



A DATAMAN GROUP WHITE PAPER

Direct Mail Marketing for Dentist – Where to Begin and What to Expect

For years Direct Mail has been one of the most successful methods of advertising and marketing for any Dentist. Whether staying up-to-date with current patients, getting back in touch with former patients, or, the life line of every Dentist, attracting new patients - Direct Mail is a proven method to reach them all!

Direct Mail is a science, and we can help your practice generate more dollars than ever before by attracting new patients.

What goes into a Direct Mail Campaign?
An easy way to look at it is the 40-40-20 Rule.

- 40% is using the right list and targeting the right audience
- 40% is the Offer - remember, match your offer to your list
- 20% is the Creative –Copy, Graphics, mailer size & shape

These are the three main components of every successful Dental Marketing campaign.

Your mailer needs to stand out from the other dentists in your area, from both a creative and offer point of view. Rule of thumb - if you think the offer is lukewarm, your prospect will think so also. Free bitewing x-rays is not a winning offer. Consider free teeth whitening, a Starbucks card or movie tickets.

Let's talk about the dollars. How much will a direct mail campaign cost you and how much will it return?



According to Derek Naylor, author of Fundamentals of Dental Marketing, a new potential lifelong patient is worth up to \$22,000!

An average new patient will spend \$800 during their first year at your practice.

A new patient is big business!

Cost of Mailer and Postage¹

There are a lot of options for you to choose from regarding your actual mail piece, including a size, color, paper quality, postage type, etc.

For the sake of our illustration, let's use some standard pricing, based on 8.5x5.5 oversize postcard, mailing list merged and printed with the art, full color front and back, high gloss UV coating both sides.

These prices would be "out the door"...and you can use this to estimate your own costs.

- Quantity of 250 - 0.73 each, with standard postage 0.84 using 1st class pre-sort postage
- Quantity of 500 - 0.64 each with standard postage, 0.74 each using 1st class pre-sort postage
- Quantity of 1,000 - 0.62 each with standard postage, 0.72 each using 1st class pre-sort postage

Note: The prices do not include tax or any discounts.



This over-sized postcard will stand out from the crowd!

You can modify the offer for your practice.

The Mailing List - Reaching the Right People is Key

If you're mailing to your existing or old clients then the list will cost you nothing. You might consider running the list through the National Change of Address database to clean up the addresses.

For attracting new patients there a number of lists you can choose from, the most popular being New Movers. Let's use New Movers as our pricing example.

- 250 New Movers: \$60.00 per month
- 500 New Movers: \$90.00 per month
- 1000 New Movers: \$160.00 per month

¹ Cost of Direct Mail provide by Smart Practice Dental Marketing

Price includes the formatting and emailing the list to you.

Response Rate

Traditional response rate for a Direct Mail Campaign can range anywhere from .05% - 2%.² Testing, & tweaking, testing and tweaking again, then re-testing & re-tweaking will only increase your response rate.

Make sure you test consumer response to the Offer. That is a key component of your program.

Return on Investment

Using all the values and prices from above, let's figure out the ROI on a Direct Mail Campaign to New Movers over a 12 months period.

For the purposes of this illustration, I will do the math using a campaign response rate of .05% and a lifetime patient value of \$15,000 instead of \$22,000, so you can get an idea of the kind of profit your practice can generate with a basic New Movers campaign.

Program Cost:

- Mailer and Postage Cost: $250 \times .73 \times 12 = \$2,190.00$
- List Cost: $\$60.00 \times 12 = \720.00
- $\$2,190.00 + \$720.00 = \mathbf{\$2,910.00}$ Total Cost over 12 months

Over the 12 months you would have sent out 3000 mailers. Based on a .05% response rate, that would be equivalent to 15 responses.

If only 1 out of the 15 response becomes a new patient, using \$15,000 for the lifetime value, that Direct Mail Campaign would make you a net value of \$11,760 over the lifetime of a patient (The net value is calculated after the expenses of the mail program).

If 4 out of those 15 responses only become patients for 1 year, then your practice is still making a profit on your initial Direct Mail Campaign.

I've used the lowest value of a new patient and response rate to show you the possibilities of growth for any campaign.



A new patient is not just an individual

² Response rate comes from Direct Marketing News "Response Rate 2012 Report"
<http://www.dmnews.com/dma-direct-mail-response-rates-beat-digital/article/245780/>

Most Dentists will tell you there best form of Advertising is word of mouth. Direct Mail can't compare to that, but no form of advertising can, and that goes for any industry. New patients are very likely to refer someone to a service or product they like. This will only increase the value of your Direct Mail Campaign.

A little knowledge is a wonderful thing. This basic information will give you an idea of where to begin, general pricing and what to expect from your Direct Mail Campaign.

New patients just don't walk through the door; you must reach out to them, let them know who & where you are, engage them and bring them into your practice with an attractive offer.

Ask yourself this - how would a newcomer to your area even know about your practice unless you put the name of your practice in their hands. Without continuously reaching out, you will not continuously bring them in.

Dataman Group Direct has been providing marketing lists for Dental Practices for 33 years. Visit the [Healthcare marketing section of the Dataman Group website](#) for additional information.

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