your initial investment towards getting those patients through your door. These numbers are simple: higher is better – but moving them upwards means approaching or hitting the target numbers we've identified above.

Keep an eye on these figures as you work to grow your business. This is one way of seeing when your efforts start to pay off.

Encore KPI: Channel Attribution Breakdown

How do new potential patients actually get in contact with your practice? Knowing these numbers helps you focus your marketing efforts – and can also show you where there's room to cut costs.

The industry averages look like this:

- 68% Phone
- 18% Chat
- 9% Online Scheduler
- 5% Online Forms

While we don't have one optimum mix in mind, we would urge you to consider what works best for your practice. Do you want to reduce the load on your front desk team? Try emphasizing online scheduling. Having trouble bringing in patients for high-dollar procedures like Invisalign? Drive web traffic to call you rather than chat so that your call handlers can connect with and sell potential patients on the phone.

Translating Numbers into Action

Once you've put a system in place to track these KPIs (did we mention that's something SMC can help you with?!), now it's time to put them to good use. Start monitoring your data on a daily basis alongside your marketing team and use what you learn to guide your actions and help you hit our suggested target number for each KPI.

For example, if your CPO is higher than you'd like, that may mean that you're spending a ton of money on ads that aren't performing well, or that your website isn't ranking as high as it could. Consider A/B testing your ads or revamping your website for improved search performance.

Conversely, if your CPO is fine but your CPA is high, your front desk team may be struggling to convert opportunities over the phone and may benefit from call training. You may also want to try implementing additional contact features like email or chat to give your potential patients options — or de-emphasizing those features if you see them underperforming.

You could also be running ads aimed at the wrong audiences, so take another look at your Facebook audience targeting or consider reworking your keywords.

Bigger picture, your new data streams will help create a stronger culture of accountability within your organization by getting your marketing and operations teams on the same page. There is less room for miscommunication or passing the buck when everyone involved can get an accurate picture of what's working and what isn't, creating more room for working together to improve and move forward.

Pssst! Want to Do This the Easy Way? Work with SMC!

You might be thinking something along the lines of, "Yeah, this all sounds great, but I just don't have the bandwidth." That's why SMC is here to help!

As a premier dental marketing firm that is pioneering an intensely data-driven approach, we do this stuff in our sleep. Our team can step in and handle your marketing for you – whether you're a small group practice or a heavyweight DSO.

What sets us apart? Not only do we use numbers to guide everything we do, but we have access to really good ones. Our proprietary SMC App allows us to aggregate KPI data from hundreds of different groups, which helps us to identify industry-wide patterns or trends and see what works and what doesn't on a large scale.

In other words, we can see both the granular details and the big picture. As a result, our clients tend to experience significant improvements in both overall new patient count and the cost of bringing each patient in the door.

To learn more, please [contact us](#) to start a conversation. We'd love to get to know you and your business!

In business, as in life, clear seeing leads to effective action. You (or your marketing team) can use a data-driven marketing approach to create sustainable, predictable growth and take your group or practice to the next level.