

3 STEPS TO A MORE PROFITABLE PRACTICE

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Most practices are reliant on their dispensary for approximately 60%- 70% of their annual revenue. That statistic is both valued and conflicted, but an indicator that is significant and risky to overlook

Who is responsible for the appearance of our dispensary?
It should be a continuous team effort. We combine our knowledge and distinctive marketing skills, to enhance dispensary's profit.

Both lenses and frames styles are continuously improving; some changes are extensive, and require additional training; that will provide understanding when recommendation for the precise eye wear to meet specific vision needs.

It is important during comprehensive eye examinations doctors *prescribe* specific lens style or lens treatment. Our patients' comprehend prescribed products benefit their visual needs.

Eyewear sales are projected to grow approximately 50 billion dollars by the year 2020. (Per- Global Market Sources). This means there will be enormous growth potential for practice growth!

Branding our frames and lenses help add validity to the acquisition of luxury frame lines. Our patients' purchases are made with emotions, and may feel a connection with a frame that is totally distinctive.

When a team member wears our best luxury frames, it establishes comfort, and adds visibility to an exclusive brand. Education on the luxury frame "brand story," and frame nuances will inspire communication about the uniqueness of this optical line. Branding give validity to the Luxury frames shown in a manner that allows patient access to them is important; touch-ability is essential, when frames are not easily handled, our patients may feel that the frames are literally, "out of reach," or may be interpreted as out of their "financial reach" as well. Luxury frames should have exclusivity. The sales representative should be cognizant of the demographic availability of their frame brand; it is important to this question when a luxury frame line is added

Our patient's lifestyle should be considered when making lens and frame recommendations. Our preparation is to give educated answers. When speaking with our patients, it is important to remember, "Value is not price," we are not in competition for price. Though it is sometimes difficult, price comparison can be complicated, and will change the dynamics of our relationship with our patients; we change from medical professional to sales person.

When a frame style is proven to be a popular, keep it accessible, the addition of colors and (if available), sizes, will add to sales.

When we look around our frame room; be observant, does the room portray the variety of frames we have available? Does it have a “high-end” appearance? Is it possible to add marketing material? Avoid clutter; informative and promotional material is helpful, but only in limited quantities.

Contact lenses are a huge part of most ophthalmic practices. When prescribing the best contact lenses, it is essential that consideration be given for patient needs, not patient finances. If a patient would like an alternate type of contact lens due to economic reasons, the prescribing doctors may consider a change at that point. But it is never advisable for the doctor to begin a monetary conversation.

When the significance of professionalism is discussed during weekly internal office meetings, we are able to form a cohesive plan for promoting the team’s individual marketing strengths. It will encourage the team’s uniformity, and builds the teams diversity.

We have a direct link to profitability from our local laboratory, by negotiating lens-fabricating costs. Most laboratories will have package pricing to assist in reducing our costs and increase our profits.

It is beneficial to do an annual financial review with our local laboratory; they frequently offer economic incentives to practices.

Internal sales incentives and rewards help motivate a team as a whole, but individual incentives have the possibility of “splitting the team,” and can be detrimental to our profitability.

Buying groups have the potential to save practices enormous amounts of money through discounts and shipping costs.

Our profitability is determined by our accounts receivable’s ability to comprehend the universal medical codes necessary for third party billing. Never before have the accounts receivable personnel found themselves faced with numerous billing challenges. They are responsible for processing every patient’s medical and material billing, both private and third party. They are also responsible for posting and processing payments received by patients and their insurance companies. Should a problem arise, such as denied insurance claims, the claims need to be re-submitted or appealed.

Building profitability it is not a single person’s responsibility, but the responsibility of a team. Our practice is successful because individuals have combined to become a resilient, cohesive, and strong team.

acknowledgements

allaboutvision.com

aoa.com

visionsource.com

globalmarket.org