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THE ELIXIR OF GROWTH

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THE ELIXIR OF GROWTH

ESSENTIAL ELEMENTS OF SUSTAINABLE GROWTH FOR DSOs

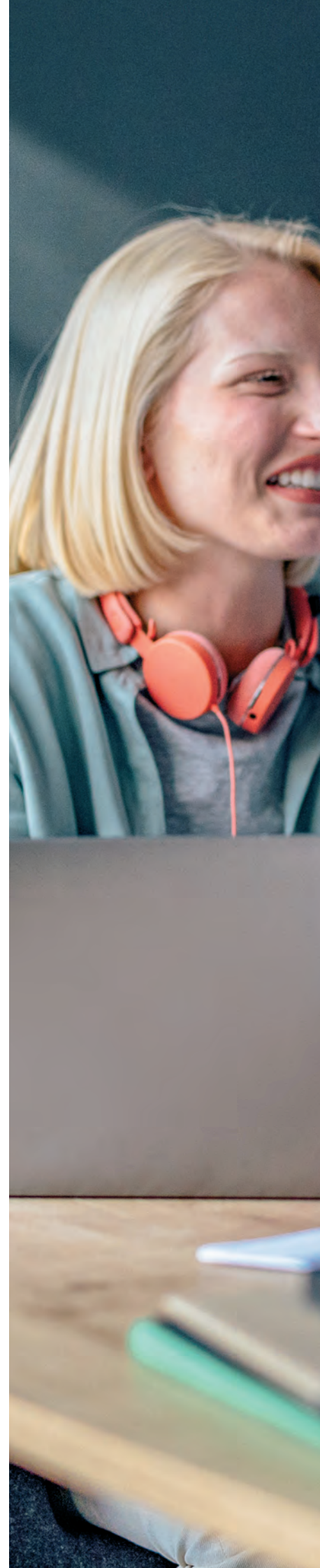
Sustainable growth is the barometer of health for dental service organizations (DSOs). Growth is built into the very DNA of the DSO model. But while the opportunities for growth are abundant, time is finite. DSO leadership must take decisive and prompt action to seize these opportunities while they are here, staying informed of and even positioning their organizations ahead of market trends that have the potential to fuel growth.

Unlike privately owned dental practices, the organizational structure, geographic distribution, and access to resources that DSOs have enable them to test systems and processes at scale and experience significant and almost immediate benefit. DSOs are thus advantageously positioned to assess the effects of market changes in the dental industry, apply the insights to their organizations via innovative systems, digital technology, and treatment processes, and then leverage these benefits along the value chain.

Today, it is not enough for DSOs to simply survive. DSOs must also focus on fulfilling their broader role as responsible and effective partners in the delivery of high-quality dental care. This involves investing in the necessary infrastructure, technologies, and processes to support dental practices to improve patient outcomes, as well as contributing to the broader dental care community through innovation. DSOs must thrive through ongoing and sustainable growth, and indeed, such organizations are well-positioned to experience such growth, relative to their objectives and stage of maturity.



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THIS RAISES KEY QUESTIONS:

- What are the biggest obstacles to growth that DSOs face today?
- What insights from consumer behaviors in other sectors can help DSOs grow?
- Which is more important for sustainable growth: satisfied customers or satisfied dentists?
- How can DSOs attract the clinical talent needed to sustain growth?
- How can an organization build into their hiring strategies a resilience to changes in workforce trends?
- What role can the adoption of digital technology play in the growth of the organization?
- How can DSOs successfully identify opportunities for growth?

There are multiple interconnected factors at play in the success and growth of a network as complex as a dental service organization, and there is no one-size-fits-all pathway to success. However, enacting certain actionable steps can position any DSO to experience significant growth relative to its particular market positioning. Let us now consider in greater detail the six key elements of the proposed elixir of DSO growth.

Element 1

CHOOSING THE RIGHT FULCRUM FOR YOUR BUSINESS MODEL

Defining the fulcrum of a DSO's business model will inform and direct decisions for the organization on every level. Historically, DSOs have pivoted their business models between focusing on providers and focusing on consumers. Recent changes in consumer behavior and the way people select an oral healthcare provider have necessitated a focus on the consumer experience, as will be discussed here later on.

However, it is important to bear in mind that dental service organizations are also called dental support organizations for good reason. The very concept of a DSO was founded on the premise of supporting dentists so that they can focus on providing care to patients.

This means that DSOs cannot lose sight of the need to improve the provider experience even as they seek to improve the consumer experience.

While the ultimate goal is to render treatments to oral healthcare consumers, DSOs exist first and foremost to support clinicians. A successful organization simply is not possible without skilled and satisfied dentists to perform the services it offers.

The DSO model can be likened to a physical building. In this model, the consumer's experience is the visible and functional structure, while the dentist's experience can be compared with the foundation which, though less visible, is equally important.

Just as a visually appealing and functional work of architecture would have limited value without a dependable foundation, so too a DSO cannot thrive and grow without engaged clinicians to render the kind of treatment that attracts customers to the network's practices.

PIVOTING TO A NEW FULCRUM: HOW TO DO IT

Instead of focusing exclusively on improving the consumer experience, DSOs can give equal importance to the dental care provider experience. When the consumer is the fulcrum, the business model centers around creating an experience that is tailored to unique market segments. This may prove to be successful for a time when targeted marketing efforts initially bring in high numbers of new patients, but it is not sustainable if an organization neglects the need to attract and retain a strong workforce of clinical talent.

Patient acquisition efforts essentially become like transporting water in a bucket full of holes as consumers flock to the organization, only to drift away again when they are disappointed by the quality of care.

On the other hand, when the dentist experience becomes the fulcrum of the organization's operations, DSO leadership can lay a strong foundation that will support a sustainable business model.



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You can have the greatest acquisition engine from a patient acquisition perspective, the greatest marketing footprint. But if you've got a leaky bucket and/or the inability to capture that through your capacity or scale, then what good is it for?

Guy Amini, President of Dental Corp.

DSOs can do this by offering a partnership opportunity with substantial private equity options to dentists. Adopting a partnership model enables DSOs to align with clinicians on the best ways to attract consumers to the organization's practices and work together in lockstep towards meeting production goals. When clinicians feel that they are partners, they will be more invested in the success of the organization as a whole and this commitment will manifest in their willingness to support the DSO in any decision that is made.

Opportunities for mentoring and ongoing education are also vital because dentists seek personal financial growth along with career advancement and recognition in their clinical domain. When DSOs create opportunities to address these innate needs of a dentist, it ensures a sustainable commitment from them towards the success of the organization.



THE VALUE OF COMMUNICATION

Partnering with dentists necessitates clear communication. It is vital to keep the DSO's clinicians informed of imminent shifts in the organization's structure and processes. Additionally, communication should be done in a way that respects the intelligence and experience of these medical professionals. Instead of simply telling dentists about what changes they can next expect, they should be made to feel that they are a part of the conversation. When clinicians are kept in the know, they feel valued and will be more inclined to stay with an organization that values their unique contribu-

tion. By supplying the clinicians with data-backed insights to justify changes to the delivery of care, they will feel confident in adjusting their own values and goals to harmonize with those of the DSO.

How can DSO leadership know if they have successfully pivoted the fulcrum of their business model? Organic referrals are the greatest indicator of dentist satisfaction. If dentists feel valued and respected and supported by the DSO, then recruitment will become much easier, as clinicians will gladly refer their own peers to the organization.

STRIKING A BALANCE

The health of the entire organization is contingent upon maintaining a critical balance. Oral healthcare consumers now have higher demands and expectations of the industry than ever before, and it is not sustainable to expect clinicians to supply these demands at great personal cost to themselves. Making the dental care provider's experience the fulcrum of the business model, however, also does not mean

capitulating to every dentist's every demand, as this is likewise impractical in terms of scale and could even negatively impact the consumer experience. A careful balance will ensure that dentists are sufficiently satisfied with their roles within the organization and thereby adequately motivated to work in harmony with the organization on delivering the best possible consumer experience.



EXAMPLES OF CLINICIAN DEMANDS

- Bespoke operatory layout
- More flexible part-time hours
- Professional development opportunities
- Materials, products, and equipment of choice
- More autonomy in the treatment planning process

It is a challenge for DSOs to deliver on the expectations of both consumers and clinicians, but it can become easier as organizations continue to scale, growing their pool of human resources. Growth occurs when production capacity increases, so increasing the supply of qualified practitioners will help meet consumer demand. The most sus-



EXAMPLES OF CONSUMER DEMANDS

- Increased geographical accessibility to care
- 24/7 hour availability
- Flexible appointment scheduling and rescheduling options
- A greater range of treatment options

tainable way to fuel that necessary growth is by switching the business model's fulcrum to one that focuses on optimizing the care provider's experience. Doing so will help attract a steady stream of clinical talent and help the organization retain dentists, reducing the rate of turnover and improving the quality of care available to consumers.

KEY TAKEAWAYS: MAKING DENTIST PARTNERSHIPS THE FULCRUM OF THE BUSINESS MODEL

- Attracting and retaining clinicians is as vital for growth as generating new patient appointments
- Having the right clinical talent on board is the key to providing more high-revenue treatments and developing positive long-term customer relationships
- Avoid sacrificing clinician satisfaction for consumer satisfaction
- Communicate clearly to keep dentists informed of changes in the organization's structure and approach to care and to help them feel part of the conversation
- Organic referrals are an excellent measure of efficacy of a new dentist-focused model

Element 2

UNDERSTANDING AND LEVERAGING THE CONSUMERISM TREND

In order for DSOs to put themselves in a position to experience growth, they need to understand the trends that create the opportunity for growth.

Consumer behavior is experiencing some exciting trends of late that DSOs can easily leverage to increase their market share. Additionally, changing attitudes towards dental care are also impacting demand in a way that DSOs are uniquely positioned to benefit from.

DIFFERENCES IN CONSUMER BEHAVIOR: SHOPPING FOR HEALTHCARE VERSUS ORAL CARE

The average consumer does not “shop” for healthcare as they do for other commodities for two main reasons:

- Healthcare options are not systematically organized, making it difficult for people to evaluate and compare their options against a singular benchmark.
- People typically need medical treatment in emergency situations and they simply do not have the luxury of time or mental calmness to carefully weigh their options.

In the ecosystem of oral healthcare, however, everything changes.


Most people view dentistry as something optional because they do not value their teeth and oral health as much as they do their overall health. The worst that can happen, in their opinion, is the loss of a tooth. This mindset gives most consumers the luxury of pursuing dental treatment at a time and place that is most convenient for them.

Consumers can afford to take the time to assess various dental practices before deciding to become an established patient at the one that best delivers on their expectations. It is this general viewpoint that opens up manifold options for DSOs to market to and attract their ideal consumers.

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Consumerism matters because the (oral care) consumer is your customer.

Deborah Dove Gordon,
Co-founder and CEO,
Consumer Health
Advocacy, Inc.



According to the Kaiser Family Foundation, 35% of patients reported delaying or skipping dental care because of cost, more than any other type of service.



Oral care is largely a cash business. Relative to health care, consumers shoulder a disproportionate share of oral care costs.

WHAT DO CONSUMERS WANT FROM DENTISTRY?

Many people view dental care as a non-essential luxury or simply take it for granted that they can expect to receive the same baseline standard of care at any establishment they choose to patronize. This means that a dentist's clinical skill generally means less to oral healthcare consumers than the accessibility, convenience, and comfort of a dental practice. Consumers now have the freedom and agency to shop around for their oral care at their leisure until they locate a provider that promises to deliver them the experience they desire.

Some of the factors that consumers now expect from their dental treatment experience include:

- Transparency regarding both treatment and payment options
- Convenient online appointment scheduling
- Simple payment plans and easy bill payment
- Value and affordability
- Digital diagnostics
- Individualized care

Such consumer demands merit careful consideration from DSOs looking to expand their market reach and can inform marketing strategies, making advertising efforts much more cost-effective for generating new patient inquiries.



THE FUTURE OF CONSUMER DEMAND IN DENTISTRY

Today's youth represent the future of the oral healthcare market. Although the current demographic of young people does not currently represent the "ideal" oral healthcare consumer given the age, health, and limited earning capacity of young people, human lifespans get a little longer with each passing generation, and the youths that are here today will be needing dental treatment for many decades to come. It is important for DSO brands to start building a positive relationship and establishing trust and mutual respect with this consumer segment right now, as this will lead to more opportunities in the future.

The DSO that plans to experience continuous growth over the next several years does well to consider how well it is marketing to consumers today. Marketing efforts should be informed and effective to speak to the needs of today's oral healthcare consumers, but they must also be genuine enough to resonate with populations that will be seeking dental care in the future. Excessive or aggressive marketing tactics can have an opposite effect by increasing suspicion of dental support organizations.

Element 3

SOLUTIONS THAT SATISFY DENTISTS AND ORAL HEALTHCARE CONSUMERS

How would you measure the success of your organization?

Many DSO CEOs would say that consumer satisfaction is the most important metric.

This begs some questions, however: how can you measure consumer satisfaction? What benchmark can you hold that metric against?

According to a survey by the Boston Consulting Group, more than 40% of DSOs have zero transparency into the value of the lifecycle of the average patient.

A more realistic and accessible metric to consider may be the rates of dentist retention. As discussed earlier, it is just as important to satisfy dentists as it is to satisfy the demands of dental care consumers, as happy dentists are the lifeblood of a successful DSO. Growth is impossible if clinicians are neglected and dissatisfied, and this will be evident in high turnover rates.

Fortunately, this is not an either-or situation. After all, satisfied dentists will provide better care, which is a win for consumers. And a treatment experience that meets consumer expectations and maintains a high standard of care is one that will help clinicians feel fulfilled in their roles within the network.

WHAT IS GOOD FOR THE DENTISTS IS GOOD FOR THE CONSUMERS

Patient flow does not have to suffer for the sake of keeping dentists happy. DSOs can adopt intelligent solutions that:

- 1 Simultaneously satisfy the demands of both clinicians and consumers or
- 2 Create an environment that makes dentists better care providers for the organization's target consumer segment.

SOLUTIONS THAT DIRECTLY IMPROVE BOTH DENTIST SATISFACTION AND PATIENT FLOW

Digital technology is the single most influential factor that is transforming the industry of oral healthcare today. Because it has set a new bar for the standard of care, recent dental school graduates prefer to work in practices that are equipped with the latest in digital diagnostic imaging equipment and practice management software. Oral healthcare consumers today also view paper charts, film X-rays, and postal communications as archaic relics of an outdated dental practice.



Other benefits of digital technology include:

- Streamlined workflows
- Improved patient experience
- Decreased risk of clerical and clinical errors
- More consistent procedural outcomes across the network
- Standardized parameters for diagnosis and treatment recommendation
- Automation that eliminates bottlenecks in scheduling and daily practice operations

These benefits lead to shorter, smoother, and more predictable treatment journeys for patients and make the treatment experience much more pleasant for the dentists, as well. Embracing modern digital technology and adopting solutions universally across the network will allow DSOs to maintain a high standard of care while meeting dentist and consumer expectations alike.



Over 90% of DSOs plan to enhance training and education through internal training and curricula.

SOLUTIONS THAT IMPROVE DENTIST SATISFACTION AND INDIRECTLY BENEFIT CONSUMERS

Besides digital dental technology, there are other perks that can improve dentist satisfaction and help attract new dentists to the organization, providing the needed fuel for growth:

Continuing education

Providing ample opportunities for clinicians to enhance their skills and keep their experience up-to-date is a vital way to help them feel appreciated. Current dentists and potential candidates will feel inspired to continue growing along with the organization and to use their knowledge and skills to help the organization's customers improve their oral health.

Professional advancement opportunities

Ballooning dental school debt and a changing mindset towards career and lifestyle balance are discouraging many new graduates from starting their own private practices. This new generation of dentists is now eager to accept employment positions in which they can start practicing right away with the potential for professional advancement. Some new clinicians look forward to growing their skills so that they can offer high-revenue treatments like orthodontics or dental implants. Others aspire to move into the managerial or corporate arena within a DSO. The opportunity for individual advancement attracts the kind of talent that can help fuel the growth of a DSO. When dentists are helped to grow along with the organization, they become increasingly more valuable to the DSO and are more inclined to stay with the organization long term.

Clear company values

Predetermined and clearly defined organizational values can help DSOs to attract personalities that are a good fit for the long term. Concrete values will help potential new hires to know in advance whether a particular DSO is the right place for them. When the fit is a good one, the organization can rest assured that a dentist will be a good care provider for the DSO's target consumer base.

Healthy company culture

A positive work culture is essential to employee health and satisfaction in any industry, but it is especially vital in oral healthcare because a toxic or oppressive work environment can have a trickle-down effect and negatively impact the consumer experience. Building a strong and positive company culture begins with a clearly defined set of company values.

Implementing these practical solutions can help DSOs create a more positive experience for dentists and, by extension, their oral care customers. It is clear that simply focusing on pleasing consumers alone is insufficient for sustaining the growth of a DSO. Instead, reaching out to partner with the right dental professionals will nurture the conditions needed for increased production and scale.

Element 4

EFFECTIVE ACQUISITION AND RETENTION OF CLINICAL STAFF

There are plenty of opportunities for growth given the increase in demand for oral healthcare and changes in consumer behavior regarding the selection of healthcare. As previously discussed, even in this environment that is rich in growth potential, a DSO's growth is contingent on having a robust roster of engaged and invested dentists. Even when DSOs create and implement a strategy for attracting clinicians to the organization, however, yet another challenge remains: acquiring and retaining clinical staff in the wake of the Great Resignation. There is no lack of consumer demand. The question lies in supplying adequate human resources to meet this demand.

The COVID-19 pandemic triggered changes in the workforce at large and the healthcare sector was no exception. Some even suggest that this trend was already well underway and the pandemic either hastened its development or simply brought this issue to the fore. In the wake of the economic upheaval brought on by the pandemic, many people realized that they neither need nor want to work as much as they did prior to the pandemic. Dental assistants, hygienists, and even some dentists were compelled to reevaluate their career paths, and while many did eventually return to the workforce, they did so with altered expectations regarding positions of employment.

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1/3 of the dental assistant and dental hygienist workforce indicate they expect to retire in 5 years or less.



According to a survey by the American Dental Association (ADA), 30% of dental practices are currently recruiting for dental hygienists and/or assistants.

As a result, many DSOs are struggling to recruit the staff needed to maintain operations on the ground. Inadequate staffing is a significant issue for DSOs looking to scale up and expand their market share.

How can DSOs effectively address this challenge and meet the increasing demand for oral health-care with an adequate supply of clinical staff?

The following chart contrasts actions DSOs can aim for and actions they can avoid in order to successfully hire and retain dental team members.

 AIM	 AVOID
<ul style="list-style-type: none"> • AIM to be more flexible by hiring multiple part-time employees to fill a practice’s scheduling needs and meet customer demand. 	<ul style="list-style-type: none"> • AVOID being too rigid about hiring only for full-time roles. It is increasingly more difficult to find ideal candidates willing to work 40 or more hours per week.
<ul style="list-style-type: none"> • AIM to hire for specific personalities and working types. 	<ul style="list-style-type: none"> • AVOID hiring for clinical skill, alone. A bad personality fit can negatively impact the morale of an entire practice.
<ul style="list-style-type: none"> • AIM to rethink the roles of non-clinical staff in the practice ecosystem and consider whether their responsibilities can be replaced with software and automated processes. 	<ul style="list-style-type: none"> • AVOID assuming that the way dental practices have been managed in the past determines the way they should be managed in the future.
<ul style="list-style-type: none"> • AIM to create a positive company culture that invites organic referrals, encourages internal promotions, and rewards cross-training and transferable skills. 	<ul style="list-style-type: none"> • AVOID focusing recruiting efforts solely on sourcing talent from outside the organization.
<ul style="list-style-type: none"> • AIM to retain clinical staff for as long as possible instead of relying on training and onboarding programs for new recruits. 	<ul style="list-style-type: none"> • AVOID the sunk cost of training for advanced/surgical staff support.
<ul style="list-style-type: none"> • AIM to acknowledge employees’ desire for personal professional advancement within the organization and provide opportunities to do so. 	<ul style="list-style-type: none"> • AVOID gaps in communication that leave employees feeling overlooked by the organization.
<ul style="list-style-type: none"> • AIM to recognize that workforce trends are cyclical and that the organization must always have a plan in place to train backups and constantly recruit fresh talent. 	<ul style="list-style-type: none"> • AVOID reacting to workforce trends only when practices are caught understaffed. Employees of understaffed dental practices are more likely to suffer from burnout and low morale.

Understanding the future of the workforce is the key to hiring the talent needed to help a DSO function smoothly at all levels and to fuel sustainable growth. In today’s challenging recruitment

environment, DSOs do well to carefully consider what people are looking for in a place of employment and then speak to those needs when advertising positions of employment.

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We have a rigidity that we develop from success that’s standing in our way in this new market.

Steve Bilt, CEO, Smile Brands

A SPOTLIGHT ON THE ROLE OF COMPANY CULTURE

Clinical talent and qualifications are requisites of new hires, and with fewer qualified candidates available for hire today, it may seem that DSOs cannot afford to be too selective.

However, not just anyone with the requisite certifications and a willingness to work will do, and even the largest DSOs should take care to avoid hiring just anyone for any clinical role.

DSOs of all sizes should seek to hire for a good cultural fit. This is because just one poorly fitting employee can wear down the morale of an entire practice team, triggering workplace friction that interferes with procedural efficiency, creates workflow bottlenecks, distracts other clinicians from their tasks, and negatively impacts the consumer experience.

Building a positive culture that permeates the organization's entire network is a challenge, and it takes time, but it is well worth every effort. Establishing a culture includes setting company values and goals, and this will make it easier to recognize a good cultural fit in a potential hire. Recruiters will have a metric for assessing whether the candidate possesses similar goals and values that align with those of the organization, and if those are a match, the cultural fit is likely to be a good one.

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60% of DSO executives see institutionalizing a culture of change in their organization as their top priority.

Establishing a positive network-wide culture is also essential in retaining employees. Company culture should help team members feel valued and empowered within the organization. If employees do not have a sense of belonging and value, then they will be more inclined to work for the next practice that offers them higher compensation. A positive company culture fosters loyalty and offers benefits to the staff that they believe they won't soon find in another practice, no matter how large of a paycheck they are offered.





Some ways DSOs can foster the development of a positive company culture that attracts the right talent, retains existing team members, and generates organic referrals from current employees include:

- Introducing culture training right from the time of onboarding
- Establishing and clearly communicating to team members a system for internal advancement
- Providing the modern equipment, educational opportunities, and expanded toolkits that clinicians like hygienists and assistants need to feel empowered to do their best work
- Regularly cross-training and preparing current hires for more advanced roles so that they can step up immediately if someone leaves the practice
- Taking immediate action if the DSO is reporting high turnover rates

Dentists represent the heart of any dental service organization, but many other vital clinical and administrative functions would be impossible without the support of committed dental hygienists and dental assistants. These team members need to feel that the organization appreciates the value they bring to the practice they work at, especially in light of current workforce trends, so it is essential that the growth-focused DSO pays keen attention to providing employment opportunities that meet the demands of job seekers.

Element 5

SUCCESSFUL ROI ON DIGITALIZATION

The fifth necessary element in the elixir of growth for DSOs is a successful ROI for the new digital tools and software they adopt. While essential to growth, determining the ROI is a real challenge because it is difficult to precisely measure the impact of digitization.

According to a study by the Boston Consulting Group, 60% of DSOs surveyed rank their efforts to deploy digital dentistry equipment as intermediate or lower. This suggests that there is much room for improvement, but the hesitation DSOs may experience is understandable.

How can a DSO ascertain whether its investments in digital technology are paying off and contributing to the organization's growth in an impactful way?

MEASURING ROI ON DIGITIZATION

There are three potential metrics DSOs can use to assess the impact of their efforts: expanded access to care, changes in consumer behavior, and clinician performance and satisfaction.

Expanded access to care

Digital technology helps to improve consumer access to high-quality affordable care. More people are waking up to the fact that government-subsidized care or dental insurance (often marked

by limited treatment options, long wait times, and low-quality care) are not their only options for funding dental treatment. Consumers are more willing to pay out of pocket for the best treatment they can afford, and this is a valuable opportunity as DSOs are advantageously positioned to meet this new demand for value-focused care.

DSOs have the agility and resources that enable them to adopt digital technology at scale to provide quality care at a rate that reduces costs for the organization and keeps prices affordable for the average consumer.

DSOs should leverage the power of scale by partnering with leading dental brands to reduce expenses on materials, equipment, and clinical supplies. Dental service organizations have access to resources they can invest in digitization endeavors that will improve clinical and operational functions, and they can offer standardized financing and fixed pricing structures that will appeal to transparency-loving consumers.

The application of digital solutions to the DSO model thus means that more consumers can access oral healthcare, and this will be reflected in an expanded market reach. Making high-quality care more accessible to more people is a good sign that the investment in digital technology was a cost-efficient one.



Changes in consumer behavior

Digitally empowered consumers are driving the digitization trend in healthcare, including the oral care industry. The ways oral healthcare consumers shop for a dentist and the factors that convince them to choose one practice over another have changed over time in response to the increasingly dependent relationship human society has with digital technology.

Consumers not only rely on digital technology to locate a healthcare provider, but they then judge the capability and modernity of the provider on the basis of that institution's own relationship with digital technology. To the eye of the consumer, a practice that does not use advanced digital technology to provide them with a convenient and seamless treatment experience is outdated and incompetent.

How can DSOs leverage consumer behaviors to gauge their ROI on digitization efforts?

Increased patient engagement and increases in case acceptance can be indicators of successful digital technology implementation.

Example 1: After rolling out an online appointment scheduler, a DSO may notice a marked increase in new patient appointment requests.

Example 2: Case acceptance rates start to increase after a DSO has implemented a treatment planning program that enables consumers to visualize the anticipated outcome of their care, indicating that the software has helped increase consumer confidence in treatment plans created by the DSO's dentists.

Dentist performance and satisfaction data

DSOs exist to provide support to clinicians and help them increase rates of case acceptance. If data suggests that dentists inside the organization are satisfied with the opportunities, tools, and technology provided to them and are producing well (dentist "NPS"), then this is a strong indicator that the technology was a good investment.

For example, although it is virtually impossible to measure the exact ROI on continuing education opportunities, DSOs may see a decrease in clinical staff turnover rates or an increase in the numbers of organic colleague referrals soon after implementing a new CE initiative.

MAKE A CALCULATED INVESTMENT

Digitization is an investment that DSOs must make if they are to experience sustainable growth. However, it is not a straightforward matter of adopting every single piece of new dental technology that emerges onto the market. From 3D imaging to artificial intelligence to online scheduling software, there are many exciting technologies that have the potential to elevate the standard of care and increase the profitability of dental treatments.

Which technologies are must-haves for DSOs today?

DSO leadership must carefully analyze and thoroughly understand a new piece of technology, weighing the potential benefits against the costs of implementation, before making an investment. Additionally, they must also ensure that the digital technology—whether in the form of a software or a clinical tool—is correctly and consistently implemented across the network in order to experience the benefits.

Inadequate rollout efforts can result in frustration for clinical and administrative staff and add excess steps that prolong and complicate the patient treatment journey.

Here are some questions DSOs can give careful thought to before deciding to make an investment.

WILL THE TECHNOLOGICAL INVESTMENT UNDER CONSIDERATION...

- make the dentists' job easier or add an unnecessary burden?
- reduce chairtime?
- reduce expenses?
- minimize the risk of litigation by reducing clinician errors and misdiagnoses?
- supply aggregated data on clinician performance and consumer satisfaction that helps the organization make informed decisions?
- standardize treatment outcomes from practice to practice?
- standardize operational processes and centralize data across the network?
- improve treatment plan acceptance rates?
- facilitate appointment scheduling and treatment payment for consumers?





Careful selection of the most effective and cost-efficient digital technologies and proper implementation of them are thus essential steps that can help DSOs be certain that they are making a worthwhile investment in the growth of their organization.

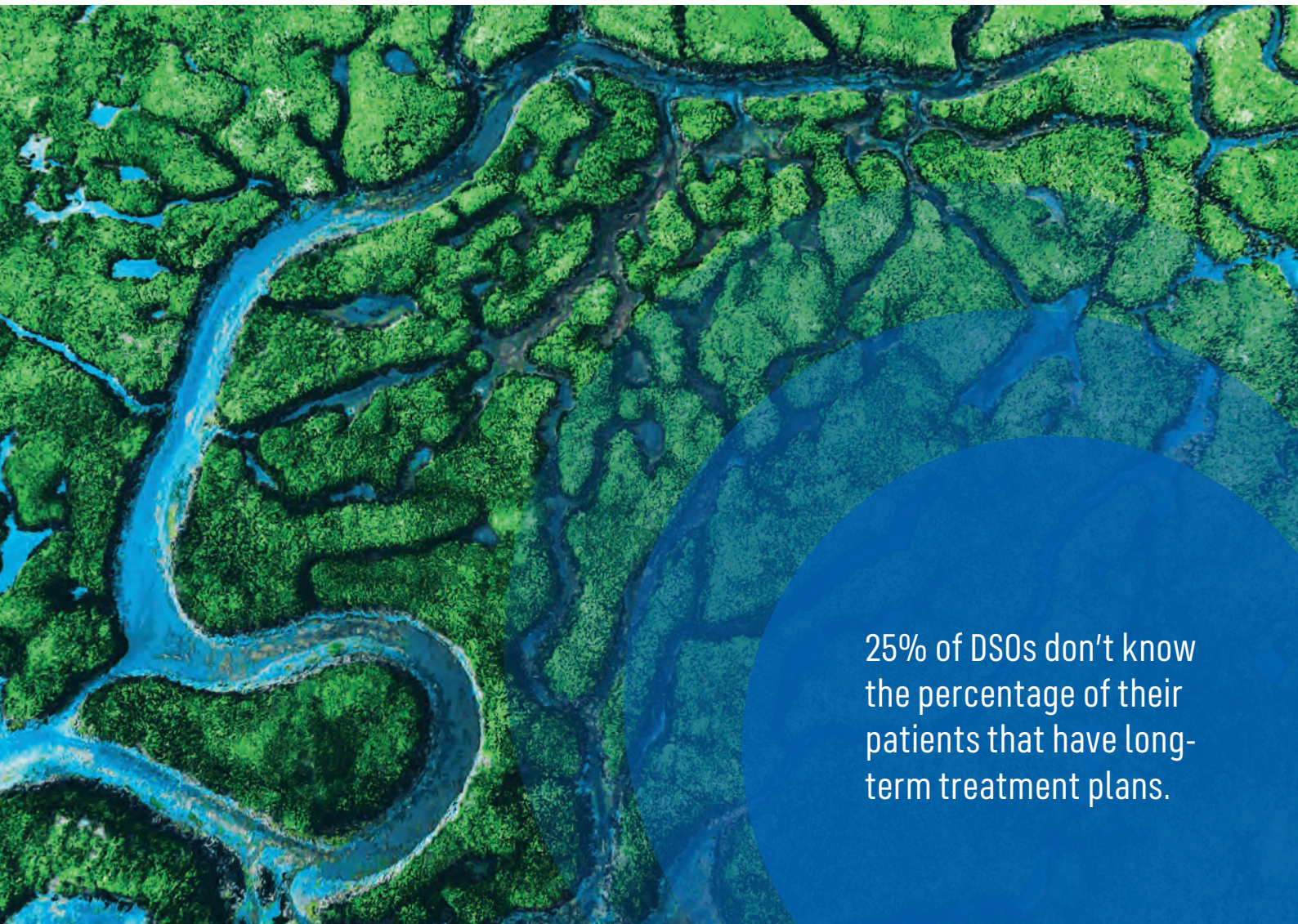
Element 6

ACTIVATING GROWTH POTENTIAL

Many DSOs are sitting on untapped wellsprings of potential growth, but have not yet found clear direction on how to activate this potential. Up to this point, this document has discussed actionable steps a DSO can take to nurture the growth of their

organization, but more is needed. Organizations can jumpstart growth by leveraging the latent potential within their existing patient cohorts and local geographic region.

More than 40% of DSOs have no transparency into the average patient lifecycle value.



25% of DSOs don't know the percentage of their patients that have long-term treatment plans.

How can you activate your organization's growth potential? Use the checklist below to assess your organization's potential and identify cost-efficient opportunities for experiencing further growth.

- Profile your organization's established patient base and execute a segmentation strategy using software that aggregates, organizes, and analyzes data on existing patient cohorts to identify marketing opportunities and incomplete treatment plans.
- Develop strategic marketing endeavors and implement them to generate consumer demand across your network's geography.
- Utilize digital technology like intraoral cameras and scanners to help consumers become more fully engaged with their recommended treatment plan by transforming the diagnostic process into a collaborative and visual one that fosters trust in the establishment, encouraging treatment plan acceptance.
- Build positive relationships with consumers that begin from the moment a potential patient interacts with the DSO's brand through encounters with marketing messaging.
- Establish airtight lead generation and treatment conversion pathways.

FUELED TO EXPERIENCE SUSTAINABLE GROWTH

The dental industry is facing unprecedented challenges due to changes in consumer behavior, in the clinical workforce, and in digital dental technology. In this document, we have considered six critical elements that dental service organizations can utilize to experience sustainable growth, even in today's economic climate: choosing the right fulcrum for the business model, leveraging trends in consumer behavior, adopting solutions that satisfy both dentist and consumer demands,

understanding the future of the dental workforce, calculating a successful ROI on digitization, and activating growth potential.

In addition to taking the steps outlined in this document, DSOs also do well to consider forming strategic partnerships with other organizations that can supply them with cost-effective enterprise-level solutions and advanced market insights they can apply at scale to experience further growth.

More than half of DSOs do not have an advanced or optimized patient database.



For more information visit
www.straumanngroup.com/DSO



EXPLORE STRAUMANN GROUP'S SOLUTIONS

For dental service organizations seeking to experience sustainable growth, Straumann Group is positioned to be the ideal strategic partner.

Get industry insights, expert support, and comprehensive enterprise solutions in oral health specialities.

Restorative Dentistry 360

An end-to-end DSO solution that streamlines restorative and implant treatment workflows and ensures consistent high-quality outcomes.

Orthodontics 360

An end-to-end solution that helps DSOs secure a larger share of the clear aligner market and provide a level of care that results in satisfied consumers.

Industrialized Laboratory 360

An end-to-end workflow for DSOs that reduces wait times for lab cases and lowers costs with innovative on-site digital lab Solutions.

Enterprise-Wide Cloud-Based Practice Management

Powerful cloud-based practice management solutions offer centralization, automation, and analytics that enable dental organizations to achieve efficient workflows and sustained clinical excellence.



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