



Uncovering the basics to build stronger patient relationships

The new CEO of a network of dental clinics wanted to focus the organization not just on acquiring patients, but keeping them. Unfortunately, the company did not have good retention data, and even industry statistics on patient retention were difficult to find.

Retention Measures for the Dental Sector

No commonly accepted retention measures existed for the dental sector, and a combination of industry-specific factors rendered many simple measures ineffective.

Working closely with the client to profile a wide variety of patient and treatment scenarios, Aventine developed a robust but simple-to-understand retention metric.

The client obtained a single measure that both generated strategic insight and supported tactical performance management initiatives.

Modeling Patient Value

Having quantified patient retention, the next step was to translate potential changes in retention into revenues and value.

Aventine developed a model that illustrated the impact of changes in patient-level revenue, retention, and cost metrics on revenues and profits. The client was able to use

Challenge:

- Absence of basic patient retention data
- No framework to identify best patients
- Significant increase in marketing spend
- Need to measure results from marketing and operational changes

Result:

- Retention metrics tailored to business
- Baseline performance established by office and professional
- Patient segments and average value determined
- Investment targeted to patient value

the model to set specific retention improvement targets and calibrate investment in retention initiatives against potential value creation.

Patient Profiles Complete the Picture

The last step was to construct demographic profiles of high-value patients and target marketing at the most lucrative segments. The clearer understanding of the characteristics of the best patients enabled the client to reconsider direct marketing channels that had been unproductive in the past.

The end result for this client was a new ability to plan, monitor, and assess the impact of a variety of marketing programs and operational improvements.

- ▶ Customer Profiling
- ▶ Segmentation
- ▶ Predictive Modeling
- ▶ Customer Valuation
- ▶ Marketing Strategy
- ▶ Capabilities Development
- ▶ Hosted Analytics

For More Information Contact:
Jerry Hughes
gjhughes@aventinepartners.com
312-953-5576
www.aventinepartners.com

Customer Value Modeling with Aventine Partners

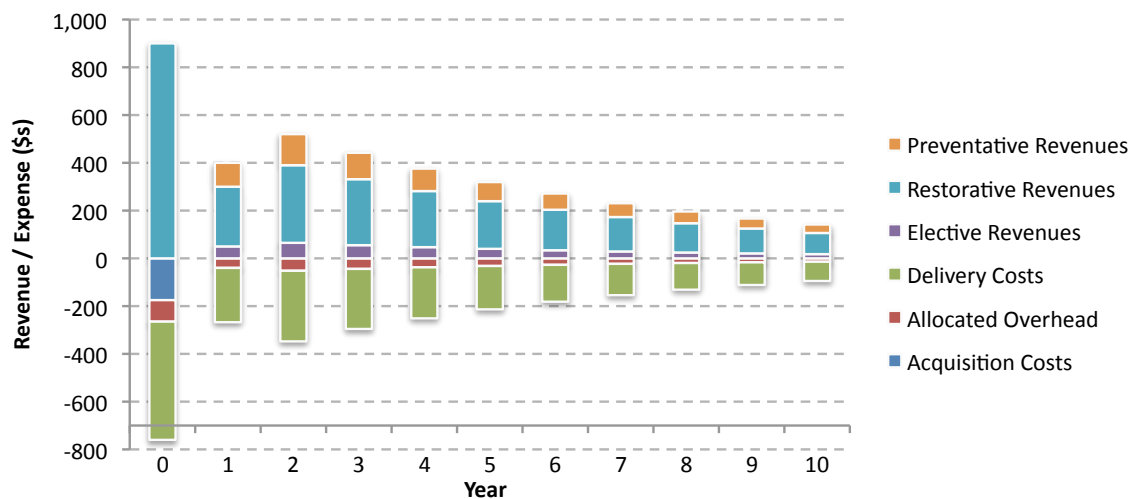
Each business faces unique challenges to measuring customer value. Multiple revenue streams, highly variable product or service profitability, and the need to integrate revenues and costs from multiple channels can all complicate the challenge. And all companies need to account for different customer longevity and risk characteristics.

To address these complex issues, Aventine Partners employs industry-specific models for capturing revenue, expense, capital, and risk drivers. Value models integrate with both market strategy and program execution.

Making marketing decisions without a sound customer valuation model can be treacherous. Some customers consume, rather than generate, value. Growing that group is a road to ruin. Others may be harder to acquire, but will pay back the investment manyfold over the customer's lifetime.

Aventine Customer Value Models Capture Key Revenue, Cost, Capital, and Risk Drivers

Segment A Value Model



If you want to leverage your data assets to make better investments in sales and marketing, contact Aventine Partners for pragmatic approaches to getting started.

