

Marketing of the Dental Practice– Challenges and Solutions for Dental Practitioners in Periods of Transition

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Abstract

The private dental practice, even in countries where state organized dental care significantly prevails, impacts on the dentist/patient relationship. The private practices produce and sell dental services and thus take part of the marketplace. Contrary to centralized system of delivery of dental healthcare, market oriented dental practice gives priority to actual demand for services rather than to the planned measures and the supply of prepaid care. The individual patient, but not the community, becomes the centre of the healthcare system. Therefore, the efforts of the dentists and the dental profession to contribute to the public health outcomes through providing personal healthcare services become crucial for the satisfaction of needs for oral healthcare and prosperity. Timely and successful identification of the patient as a consumer of dental care and the awareness of the dental professional as provider of dental services represent a positive precondition for achieving optimal medical, economic and social results. The challenges from the fast changing market environment, along with the evolving variety of dental equipment, materials, and methods, last, but not least – the growing competition for patients, made necessary for dentists to look for knowledge and train skills in marketing. This paper sets out the challenges from the market environment and the needs for implementing basic marketing approaches knowledge in the building and management of efficient dental practices especially in periods of transition.

Keywords: Marketing of Dental Practice; Dental Service; Internal Marketing

The purpose of this work is to present how the product “healthcare service”, in particular “dental healthcare service”, is realized during the period of transition from state organized centralized economy towards implementation of market oriented economy and democracy. In this context, an overview of basic notions and concepts associated with the marketing of services, their relevance to dental practice as major method for “positioning” of the doctors of dental medicine, are discussed.

Challenges and prerequisites for healthcare services’ market in dentistry

The major political changes during the latest decades of the 20th century in the former communist countries and the recent global transformations impacted both the economic and social relationship at local, regional and global scale [1]. Many countries started radical reforms in healthcare and open their healthcare systems to new models of supply and delivery of health services to the population [2]. Globally, a trend to harmonization and search for similarity, in order to improve the third party coverage and thus enlarge the medical services market and improve the access to care, is observed [3].

Society in countries of transition is no longer perceived as “homogeneous” one [4]. The stratification of the society as a whole is based on the material status, respectively the purchase power, life’s style cultural identity. The differences in values, tastes, expectations, and specific approaches of real and prospective patients changed their models of consumption of healthcare services. The stratification of the dental profession is demonstrated significantly by socio-professional status, level of education and income [5].

At the same time, dental care and dental medicine made a fast technological evolution and now deal with new products, medicines and equipment to deliver dental care services.

In a free market (in particular, of health goods and services), each individual patient, rather than the population as a whole, and each individual doctor or dentist, and not the “collectivities of health workers”, become participants on the market. There are new social conditions and new social relationships, as well as technological prerequisites for fast and global communications and growing opportunity for diverse choices. Therefore, the dentist now, not less than any other participant in the global market, is interested in knowing how to deal with the challenges and opportunity of the free market [6].

The need for dental services is satisfied yet on the marketplace. In a marketing sense, the need of the patient for healthcare has to be transformed into a desire to search for a service. The desire of the patient is connected with his awareness of the possible choices. When the patient has already made his/her choice, they are looking for a place and a way of getting the service. The demand is a result of the activity of the patient and his or her solvency and willingness to pay for the service. The existence of “invisible” goods or services predisposes the opportunity for dentists for attracting potential customers. The demand and supply cycle, generating further demand and adequate supply, is the key of the healthcare market development as it is demonstrated in market environment [7].

How patients who need treatment find a dentist and what is the chance that this dentist will be you? How it could be predicted that the patient will decide to come to your office? These are the major questions a dental practitioner faces in their daily work. These are the challenges in the process of “development of market” by dental practitioners, especially in countries of social transition.

When considering the problems of the major public organizations, the principles of marketing and the knowledge of the particular market factors are influencing the outcome of this organization on a similar way [8].

Therefore, if the dentist knows the market environment particularities and anticipated the trends in demand, he would suggest to the patient exactly what they will be happy to find. Such behavior can be defined as adequate market behavior in the field of medical/dental services supply.

Knowledge of marketing as a tool in achieving optimal medical, economic, and social results

Marketing is a social process. From a sociological point of view, marketing is the link between a society’s material requirements and its economic patterns of response. Marketing satisfies these needs and wants through exchange of goods and services and building up of long-term relationships. Marketing blends art and applied science (such as behavioral sciences) and large use of information technology [9].

Marketing is communicating the value of a product or a service to customers, for the purpose of selling that product or service. Marketing techniques include choosing target markets through market analysis and market segmentation, as well as understanding consumer behavior and advertising a product’s value to the customer [10]. The starting point of the marketing analysis is the setting up of really existing needs, subject to satisfaction. Marketing is not just a science studying the market, or a tool to run economic life in a country, it is also a social process facilitating the individuals and the groups of people to obtain what they need and want by producing and exchanging products and values.

The marketing as a tool of knowing better the market environment and strategy building comprises three basic parts: internal, interim and external, featured by specific tasks and relationship. Marketing is the tool to study the marketplace and elaborate adequate strategies for effective and efficient participation in the market. Marketing approaches are almost universally applied – in industry to plan and realize the production of goods and services, in the domains of finances, intellectual activities, social attitudes, ideology [11].

The market consists of a set of vectors of real and potential needs. The elements of the market are the people with particular needs. People usually regroup according to the similarities of their needs and consummation patterns. Their final decision and market behavior is also due to their different taste, style preferences and purchase power. Needs are transformed into a search for a good or a service. The inner logic of the market development is based on the transformation of people’s needs into conscious demand and buying of goods or services. This process has cyclic character: The satisfaction of a particular need by purchasing goods or services can generate new needs, respectively creditworthy demand for, and purchase of other goods and services.

The market is characterized by “segmentation” - splitting up of the consumers into groups with similar needs and wants. Market segmentation awareness allows organizations to orient their production accordingly to the diversified tastes of consumers and serve them better. The identification of the proper market segment for one organization is based on market research and supporting data analysis. Knowledge of the market conditions is a starting point in the process of setting fundamental goals, such as increasing sales volume, brand recognition, or advertising development [12].

The market environment is a marketing term and refers to factors and forces that affect a firm's ability to build and maintain successful relationships with customers [11].

The marketing strategy considers the complex marketing environment and its impact on the company production and selling rates. The emphasis is on "an in depth understanding of the market environment", particularly the competitors and customers. A marketing strategy differs from a marketing tactic in that, a strategy looks at the longer term vision of the products, goods, or services being marketed. A tactic refers to a shorter term vision. Therefore, the mailing of postcards or sales letter would be a tactic, but changing marketing channels of distribution, changing the pricing, or promotional elements would be considered a strategic change [13].

The strategic marketing planning includes segmenting, targeting and positioning. The study of the processes occurring in the market environment comprises a number of scans, which continually acquire information on events occurring outside of the organization (in particular, the dental practice). There are six key elements of a marketing scan: demographic forces, socio-cultural forces, economic forces, regulatory forces, competitive forces, and technological forces. This information assists the participants in the market to identify market trends and elaborate appropriate strategic marketing planning to face the market challenges [14].

The process of setting goals is related to targeting and positioning – determine and establish the desired position of the company (dental practice) on the market. The company becomes recognizable by the customers belonging to the identified target segment. There are several levels of marketing objectives within an organization. A marketing plan can refer to a specific product, but also, to the overall marketing strategy of the organization.

The services' market and the marketing of a service

The market of services, as opposed to the market of tangible products (goods) is based on exchange of values, without leading to a form of ownership in the sense of tangible product. The marketing of services is typically studying this specific process, characterized by the following traits:

- The use of the service is inseparable from its purchase (a service is produced, delivered, used, and consumed at the same time);
- The service does not possess material form, and thus cannot be touched, seen, heard, tasted, or smelled. Therefore it could not be stored!
- The use of a service is inherently subjective, meaning that several persons consuming the same service would experience specific perception (satisfaction) with the product [9].

Marketing of dental services

Since the activities of a doctor of dental medicine are mainly focused on the provision of services, the particularity of dental care as services' provision has to be described.

In dentistry, the treatment is not tangible, while the appliances used are still tangible. The patient is paying for the service (provision of...)and the item (fillings, crowns and other appliances) is included in it. By its nature, the dental service is the act of removing the inconvenience, the pain or the defect. In fact, the patient is sold not simply a crown or a bridge work, but the treatment of the detected defect in the mouth. This product is intangible. That's why the overall cost of treatment is not limited to the cost of the materials and the production of the specific prostheses. It includes meeting the needs and expectations of the patient as well [15].

The use is inseparable from its purchase as in the process of treatment both the doctor (the performer and the supplier of the service) and the patient (user of the service) are involved concurrently. The production, supply and consumption of the service is carried out simultaneously. Therefore, as the service is perishable it cannot be stored! That why, dental practice income depends on scheduling and the number of missed appointments. Failed appointment represents the greatest risk for the profit in the dental practice because the services may not be stored. An incomplete daily schedule, or void visits may not be compensated by doubling number of visits the next day.

Given the nature of dentistry, the service is inherently unique and the perception of users is subjective. The relationship between the doctor and the patient, including the obligations of both parties, has to be explicitly regulated in advance and the communication between them maintained efficient. The contract is beyond the ethical code of prescriptions. The subjective nature of the service may create problems when justifying the price. The patient is happy when an extraction lasts short time, but may ask... "Why for so «simple» procedure do I have to pay so much money»! A doctor, in justifying the cost needs to take into consideration the time for delivering the service, but also the fees of running the practice and maintaining his/her professional skills and knowledge.

Maintaining the cycle of production of services, including the dental practices, and their realization in the market, is associated with advertisement. An advertisement includes the traits of activity that is related to the knowledge of the potential users, and the public as a whole about the organization or the goods offered on the market. Advertising builds the image of the organization in the market, enhances interest in the products and boosts sales. There are two major aspects of an advertisement - message and media. The message and its delivery need to correlate to the characteristics of the group to which it is directed. The moment the dental practitioners make their pres-

ence known when they present business cards, or put their names on their offices' door; they declare their purpose and the services they provide to the public. This is a professional message. In contrast with other domains of the economy, advertisement in medical, dental services market has some limitations, related with the professional ethics and expectation of the public.

Conclusion

Radical reforms in healthcare all over the world are shaped by the need for improvement of the chances of the population for better access to care and portability of rights to healthcare, to assure free movement and comparable standards of care. The social stratification and re-stratification during the periods of transition predispose rising of public expectations for quality care and greater choice of providers. Dental practices, due to rising competition, orient towards new marketing strategies. The better knowledge of the market of healthcare services and the proper assessment of the market environment are supposed to become major tools for adequate positioning of the dental practitioners.

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