The recession that started to bite within the dental market during 2010 will live long in the memory of most dentists, who have historically had no trouble attracting new patients and keeping those they already have.

Confidence levels plummeted across all sectors of society between 2010 and 2013, leaving consumers nervous about the present and even more cautious about the future. The prevailing conditions had a huge impact on the dental sector and resulted in a contraction of the whole market. According to Mintel’s industrial report into dentistry, recessionary factors were in some part responsible for a seven per cent contraction in this segment of the market between 2010/2011 and 2013/2014.

However the latest economic ‘mood music’ seems to be indicating a more positive outlook and industry leaders point to improving growth figures as an indication that the worst may be over. But, after three of the toughest years ever experienced by the dental market, do these latest figures signal that the ‘green shoots’ of recovery are ready to blossom, or should the profession still be wary?

There is a raft of statistics to evidence a returning public appetite for spending and dentistry it seems is getting its fair share of the increase. The latest statistics from NHS England show that a total of 29.9m patients (55.9 per cent of the UK population) were seen in the 24-month period ending December 31, 2013, representing an increase of 8.3 per cent when compared with the 2006 baseline.

The latest data from NASDAL also shows a more positive outlook and reports that for the first time in eight years there has been a narrowing in the gap between profit levels of practices in the NHS and private sectors. This indicates a significant recovery for private practices, who LaingBuisson expects to benefit from the economic growth predicted over the next four to five years.

Further evidence of green shoots blossoming has come from recent Enventure research, carried out on behalf of the General Dental Council, which found that 37 per cent of dental professionals are optimistic about the future of dentistry – an increase of two per cent on confidence levels in comparable research carried out in 2012.

The challenge for principals and business owners is to understand how the changing market conditions will affect their business. So what strategies can be adopted to make sure that your practice is in good shape to take advantage of the emerging opportunities?

A key factor for a successful business is predictability and the last three years have seen practitioners realise that uncertainty in their patients’ lives can lead to a devastating fall in practice revenues. Tools that will safeguard a practice against such uncertainty are welcome assets and practices with patients on dental plans enjoyed a certain level of immunity from the volatility caused by the recession. This is supported by the LaingBuisson report which states “…funding of private dentistry by dental plans was less affected by the economic downturn than private self-pay, as real spending on plans edged down by only two per cent in

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real terms between 2008 and 2012 inclusive.”

Of course the rationale behind these statistics is easy to explain with plan patients having every motivation to attend routine appointments for which they already budget for. As part of a business strategy, a practice branded dental plan can play a key role, helping to maintain a good level of patient flow through the practice regardless of external economic influences, as well as ensuring a defined level of income each month and cash-flow predictability.

Patient loyalty is another factor that differentiated those practices which successfully negotiated the recession from those less fortunate.

The ability to build a brand and develop loyalty is a central factor for successful businesses. Indeed many dental practices spend considerable resources on developing their own brand and have significant success by maintaining a coherent and consistent message. The power of such loyalty is not something that should be taken lightly and patient take-up of dental plans is often enhanced because the plan is ‘practice owned’ and presented to them by the dentist or a practice manager whom they know and trust.

Meeting the business challenges presented by the changing dental market over the next few years must be one of the top priorities for principals and practice owners. Having the support of experienced plan providers who understand the market and can help develop a brand that will attract new patients and retain those you already have is vital if you are to be able to take full advantage of the current economic uplift.

The ability of a practice to control all elements of its service provision is vital in attracting and retaining sufficient numbers of patients to ensure the green shoots of recovery are nurtured and tended. By preparing your business now, you will be well equipped to take full advantage of the economic recovery and be in a position to benefit significantly from a more open market, resulting in substantial future growth.

References available on request.