

# DENTAL MARKET COMPARISON REPORTING



You've been thinking about opening a new practice and have been eyeing a couple really nice areas. You've driven the major roadways, you've stopped for coffee, you know what schools are nearby, but you're still not 100% sure how the different markets stack up against each other. All in all, each market seems like a winner. How does one possibly begin to get an accurate picture of the demographic breakdown, dentist saturation, and healthcare spending habits of an area without being there day in and day out?

Our clients are, through experience, very familiar with the demographic breakdown of their area. They're comfortable with their market share and would clone their office and plop it in East Cobb or maybe Snellville if that were possible. To bring some perspective to various markets, we've developed an easy-to-understand Dental Market Comparison Report.



## HOW DOES IT WORKS?

After touring several spaces, you'll be able to quickly narrow it down to 1-3 viable options. From there we pull demographics, typically within a 3-mile radius, extracting some very pertinent data:

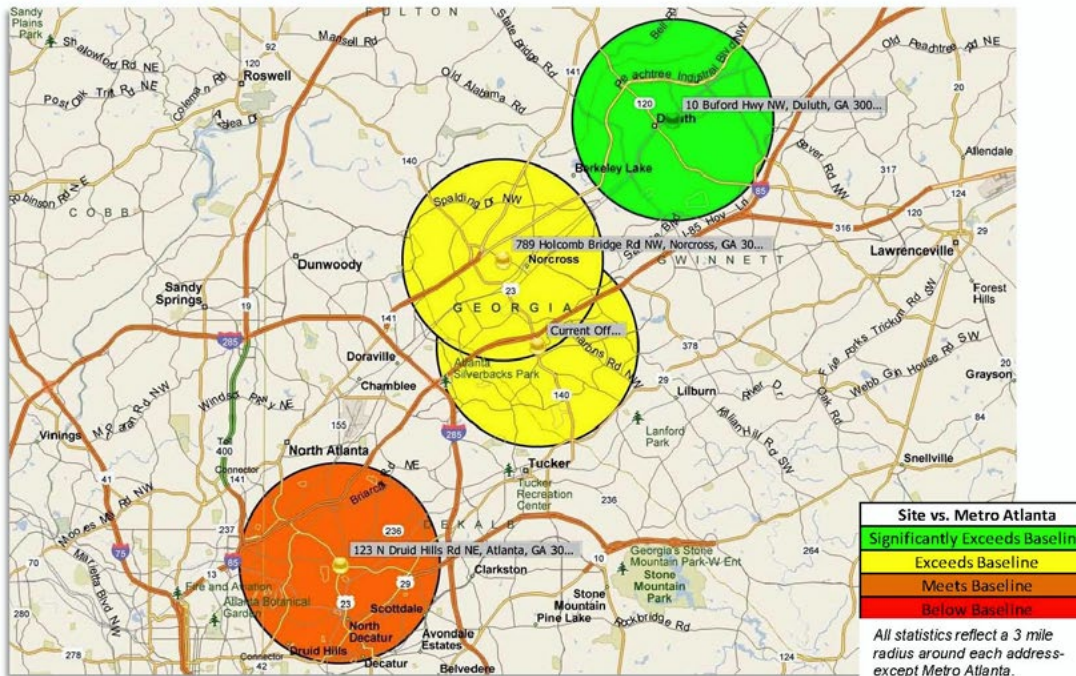
- Residents
- Dental Spending
- Number of Dentists
- Households
- Average & Medium Household Income

.....

Using these numbers we can derive some very telling information about the probability of opening a lucrative dental practice in each of the markets under consideration. We look at:

- Provider Saturation Levels
- Sales per Dentist Compared to Metro Atlanta
- Sales per Resident Compared to Metro Atlanta

Consider the Dental Market Comparison Report on the following page. This is an example of a comparison we did for a client with an office off of Jimmy Carter Blvd (we changed some info to maintain confidentiality). They toured several locations and were able to narrow their options to three very nice offices. The final decision would be made based on which of these offices displayed the healthiest demographics.



The option on Holcomb Bridge would probably provide the same sort of demographic feel as her current location, while the North Druid Hills option is a tougher market. It's clear to see that the option on Buford Hwy is superior to its Metro Atlanta counterpart in the two comparative categories that we put the most emphasis on: Sales per Dentist and Sales per Resident vs. Metro Atlanta.

The reports have some versatility to, in that, we can add overlays indicating a number of variables, e.g. your patient base, income distribution, etc. Our clients find that making their site selection decision becomes fairly clear cut after reviewing this report.

This isn't all that we do. Call us to discuss how else we help dentists with:

- Locating a built-out dental suite,
- Financial models that give apples-to-apples comparisons for complex lease deals, and
- Site location services

|                                | Current Office | Metro Atlanta    | 123 N Druid Hills | 456 Holcomb Bridge | 10 Buford Hwy |
|--------------------------------|----------------|------------------|-------------------|--------------------|---------------|
| Dentists                       | 124            | 5,743            | 156               | 135                | 100           |
| 2014 Residents                 | 104,714        | 5,574,225        | 146,000           | 75,069             | 64,276        |
| 2019 Residents                 | 108,741        | 5,928,836        | 147,900           | 78,301             | 69,722        |
| 2014 Dental Sales              | \$ 88,900,000  | \$ 4,297,000,000 | \$ 112,100,000    | \$ 93,000,000      | \$ 74,800,000 |
| Saturation 2014                | 1.18           | 1.03             | 1.07              | 1.80               | 1.56          |
| Saturation 2019                | 1.14           | 0.97             | 1.05              | 1.72               | 1.43          |
| 2014 Sales Per Dentist         | \$ 716,935     | \$ 748,215       | \$ 718,590        | \$ 688,889         | \$ 748,000    |
| 2014 Sales Per Resident        | \$ 848.98      | \$ 771           | \$ 768            | \$ 1,239           | \$ 1,164      |
| Sales Per Dentist vs. Atlanta  | 0.958          | 1.000            | 0.960             | 0.921              | 1.000         |
| Sales Per Resident vs. Atlanta | 1.101          | 1.000            | 0.996             | 1.607              | 1.516         |
| Children (Ages 0-17)           | 30,367         | 1,422,482        | 23,962            | 16,506             | 15,818        |
| People per Household           | 3.07           | 2.71             | 2.24              | 2.75               | 2.72          |
| Households w/ Minors           | 14,789         | 782,809          | 12,192            | 8,982              | 9,528         |
| Average Household Income       | \$ 46,997      | \$ 72,632        | \$ 82,442         | \$ 87,471          | \$ 81,896     |