

State of Dental

Year of the Patient



2022



TABLE OF CONTENTS

INTRODUCTION

1 The Year of the Patient

SUMMARY

X Growing Faster by Focusing on the Patient Experience

X Survey Demographics

X What Are the Trends in Patient Experience for 2022

X How Dental Software Can Transform Your Practice

X The Four “Deal Breakers” for New Dental Software

X Where to Invest to Grow Your Practice

CONCLUSION

X First-Mover Advantage in The Year of the Patient

The Year of the Patient

It's no secret that the past two years have disrupted the dental industry. Waiting rooms sat empty. The number of appointments dropped. People stopped coming for bi-annual cleanings. Pandemic-driven disruptions altered almost every industry, but perhaps none more than healthcare.

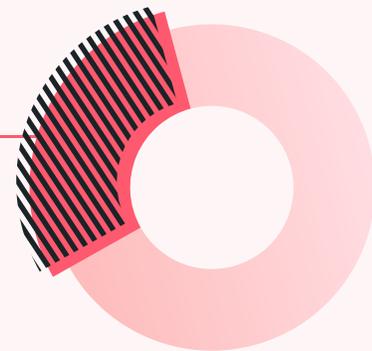
Healthcare providers moved appointments online. Telehealth skyrocketed. But virtual appointments don't work for all types of care – like dental cleanings – so for many patients, appointments that required in-person services were neglected.

Disruptions in dental care were compounded by transitioning behaviors, with the boundaries defining “work” shifting from in-office to remote-first. And without being tethered to a physical office, Americans were on the move in unprecedented numbers.

According to an *Investor Business Daily* poll

29% of Americans relocated since COVID-19

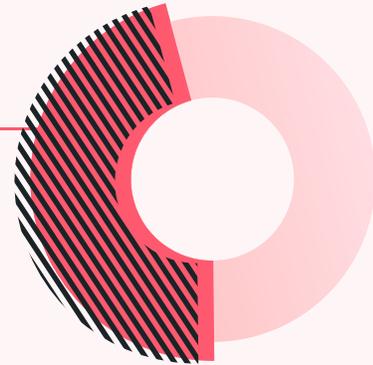
or plan to within 12 months, more than 3x the volume prior to the pandemic – and the most since the 1940s.



The people on the move are mostly younger, with

46% of 25 to 44 year olds

planning to move within a year - if they haven't already.



Every single person on the move will be looking for a new dentist.

Your new patients are young, digitally savvy, and on the lookout for a dentist who provides great service and convenience. There's no better time to reimagine the patient experience and how you use technology to engage with patients to grow your practice. Using technology to deliver exceptional patient experiences will define The Year of the Patient.

Nearly **1,300 dental professionals** gave us their insights so we could better understand their priorities for patient engagement in 2022. Throughout the *State of Dental 2022: The Year of the Patient*, we'll examine business priorities for 2022, how dental practices are leveraging technology, and ways practices plan to grow and spend.

After reading the report, you'll have an understanding of:

✓ The differences in strategies for high patient volume (HPV) and low patient volume (LPV) practices

✓ A framework for evaluating dental software

✓ Where you'll see the best returns on tech and marketing investments

Growing faster by focusing on the patient experience

Dental practices are optimistic.

65% of practices said they'll have greater patient volume than pre-pandemic levels. Only **6%** of practices believe their patient volume will be less than it was pre-pandemic.

Customer satisfaction is the top priority.

#1 Survey respondents were given a list of objectives for 2022 and asked to assign a score from least to most important. The top objective – *by a wide margin* – was Improving Customer Satisfaction.

Online booking will become the norm.

26% Virtually all practices accept calls, but only **26%** of practices accept online bookings. Yet online booking was seen in our survey as the second most impactful method for growth.

Scheduling is one of the most time-intensive areas of the dental office.

More than **40%** of dental practices spend three hours or more per day managing their schedule.

Patient experience software adoption is ramping.

50% of practices already use patient experience software to manage time-intensive tasks. Low patient volume practices can get away with manual processes, but the highest-performing practices are increasing marketing spend and process automation.

Four “deal breakers” stand out for dental software.

Dentists ranked “Secure and Reliable” as their #1 priority when making a decision on dental software. Those same dentists also want software that is Easy to Implement and Manage, provides Excellent Customer Service, and Works with Existing Integrations. Brand Recognition was last on the list.

Poor customer support is the #1 reason dentists change software.

Respondents cited the Lack of Quality Service and Support as the #1 reason they left their software providers.

Social media is the top way practices plan to grow in 2022.

57% of respondents singled out Social Media as the way they planned to grow their practice in 2022. Other top responses were using online scheduling (40%) and adding more services/products (40%).

Survey demographics

The survey was conducted from November 2021 - December 2021.

We received **1,271** responses to the survey.

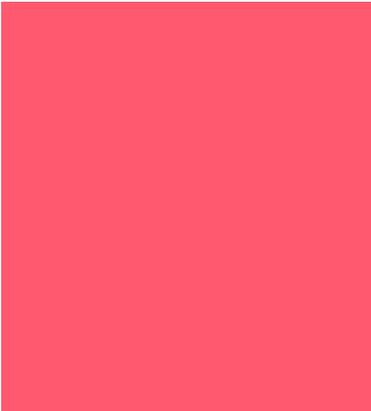


Answer choices	Responses	
Office managers	8.99%	114
Dentists	57.49%	729
Owner	3.63%	46
Owner + Dentist	24.53%	311
Operations	3.15%	40
Marketing	1.81%	23
Other	6.15%	78

Which best describes the size of your practice?

70%

Single location



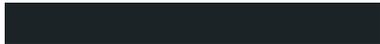
20%

Multi location practice



10%

Larger dental org



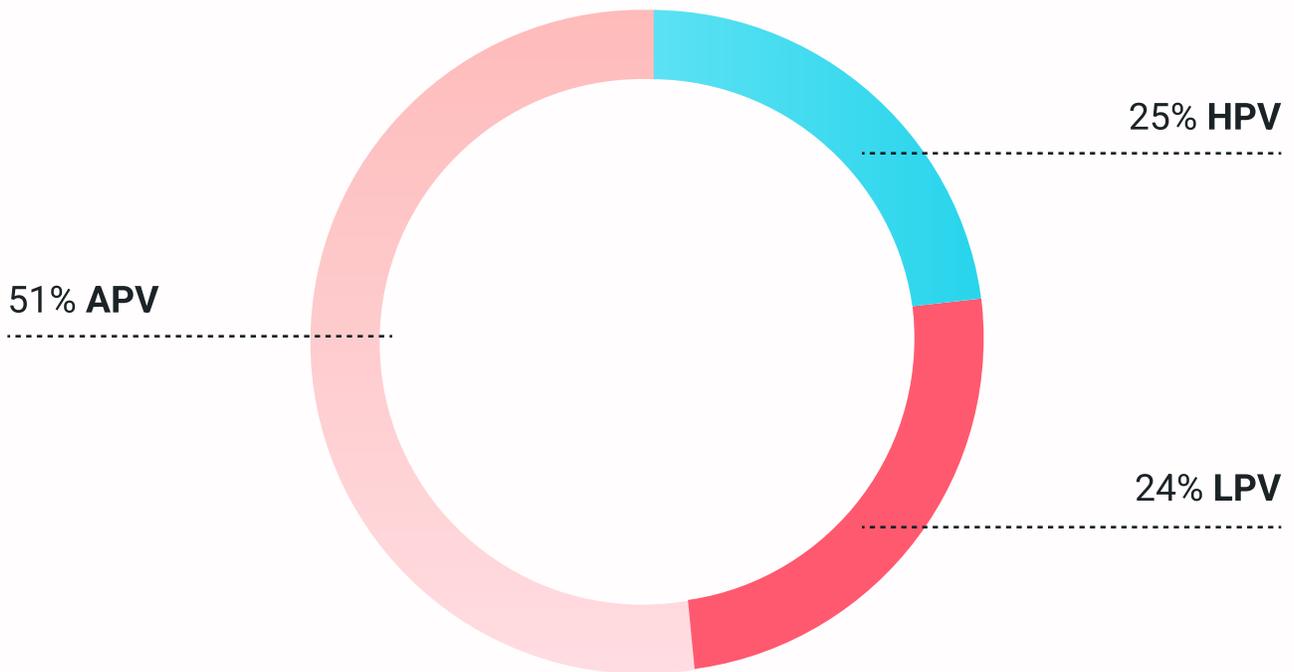
70%
of respondents represented a **single dental office location**



30%
of responses were from a **multi-location dental practice** or part of a **larger dental organization**

Daily patient volume by practice

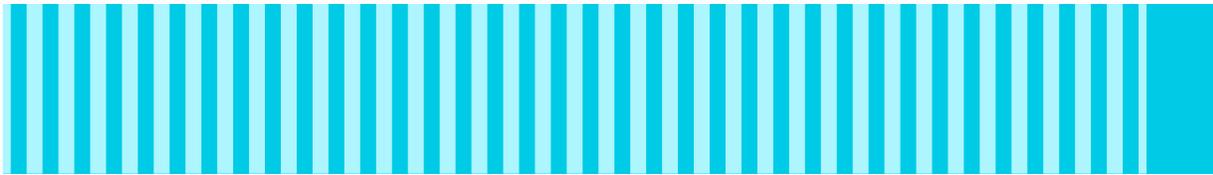
Throughout the report, we'll be breaking out trends by Low Patient Volume (LPV) and High Patient Volume (HPV) practices, so you can compare the difference in strategies deployed by practices on the opposite spectrums of daily patient volume.



Low Patient Volume	LPV	15 or fewer patients
Average Patient Volume	APV	16-35 patients
High Patient Volume	HPV	35 or more patients

2022 Trends for Improving the Patient Experience

2022 brings overwhelming optimism for dental practices. Two-thirds (65%) of respondents said they expect an increase in patient volume from pre-pandemic numbers, with 29% expecting a similar volume. Amazingly, only 6% of practices believe their patient volume will continue to be less than it was pre-pandemic.



94%

of practices said they'll have equal to or greater patient volume than pre-pandemic levels.



6%

of practices believe their patient volume will be less than it was pre-pandemic.

Top priority. Improving customer satisfaction.

Survey respondents were given a list of objectives for 2022 and asked to assign a score of 1 (least important) to 5 (most important). The overwhelming **top priority was Improving Customer Satisfaction.**

Dentists should start to view patients as customers who choose where they get their care based on the quality of service and convenience. Patients read online reviews to inform their view of service quality and then look for practices that allow for convenient online booking to schedule an appointment.

Second priority. Faster Collection of Payments.

The majority of dental practices still send invoices through traditional mail, creating more work for the patients and extending collection periods for the practice. The solution is to adopt easy digital invoicing and flexible payment methods so patients can pay faster and with their preferred payment option.

An example of a NexHealth customer using flexible payment methods is River Run Dental Spa, which uses online payments as a way to differentiate its practice from competitors. The Virginia-based office used to have patients pay over the phone or mail in a check. Practice owners started to question why patients should have to call or mail a check to make a payment when they pay most other bills on their computers or smartphones.



With NexHealth, we solved one of the most frustrating parts of a patients' experience with a dental office. We're able to simplify our billing experience to just one tap on their smartphones.

- LESLIE BLACKWELL,
MARKETING DIRECTOR, RIVER RUN DENTAL SPA



Third priority. Automating Insurance Paperwork and Verification.

Dental offices are looking for ways to automate manual tasks and are turning toward online forms to collect insurance and patient information.

How important are these objectives for your practice in 2022?

Value	Weighted Avg
Improving customer satisfaction	4.34
Faster collection of payments	3.87
Automating insurance paperwork and verification	3.66
Increasing the number of appointments	3.64
Hiring more office workers	2.92
Hiring more doctors	2.32
Opening a new location	1.87

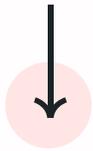
High patient volume practices over-invest in happy patients



While Improving Customer Satisfaction was the top priority across respondents, LPV practices (15 or less patients/day) gave a weighted average of 4.27 for Improving Customer Satisfaction, contrasted with HPV practices (35 or more patients/day), which had a weighted average of 4.42.

Other contrasts saw LPVs putting greater priority on Faster Collection of Payments and Increasing the Number of Appointments (not a surprise, given their volume) in 2022, while HPVs placed greater importance on Automating Insurance Paperwork and Verification and Hiring More Office Workers and More Doctors.

Neither LVP nor HPV practices prioritized opening new locations, indicating a growth strategy of optimizing the number of patients seen within existing locations.



Priority	LPV	HPV
Improving customer satisfaction	4.27	4.42
Faster collection of payments	3.92	3.81
Automating insurance paperwork and verification	3.56	3.68
Increasing the number of appointments	3.68	3.61
Hiring more office workers	2.63	3.34
Hiring more doctors	2.03	2.72
Opening a new location	1.71	2.05

How Dental Software Can Transform Your Practice

Practices that have successfully acquired new patients focus on increasing patient satisfaction and using technology to automate manual processes.

In this section, we'll dive into how practices use dental software and technology, contrasting the technology investments of LPV and HPV practices.

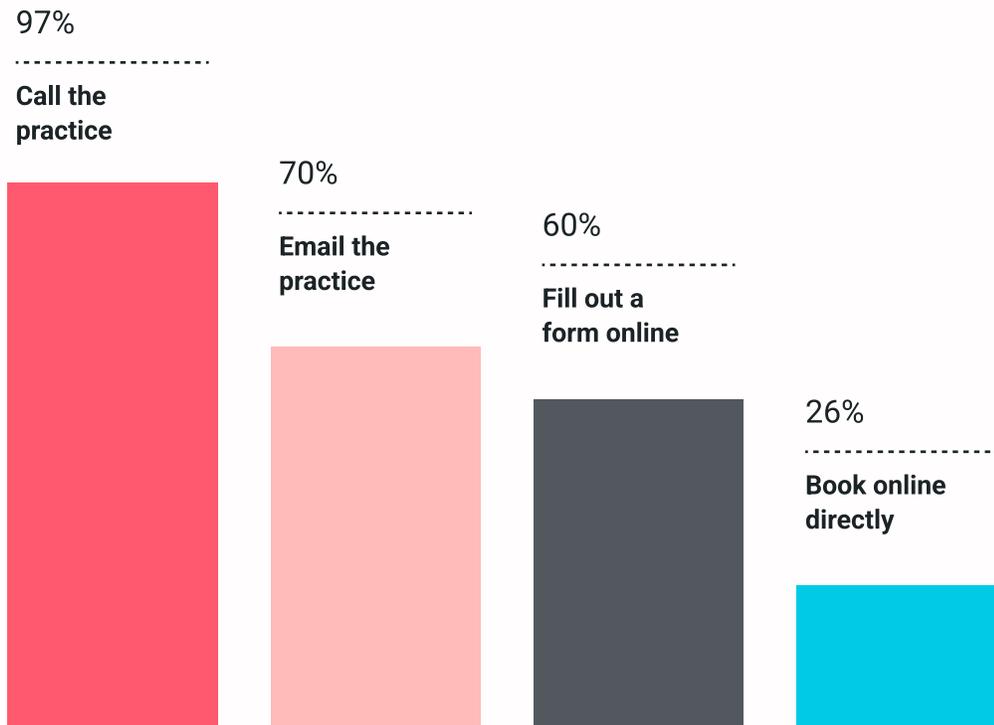
Offering online booking to get ahead of the curve

We asked participants to select all the ways patients can book an appointment with their practice. Virtually all practices accept calls, but only 26% of practices accept online booking.

Online booking remains a luxury service in dental, while it's a popular and common practice in virtually every other industry.



Check all the ways patients can book an appointment with your practice



Patients prefer to book healthcare appointments online, according to Healthgrades. In fact, 77% of patients prefer a doctor who offers online scheduling.

When given a choice between physicians with similar experience, proximity, availability, and patient satisfaction ratings, the vast majority of consumers choose the physician who provides online scheduling.

So why is online booking adoption so low in dental?

The truth, dentists have good reason to distrust online booking. It messes with their schedule. They get cancellations and double bookings. ROI is non-existent.

This is why NexHealth exists.

Dentists kept telling us how bad online booking is and asked us to build something that just works. So we did.



Messing with your schedule?

NexHealth is the only solution that lets you schedule by operatory room and create custom blocks, so patients only book when you want.

No ROI?

No ROI? Doctor Dental grew appointment volume by 147% with NexHealth. Grand Street Dental saw online bookings increase by 157%.

Double bookings?

This is NexHealth's superpower. All other dental software syncs with your PMS hourly or longer. We've integrated directly with each PMS with synchronization in minutes. No one has ever done this before.

Lots of cancellations?

We built smart patient reminders that all but eliminate no-shows, and if you do get a cancellation, we created a waitlist that actually works to fill that chair.

With low adoption of online booking, the practices that do offer this "luxury service" stand to win a greater percentage of new patients during The Year of the Patient.

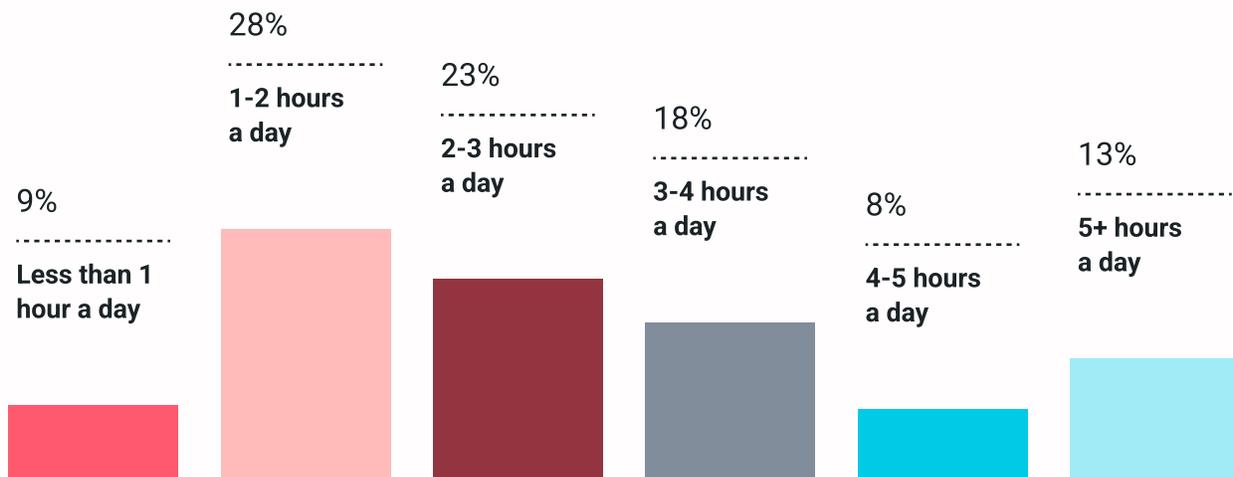


A better use of staff time

More than 40% of dental practices spend 3+ hours managing their schedule per day. As dental offices look for areas to improve operational efficiency, reducing the time spent on managing the schedule is low-hanging fruit, with many time-intensive processes easy to automate. This frees up office managers and receptionists to focus on more critical duties, like handling insurance claims, coordinating patient treatment plans, and managing day-to-day office operations.

On average, how much time does your practice spend per day managing the schedule?

Booking new appointments, rescheduling patients, filling openings or cancellations, etc.



Embracing automation to increase efficiency

While many of the time-intensive areas of schedule management (e.g., calling patients for reminders, filling canceled appointments, billing) can be automated, only 50% of practices use patient experience software to help manage time-intensive tasks.

You can see a difference in the adoption of patient experience software when comparing LPV and HPV practices. Only 46% of LPV practices use patient experience software compared to 56% of HPV practices, which offer tools like messaging, reminders, waitlists, and recall campaigns.

The five most common patient experience software used by dentists were (by alphabetical order):



Lighthouse 360

NexHealth

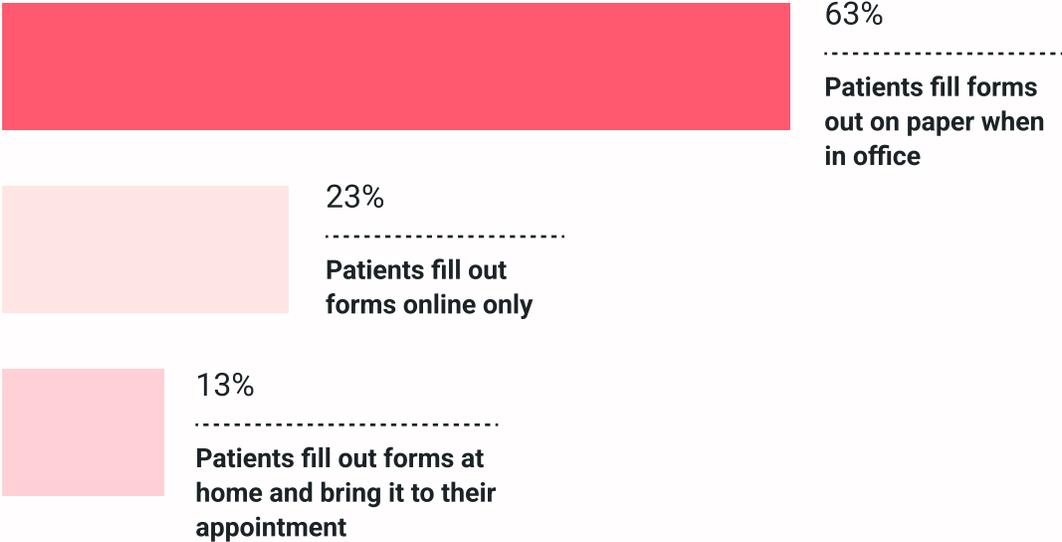
RevenueWell

Solutionreach

Weave

Another common use of patient experience software is online patient consent forms. Only 23% of practices allow patients to submit forms online, with 63% of practices requiring patients to complete forms while in the office.

How do you collect patient consent forms?

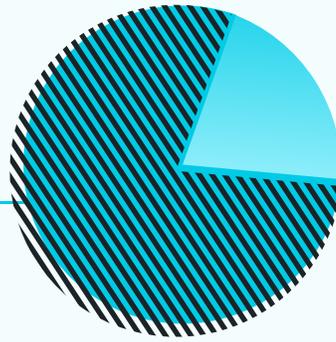


We expect this to change in 2022, with dental providers citing Automating Insurance Paperwork and Verification as their #3 priority. Digital forms improve the patient experience and operational efficiency for practices. Practices spend a lot of time manually inputting forms' data, and patients may prefer to fill out their paperwork at home rather than in the office.

When it comes to **practice management systems** (PMS), we see much higher adoption rates, with 79% of dental practices using a PMS.

79%

**of dental practices
use a PMS**



The five most common PMS used by dental practices were:

Dentrix	36.3%
Eaglesoft	17.2%
Open Dental	13.0%
SoftDent by Carestream	3.4%
PracticeWorks by Carestream	2.9%

The Four “Deal Breakers” for New Dental Software

When dentists are considering new software systems, they want a product they can trust. Respondents ranked **Secure and Reliabe as their #1 priority**. Next was Easy to Implement and Manage, showing the need for a system that has a user-friendly operating experience and can be easily taught to employees.

Dentists also ranked excellent customer service as a high priority. Brand recognition is last on the list, perhaps a signal that dentists are sophisticated buyers, using research and recommendations rather than just a recognizable name.

The top four criteria have high enough scores (greater than 4.3 weighted average) that they should be considered “deal breakers” for any dental practice evaluating a new software solution.

Value	Weighted Avg
Secure and reliable	4.51
Easy to implement and manage	4.43
Customer service is excellent	4.35
Works with existing integrations	4.32
Cost point is reasonable	4.13
Provides features I don't currently have	3.76
Recognize the brand and trust it	3.65

When comparing LVP and HPV practices on priorities for purchasing new software, the ranking order is identical, with some variation in the weighting. HPV practices are less cost-conscious and place an even higher priority on reliability and ease of implementation.

Priority	LPV	HPV
Secure and reliable	4.48	4.59
Easy to implement and manage	4.42	4.47
Customer service is excellent	4.37	4.36
Works with existing integrations	4.31	4.34
Cost point is reasonable	4.23	4.09
Provides features I don't currently have	3.76	3.84
Recognize the brand and trust it	3.65	3.73

Poor customer support is the #1 reason dentists change software

In the survey, **Lack of Quality Service and Support** was the number one reason that dentists changed their dental software partner.

Value	Weighted Avg
Lack of quality service and support	4.51
Cost of software is too high	4.43
Patients having a difficult time using the system	4.35
The office team does not like the user experience	4.32
There may be better software available	4.13

As dental practices prioritize patient satisfaction, they also expect software vendors to deliver high-quality service and support for their business.

Dental practices should expect services like 1-to-1 onboarding, guided implementation, and contractual agreements on response time (e.g., call response under 24 hours).

Dental practices should ask dental software providers to commit to the following:

- ✓ **Emergency contact available every business day**

- ✓ **Phone calls and chat answered within 2 minutes**

- ✓ **Emails answered within 24 hours**

- ✓ **Voicemail responded to within 24 hours**

- ✓ **1-to-1 onboarding and deployment support**

- ✓ **Self-service resources and guides**

- ✓ **Knowledgeable customer service reps that are familiar with your practice**

Where to Invest to Grow Your Practice

Social media is the top way practices plan to grow in 2022

Respondents said they planned to grow their practice using social media (57%), closely followed by adopting online scheduling (40%) and adding more services/products (40%).

Social media is one of the best acquisition tracks for new patients, with savvy dental practices leveraging photo-friendly platforms, like Instagram, and community-based platforms, like Facebook, to build brand awareness and connect with local patients.

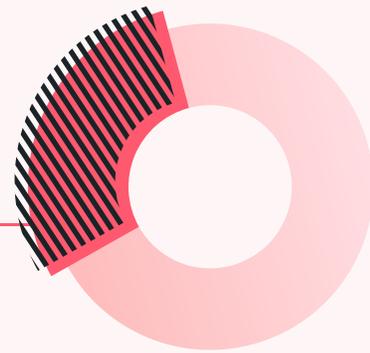
The dental practices seeing the most success through social media are pairing distribution with convenience, leveraging online scheduling embedded in their social media links. An example we've seen with NexHealth customers is using Online Booking technology as a call to action in social media posts, making it effortless for patients to get on your schedule when engaging with social content.

To dive deeper into growth objectives, **we looked at how Practice Owners (29% of respondents) specifically plan to grow their practice.** While many owners prioritize social media (59%), just 29% of respondents prioritized online scheduling for growth. Online scheduling is viewed more favorably as a tool for new practice growth by employees in the office (dentists, office managers, operations) than by owners.

Only

29%

prioritized online scheduling for growth



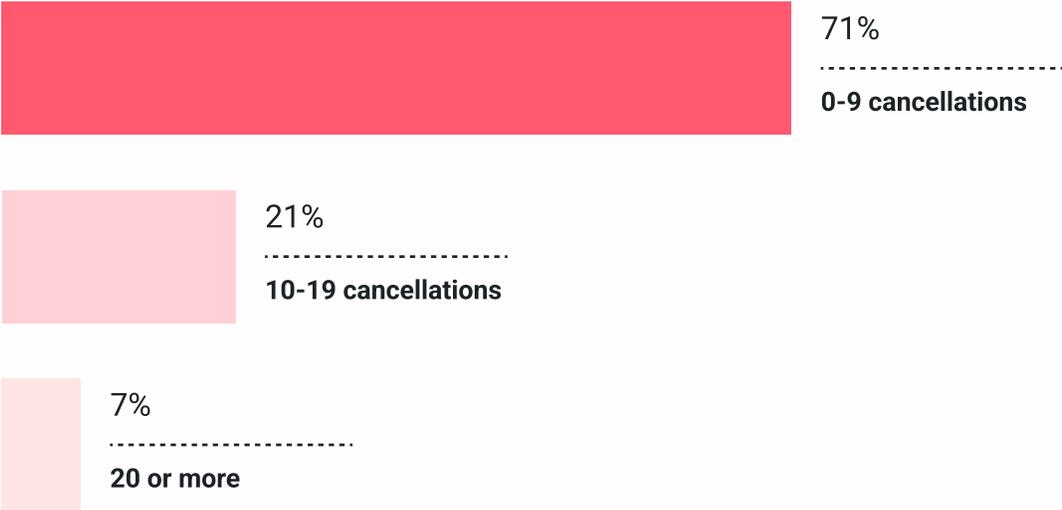
Growth strategy	Employees	Owners
Use social media	56%	59%
Use online scheduling to increase patient bookings	44%	29%
Add more scheduling services (whitening, aligners)	38%	45%
Increase marketing spend	37%	40%
Less coding for insurance billing	15%	16%
Other	9%	12%

Cancellations and no shows remain a growth-inhibitor for some high volume practices

We asked all respondents, “How many appointment cancellations or no-shows do you see a week?” with 72% of respondents seeing between 0-9 cancellations or no-shows.

While cancellations and no-shows remain a minor inconvenience for most, a small group of practices (7%) are seeing 20+ cancellations or no-shows a week.

How many appointments or no shows do you see a week?



What are they doing differently than the practices that had 20+ cancellations per week?

Cancellations or no shows per week	LPV	HPV
0-9	91%	47%
10-19	9%	33%
20 or more cancellations or no shows	0%	20%

The difference was in the adoption of patient experience software. When looking at the HPV practices with 20+ cancellations, only 49% used patient experience software. The HPV practices that had 0-9 cancellations had a 57% adoption rate of patient experience software.

Automating reminders, making text communication easy, and creating dynamic waitlists are all ways that HPV practices make sure every seat gets filled.

Automated reminders go from a “nice to have” to a “must have” as you grow your patient volume

To follow up on cancellation and no-show volume, the survey asked, “What steps are you taking to reduce missed appointments?”

We saw 96% of practices have a system in place to address missed appointments, with 49% using automated messages and 46% relying on the office team to email or call patients. This maps very closely back to the adoption levels of patient experience software (50% overall adoption).

96%

of practices have a system in place to address missed appointments

49%

use automated messages and 46% relying on the office team to email or call patients

50%

is the overall adoption levels of patient experience software

49%

send automated messages through email, text or calls

4%

do not have a system in place

1%

other strategies

What steps are you taking to reduce missed appointments?

56%



Office team individually calls or emails patients (LPV)

60%



We send automated messages through email, text, or call (HPV)

8%



We do not have a system in place (20+ cancellations)

When we filter the data by cancellation rates, a few trends emerge. The group that sees 20+ cancellations are more than *twice as likely not to have any system in place (8%) for reducing missed appointments* as compared to the group with 0-9 cancellations (3%). If you don't have a system in place to reduce missed appointments, this should be priority #1 to spur growth in 2022.

If you're an LPV practice, you may be able to get away with having the office team do individual follow-ups. We saw 56% of LPV practices rely on the office team, and only 38% use automation. This is inverse to HPV practices, which need automated reminders to manage the volume of patients, with 60% using a system for automation and only 36% relying on the office team.

Spend on marketing efforts to align with your practice's goals

Dentists often wonder what they should spend on monthly marketing campaigns. Our survey found that 27% of respondents did not know what their 2022 marketing budget would be, but 47% of respondents plan to spend less than \$2,000 a month, while 27% of respondents will spend more than \$2,000.

We see more variance when we compare LPV and HPV practices with HPV organizations investing in marketing to drive patient acquisition. LPV organizations invest less on marketing, with only 22% spending more than \$2,000 a month. HPV organizations are willing to spend more, with 31% spending more than \$2,000 a month.

The most effective organizations know that spending on marketing will pay off in the long run, with the dental industry having a low cost of acquisition (CAC) compared to the high lifetime value (LTV) of a satisfied patient.

What is your monthly marketing spend?

Choices	All	LPV	HPV
Less than \$1,000	29.27%	39.93%	20.19%
\$1,000 - \$2,000	17.78%	19.80%	13.14%
\$2,000 - \$3,000	11.57%	11.22%	10.26%
\$3,000 - \$4,000	6.77%	4.62%	6.09%
More than \$4,000	9.05%	6.27%	14.74%
Don't know my spend	27.46%	19.47%	37.18%

First-mover advantage in The Year of the Patient

Dental practices know they need to update their approach to meet modern patient expectations, yet there are still large gaps in the adoption of patient-facing technology – only 26% of practices offer online booking, and only 50% use patient experience software.

26%

**of practices offer
online booking**

50%

**use patient
experience software**

Practices that move quickly to adopt technology and make it work in a way that improves the patient experience stand to win an outsized share of new patients. Pairing patient experience technology with social acquisition channels like Instagram yields results. Online booking is still considered a luxury option for many practices, yet patients have indicated a strong preference for it and will seek out practices that offer this convenience.

A common theme in the data was that HPV organizations are leading the way in technology adoption, willingness to spend to acquire patients, and investing in systems to reduce missed appointments. It remains to be seen if LPV practices can continue to operate at the status quo. The number of Dental Service Organizations (DSOs) has grown significantly over the past decade, and they'll continue to influence patient expectations on how to book and manage appointments.

Dental practices should invest in technology partners to improve the patient experience but be sure to evaluate vendors on the four deal breakers:

1 **Security and reliability**

2 **Ease of implementation**

3 **Quality of customer service**

4 **How it works with existing integrations**

2022 remains a widely optimistic year for the dental industry, with 94% of practices expecting the same or more patient volume than before the pandemic.

The potential for more patients opens an opportunity for practices to exceed growth targets by investing in the patient experience.

Now is the time to capitalize on the changing patient expectations for dentistry and transform your practice.



You made it!

