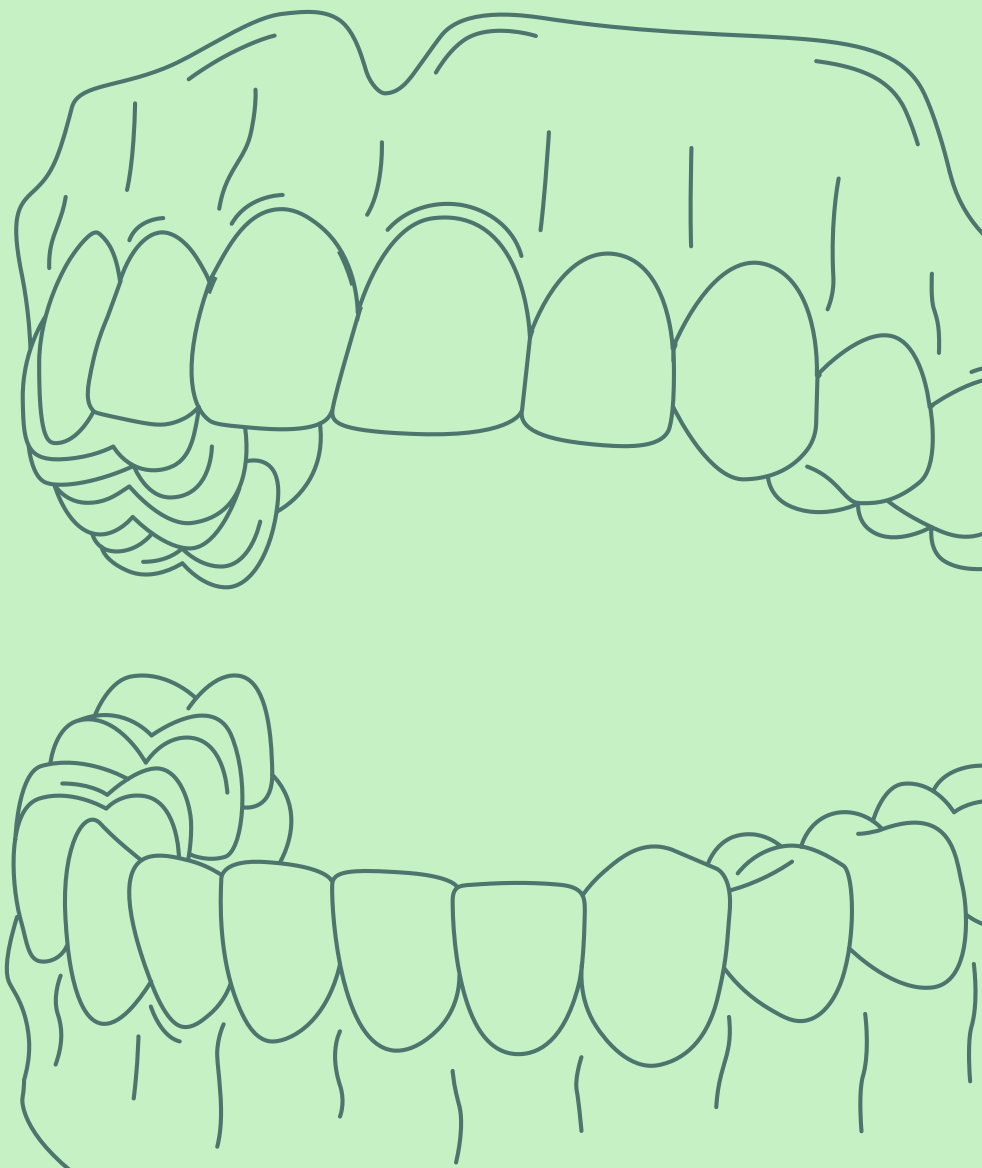
dandy

2022

Dental Industry Report

Dandy surveyed dental practitioners across the U.S. to learn about how the dental industry is evolving and what trends are driving market growth.

Contents



Key Findings

Rising costs, insurance billing, and hiring/employee retention are the top challenges.

facing practitioners today, while increasing practice profitability is their top priority. These findings align with market dynamics of high inflation, supply chain issues, and the U.S. labor shortage that are putting additional strains on dental practices.

The top treatments forecasted to grow within the next five years are specialty services such as orthodontia and endodontia.

To capitalize on the market demand, general practices should consider diversifying their services into these high-growth areas.

49% of dentists who do not currently use an intraoral scanner plan to start in 2022.

Digital methods for impressions and restorative and aesthetic treatments are on the rise. As intraoral scanning grows, coupled with strong patient preferences for digital impressions, dental practices that offer digital dentistry could gain a competitive advantage over those that don't.

84% of dental practices work with labs that specialize in specific products, with the majority of dental practices partnering with 2 to 3 labs for their cases.

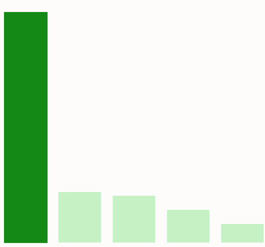
Cosmetic products such as clear aligners and retainers are much more likely to be provided by a secondary lab partner, according to practitioners who participated in this research.

Practice Demographics

Small practices make up a majority of the dental practices in the U.S. While this reflects the largest segment of dental practices in the market, independent practice ownership is on a downward trend, with the ADA reporting only 76% of dentists owning their practice compared to 85% in 2005.1 Conversely, DSOs are on the rise, a trend the ADA predicts will continue. An estimated 10.4% of dentists in the U.S. are now affiliated with group practices according to the ADA.[1]

As small business owners, dentists face a variety of complex challenges. Rising costs, hiring, insurance, managing ongoing regulatory requirements, among many others, create significant barriers to balancing patient care with business needs. The trend toward consolidation could be attributable in part to the administrative burden of managing the day-to-day operations of their practices.

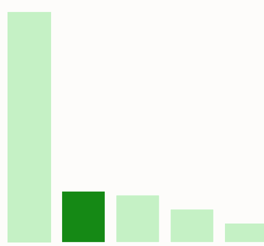
Total Number of Dental Practices in the US: 150,000[2]



90,000

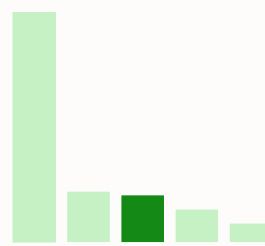
Small Practices

Independent GPs,
1-2 locations, 1-2 doctors



20,000

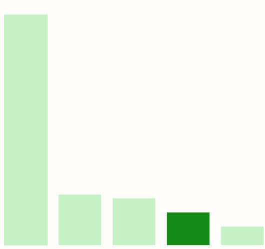
Specialty Practices



18,500

Dental Groups & Small DSOs

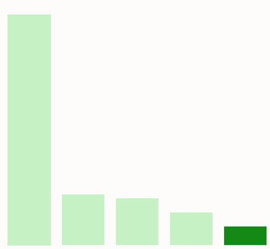
3-49 locations



13,000

Public Health

University clinics, nonprofits, etc.



7,500

Large DSOs

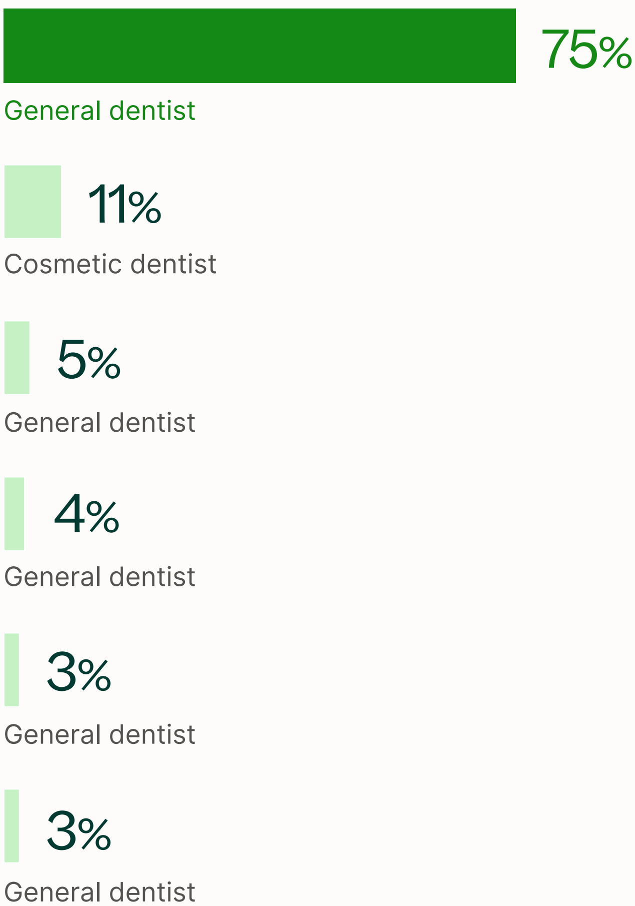
50+ locations

Participant Breakdown

Among the participants in this survey, 97% practice general dentistry and 61% are sole owners of their practice.

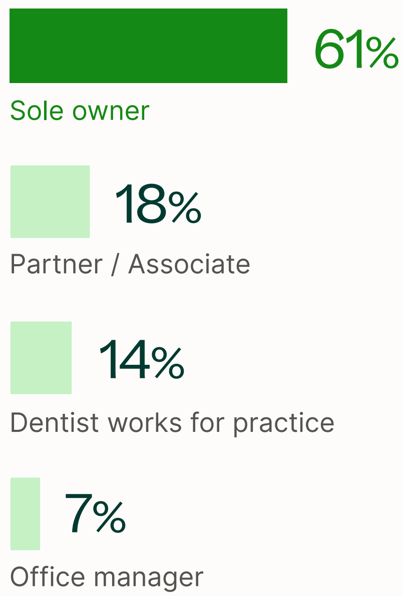
Type of Practitioner*

% of Respondents



Ownership Status

% of Respondents



* Respondents were able to select multiple types pf dentistry.

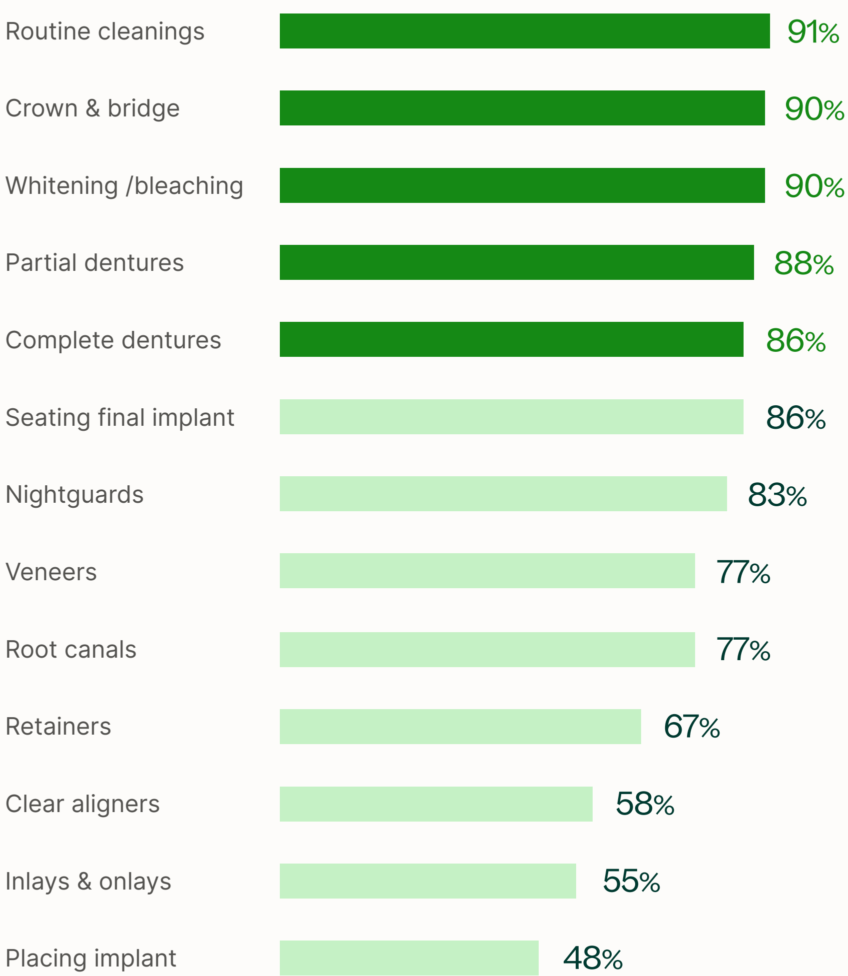
Services Offered

Of dental practices surveyed, services performed include preventative, restorative, and aesthetic services. The top four restorative services are routine cleanings, crown and bridge, whitening, and dentures.

As general dentists make up the majority of survey respondents, specialized procedures were less common. **Yet the top treatments forecasted to grow within the next five years are specialty services such as orthodontia and endodontia.**[2] To capitalize on the market demand, general practices should consider diversifying their services into these high-growth areas.

Restoration Services

% of Respondents



Services expected to grow at least 5% in the next 3-5 years[2]

1. Clear aligners
2. Implants placed
3. Implants restored
4. Zirconia crown & bridge
5. Nightguards
6. E.max crown & bridge

"With the clear aligner market projected to surpass crown and bridge by 2023, offering clear aligners is a great way to increase profitability and drive additional traffic to your practice. Technology, like intraoral scanners and 3D treatment plan simulations, make providing clear aligners treatment in your practice easier than ever."

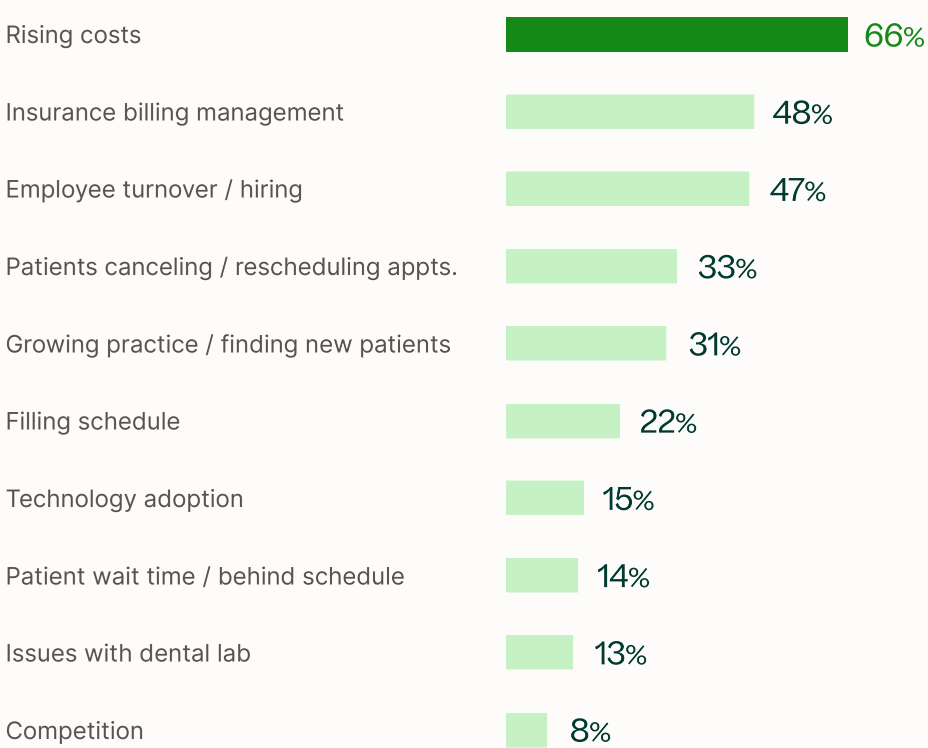
PETER H. CHEN, DDS, DMSC, MBA

Practice Challenges & Priorities

With inflation reaching 7% in 2021,[3] coupled with the continuous challenges facing the supply chain[4] and the labor shortage[5] across a number of industries nationwide, it's no surprise to see rising costs as the number one challenge reported by dentists.

Top Challenges

% of Respondents

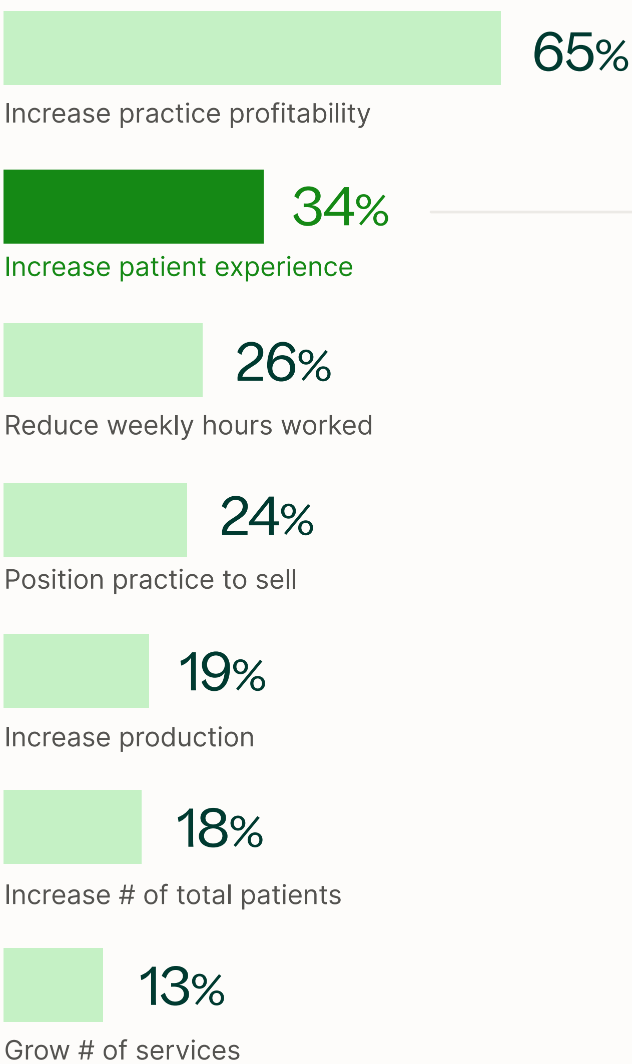


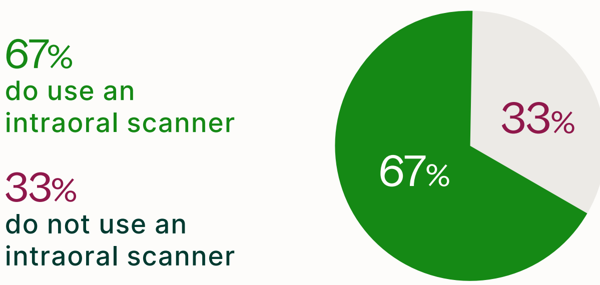
Top Priorities

Practice growth is by far the biggest goal among dentists surveyed. 65% report increasing practice profitability as their top priority, which directly aligns with their top challenge of rising costs. 24% of respondents also reported increasing production as one of their top two priorities while 19% also chose increasing the number of total patients, indicating that practice growth is top of mind for dentists.

Top Priorities

% of Respondents





With improving patient experience as the second leading priority, it's worth noting that dentists who cite patient experience among their top two priorities are twice as likely to use an intraoral scanner.

Digital Dentistry

It's an exciting time for dentistry as digital tools for general practices become more affordable and accessible. As a result, digital methods for impressions and restorative and aesthetic treatments are on the rise.

Dental practitioners differ in their adoption of these technological advancements. As dental offices transition from analog techniques to digital ones, they can encounter a variety of challenges, from financial barriers to difficulty with incorporating new processes into their practice.

One indicator of digital growth is the number of dentists who use intraoral scanning technology within their practice. While the number of services may vary from practice to practice, 50% of practitioners report they are currently using an intraoral scanner, **while 49% of those who are not currently using an intraoral scanner plan to start in 2022.**

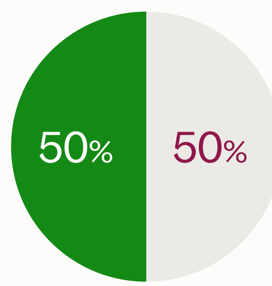
The shift to digital isn't unexpected or surprising. The precedent for digital adoption in everyday life and across all business sectors is standard now, especially when a technology provides a more convenient user experience.

Intraoral Scanner Usage

% of Respondents

50%
are using an intraoral scanner in their practice

50%
are not using an intraoral scanner in their practice

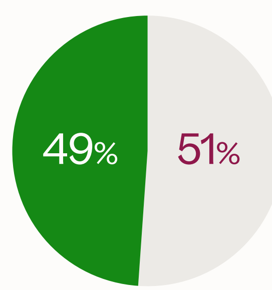


Intraoral Scanner Adoption

% of Respondents

49%
likely to adopt intraoral scanner use

51%
not likely to adopt intraoral scanner use

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In a clinical study comparing intraoral scanning and conventional impressions, the vast majority of practitioners preferred the digital scanning technique (89%) over the conventional impression technique (11%).[6] And while the provider experience certainly matters, it's also important to consider the other side of the impression experience: the patient's. **Digital scanning's effect on patient comfort leads to a holistically improved patient experience,[7] which is also the second-leading priority of dentists in this survey.**

As intraoral scanning grows, coupled with strong patient preferences for digital impressions, dental practices that offer digital dentistry could gain a competitive advantage over those that don't.

Intraoral Scanner Brands

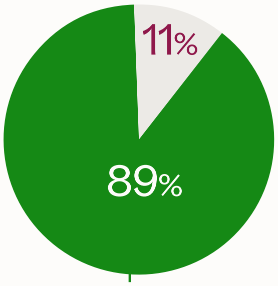
Intraoral Scanner Brands iTero is the most popular brand for practices actively using an intraoral scanner, leading the market by over 30%. The second market leader is Medit, with 3Shape following closely.

Provider Preference

% of Respondents

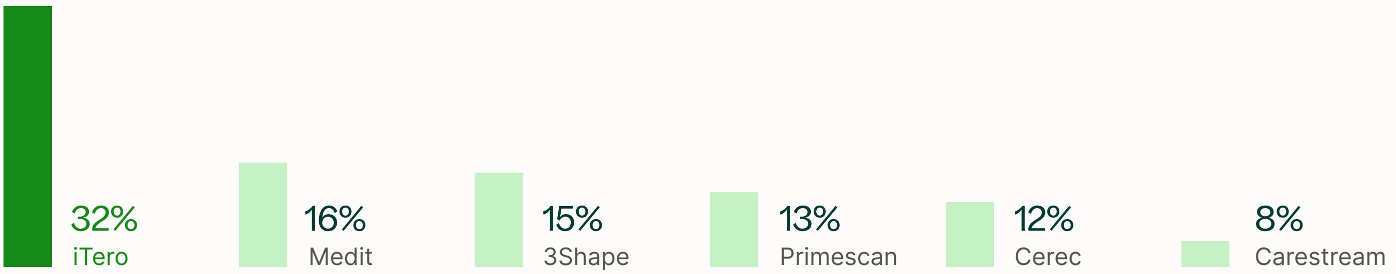
89%
of providers prefer digital impressions

11%
of providers prefer conventional impressions



Intraoral Scanner Brand Adoption

% of Respondents

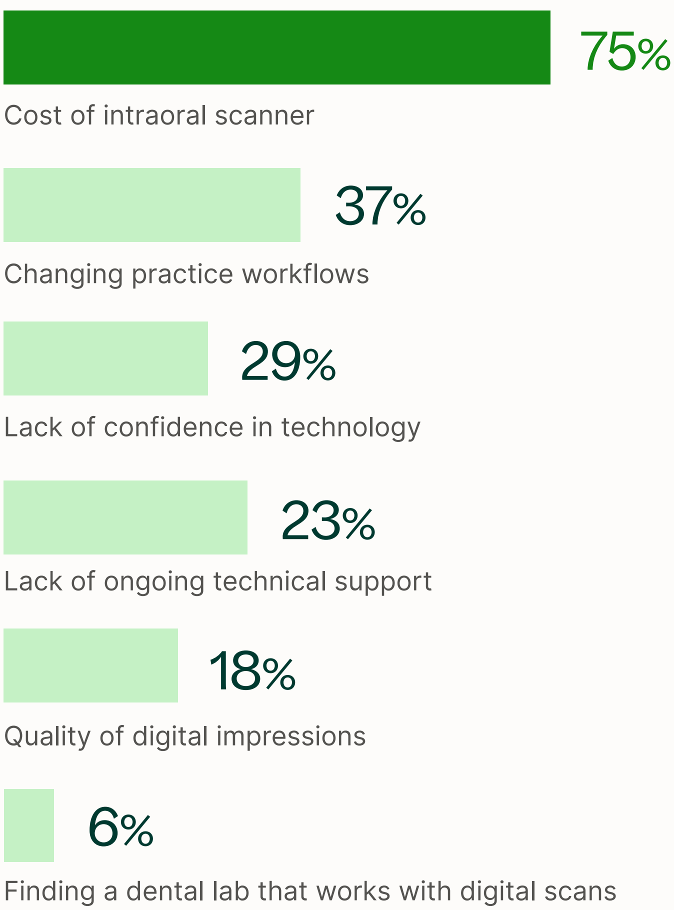


Barriers to Intraoral Scanner Adoption

The cost of the intraoral scanner and concerns about changing practice workflow are the primary barriers of practices unlikely to adopt a scanner.

Barriers to Scanner Adoption

% of Respondents



Practices that do not currently use an intraoral scanner are 4x more likely to cite technology adoption as a top challenge.

(SEE ALL TOP CHALLENGES ON PAGE 8)

When deciding whether to transition to intraoral scanning, practitioners should consider:

The ROI of digital technology.
Take into account the impact of patient experience and shorter appointments, leading to higher production – all factors which recoup the investment in an intraoral scanner.

The adjustment to new technology and workflows.
Expect a learning curve. When choosing a supplier, it's key to evaluate the quality of training and support offered.

The type of scanner.
Not all scanners work well for all dental procedures. It's important to select a scanner that works well for the service(s) offered.

Procedures Completed with Intraoral Scanners

When it comes to common use cases for intraoral scanning, crown and bridge restorations are by far the most-completed procedures at 71%, with clear aligners a distant second at 57%. These figures are not surprising when you consider that, as the most common dental procedures outside of routine cleanings, crown and bridge restorations are performed by 90% of dental practitioners. They are also the simplest workflows to adopt.

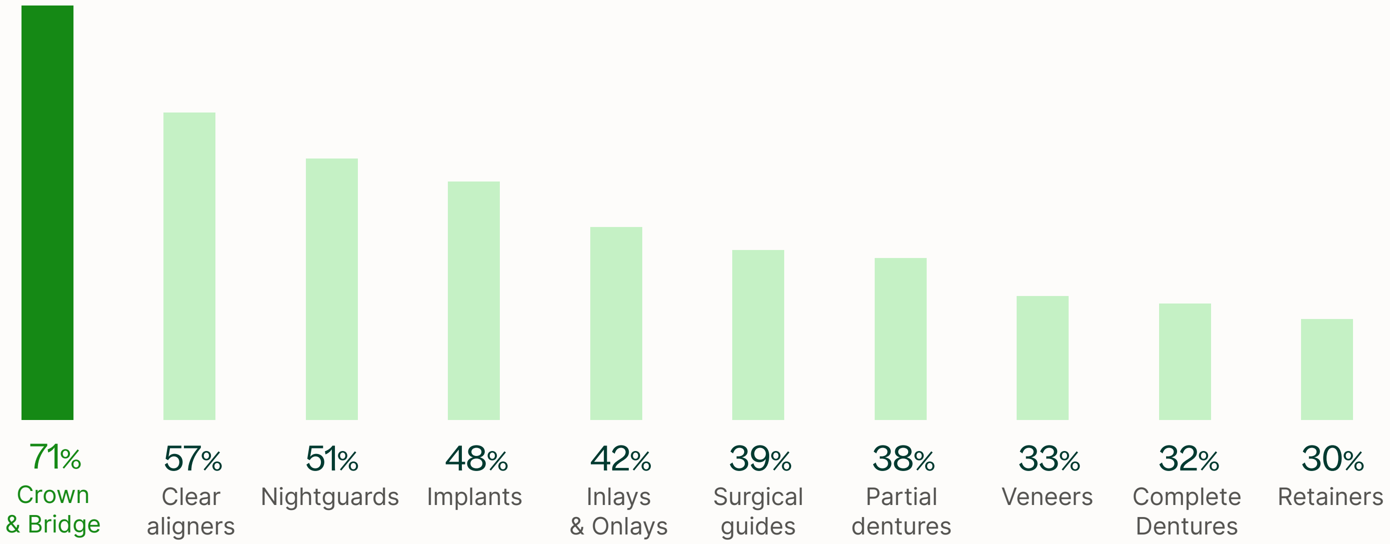
Procedures Least Performed with Intraoral Scanners

- Veneers
- Complete Dentures
- Retainers

Some of the most under-utilized procedures are retainers, complete dentures, and veneers, which could be due to a lab partner's ability to accept digital impressions for these products. Switching from physical impressions to intraoral scanning offers many benefits, specifically opportunities for higher production. Intraoral scanning increases case acceptance through patient presentation and can be performed by any staff member, affording dentists more time to perform higher skilled services.

Procedures Completed with Intraoral Scanners

% of Respondents



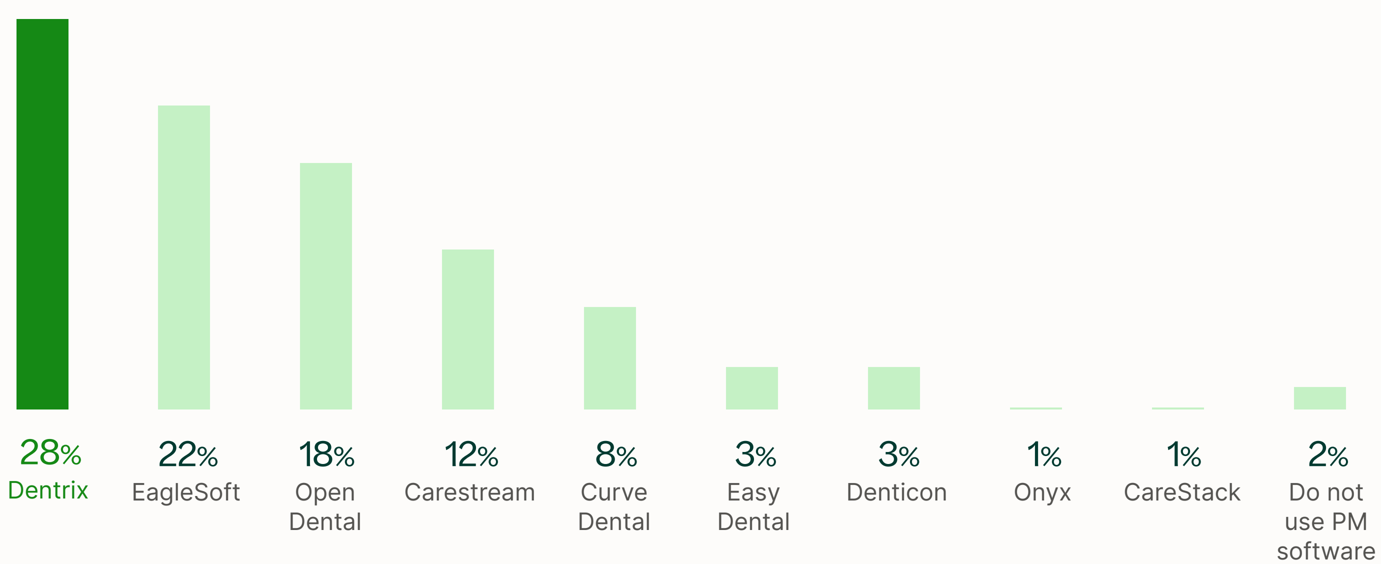
Practice Management Software

Practice Management Software (PMS) is a core function of a practice's operation. The 2021 U.S. market size is reported at $642.8M and is projected to become a $2.7B market globally by 2026 due to a higher demand for dental services.[8]

Dental professionals surveyed use a wide variety of Practice Management Software (PMS). Dentrix is the most-used software reported in the survey at 28%. EagleSoft the second most-used software at 22%. Curve Dental, which has a significantly smaller market presence at only 8%, leads in customer satisfaction across all PMS software providers on G2, a peer-to-peer business software review site.[9]

Practice Management Software

% of Respondents



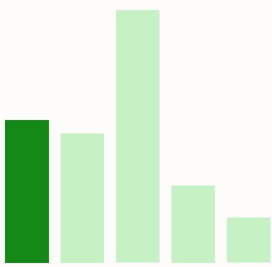
Dental Labs

The partnership between a dentist and dental lab is crucial, largely because problems and delays with the lab can have a ripple effect across the practice, negatively impacting scheduling, patient satisfaction, practice profitability, and more.

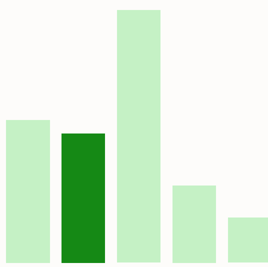
So it's no surprise that dentists typically maintain long-term relationships with their preferred labs. In fact, 42% of practitioners report relationships upwards of six years with their current labs, and 22% report that they have had some lab relationships for 10 years or more.

Years with Lab

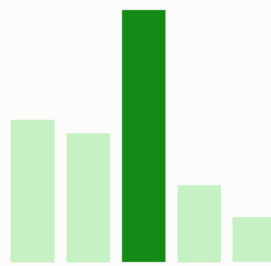
% of Respondents



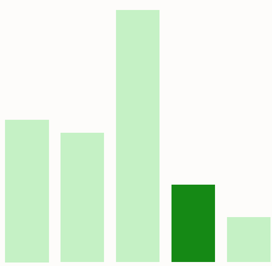
22%
10+ years



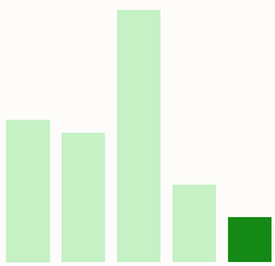
20%
6-10 years



39%
3-5 years



12%
1-2 years



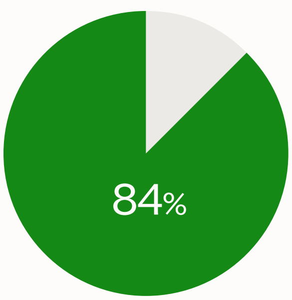
7%
< 1 year

Lab Partners

Most dental practices partner with a local lab for their primary lab work. **84% of dental practices work with labs that specialize in specific products, with the majority of dental practices partnering with 2 to 3 labs for their cases.** Cosmetic products such as clear aligners and retainers are much more likely to be provided by a secondary lab partner according to practitioners who participated in this research.

Source Labs for Specific Products

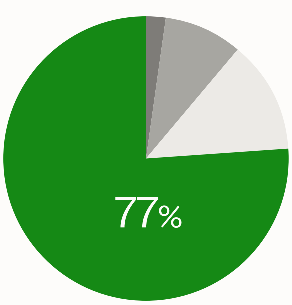
% of Respondents



84% do source labs for specific products

Number of Lab Partners

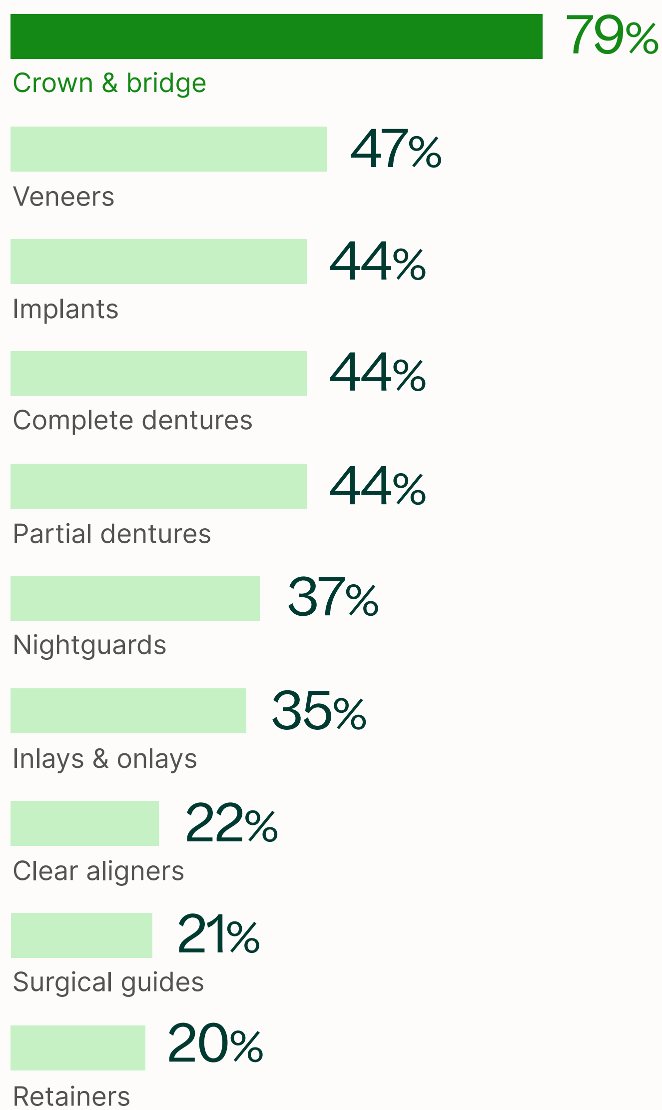
% of Respondents



77% 2-3 labs
13% 4-5 labs
9% 1 lab
2% 5+ labs

Products Received from Primary Lab

% of Respondents



Lab Communication

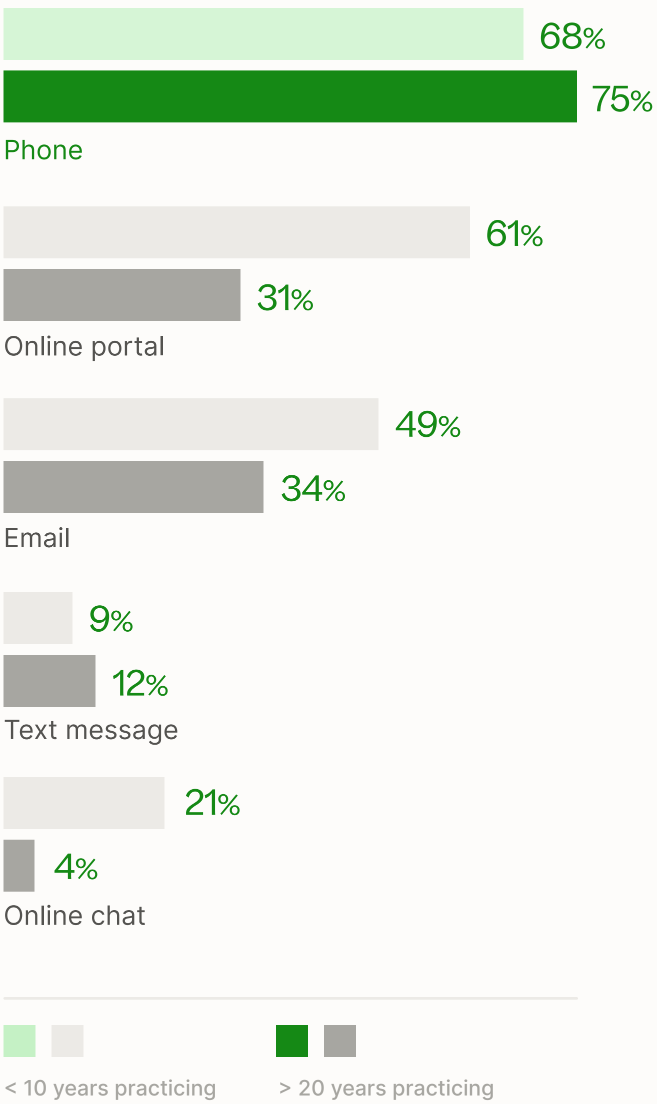
Phone remains the most common way practices communicate with labs and track their orders. Yet more labs are offering more communication methods in order to meet the demand for how their customers want to communicate. **In fact, dentists who've been practicing less than 10 years are 5x more likely to use online chat and 2x more likely to use an online portal to communicate with their labs.**

Remake Rate with Primary Lab

The majority of dentists report their remake rate is less than 10%. Remake rates can be a challenging metric to track without a process or system in place to track it, but it's an important one because of its impact on the rest of the practice, from delayed appointments to patient satisfaction.

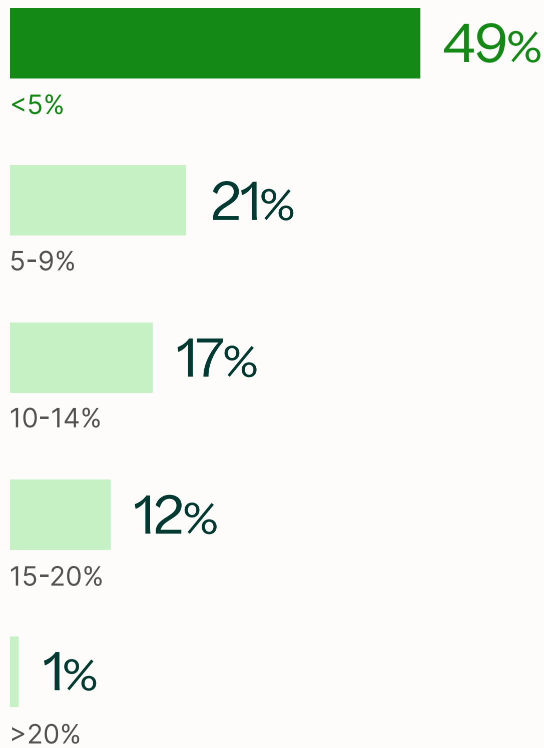
Order Tracking Methods

% of Respondents



Restoration Remake Rate

% of Respondents



About the Research

Dandy partnered with Isurus Market Research and Consulting to understand the state of the dental industry and what trends are driving market growth. An online survey was deployed in November 2021 with 200 responses by dental professionals across the U.S.

Sources

1 “HPI: Shifting practice patterns,” American Dental Association, December 2021

2 Market Research & Analysis, Dandy 2021

3 U.S. Bureau of Labor Statistics, Consumer Price Index, December 2021

4 “How the Supply Chain Broke, and Why It Won’t Be Fixed Anytime Soon,” The New York Times, October 2021

5 “The Great Attrition: Facing the labor shortage conundrum,” McKinsey & Company, December 2021

6 “A clinical study comparing digital scanning and conventional impression making for implant-supported prostheses: A crossover clinical trial,” The Journal of Prosthetic Dentistry, February 2021

7 “Patient-reported experiences and preferences with intraoral scanners: a systematic review,” Oxford Academic, June 2021

8 “Global Dental Practice Management Software Market Report 2021: Market to Reach $2.7 Billion by 2026 - Web-Based Segment Leads, Cloud-based Solutions to Grow at a High Rate,” Research and Markets, October 2021

9 “Best Dental Practice Management Software,” G2, January 2022

About Dandy

Dandy is a full-service digital dental lab based in the U.S. that offers a full suite of crown and bridge products, implants and surgical guides, partial and full dentures, night guards and clear aligners. Dandy makes it easy to take your practice digital. We provide everything you need, including an intraoral scanner, 1-on-1 training, support, access to the Dandy Portal and much more.

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