

Where have your personal referrals gone?

Time to go 'Old Skool'



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By Carl Burroughs

When I first started consulting to Australian dental practices, back in 2001, it was very usual for 80% of all new patients to be created from personal referrals or word of mouth, as some like to call it. Fast forward to today and how many of your new patients are tracked as personal referrals – maybe 30% at best?

So, what happened to this most effective and lowest cost marketing strategy? Well, there are a number of factors and events that have changed not only how and when your patients recommend your services, but also society as a whole.

Firstly, back in 2001 the nearest thing to a Smartphone was the Nokia 9210 – which was like a 'Shopkins' version of a laptop computer. A brick shaped phone that split in two to reveal a tiny screen and a QWERTY keypad, not exactly conducive to searching the emerging internet, not to mention the fact most dental practices did not have websites back then.

Fast forward to today and everyone walks around with a super computer in their hands and Googles everything. So, the drop in personal referrals may not be as bad as the statistics show. These days, when an existing patient recommends your services to a friend, this friend is most likely going to check you out online and if they like what they see simply book an appointment directly from your website and therefore you may never know where this new patient originated from, or it might be simply tracked as coming from Google in your monthly reports.

The second thing that has radically changed is how competitive the dental sector has become. Twenty years ago, there was just

over 8,000 registered dental professionals in Australia, today there are 25,000 according to the Dental Boards latest report in August of this year. That's an increase of over 200%, whilst the population over the same period has increased by only 32%.

Two thousand five hundred head of population per dentist in 2001 compared to one thousand head of population per dentist today. This increase in competition affects how effective personal referrals work, as no matter how much an existing patient has waxed lyrically about your services, if the friend they have referred sees an advert from a competitor for a \$99 Scale and Clean when they Google you, they may be swayed to book with another practice.

The final thing that has changed is many practices have simply stopped trying to gain referrals. Do you remember those signs that said "The biggest compliment you can give us is to recommend your friends,"? No matter how tacky these signs were, at least it was an attempt to get patients to refer.

So, it's time to 'Revive the Referral' – Old Skool.

1. Start asking your patients to tell their friends: "We would love to see more patients like you, so be sure to tell your friends about us."
2. Encourage Google reviews. Send a link to your Google review page via SMS to patients you know were happy on the day and mention this to them at the practice. "Google reviews are so important to our business these days, if you were happy with the care, you received today, would you mind giving us a positive review?"
3. Reward the behaviour. When you identify a patient has been recommended to you by a friend, find out who the friend is and hand write them a thank you card (yes you read that correctly, dig out a pen and write them a heartfelt message) this little, but personal action will create a big impact and encourage the recipient to recommend you to even more of their friends, you might want to include a couple of movie tickets as well.
4. "Nobody expects the Spanish Inquisition!" Don't interrogate your patients, but you can get into discussion about how they found you. They may have ticked 'Google' on the section of your medical history questionnaire that asks them how they found you, but it's fine to ask them during their time with you if they remember if that was a Google ad, Google map, your organic listing or if they Googled you because a friend had recommended you. This type of data will really help analyse what aspects of your marketing are working, including how well word of mouth is working.

At the end of the day, personal referrals are still the lowest cost way of building your practice, they are a reflection on how good your customer service is and it is well worth putting the effort into strategies to encourage, track and reward patients recommending you to their family and friends. ♦

If you need any help or advice with your marketing or staff training, you can contact Carl on 02 9211 1477 or carl@idm.com.au

