The 7 Critical Mistakes that Most Optometrists Make in Their Practices
... And how to avoid them

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**Introduction**

There are nearly one thousand independent optometry practices in Australia. Most of them struggle to differentiate themselves in the optical marketplace. The implication of this lack of positioning is immense:

Year after year optical chains, health fund eye centres and the internet are slowly but surely eroding our income, profitability and patient lists.

To compound this, most metropolitan areas have an oversupply of optical outlets and our consultation fees are largely dictated by Medicare.

Most proprietors react to this challenging environment by lowering price, lowering quality of product and not investing in staff and technology. This when analysed logically is doomed to failure.

Fortunately, your practice can be different.

**What’s in this e-book?**

I have identified the **seven critical mistakes** that most Optometry practices make.

This e-book goes through these seven mistakes, and more importantly tells you how to avoid them.

When you understand **and apply** the principals that you will learn in this e-book, you will be ahead of 90% of other independent practices.
Why me?

If you have never heard of me or my company Kokkinakis Consultants, you are possibly wondering who we are and what credibility we have.

For those of you that do know me (especially optometrists in NSW), you know that I fit specialty contact lenses to irregular corneal topography. You also know that I spent many years working side-by-side with ophthalmologists and have a good understanding of eye disease and ocular therapeutics.

As early as 1986 it became apparent to me that IT and high technology instruments needed to be merged into clinical optometry. The problem was how?

Over the years I made it my mission to investigate and implement business principles and new technology into my practice. This was mainly done by visiting the US and Europe (often three to four times per year). It became apparent that to succeed in optometry one had to develop clinical and business excellence. They are absolutely dependent on each other. What then surprised me was that instead of waking up on a Monday morning and being reluctant to go to work, I now look forward to it and the new challenges and great patients I will see. Optometry now not only offers me great income and lifestyle, it is my hobby and passion.

As you can see I have been around the block a few times. This e-book will be a way for me to share with you what has worked and what has not worked in my practice. It has evolved from GU Optical Services to CityEyeCare and now The EyePractice. Kokkinakis Consultants was a natural spin off from this process.
Mistake #1:  
Not investing in IT

Of all the mistakes you could make, this is probably the most critical.

Many optometry practices have a computer or two in their premises but other than keeping a patient list and invoicing they are used for little else.

The average practice today does not have computerised consultation records, bar-coded stock control, electronic appointment book etc. etc.

The loss in productivity and the lack of targeted marketing is a huge disadvantage for the manually operated practice. Unfortunately it goes under the heading of “what you do not know cannot hurt you”. The problem is many practices are chasing their tails all day putting out bushfires and are slowly losing patients because they are not communicating with them effectively and selectively.

In the early days I started with two XT’s and a 286 as a server for those that can remember. I engaged my cousin to set up this wiz-bang mini network. He was an engineer that worked for the railway, but had started to play around with the desk tops. Again for those that can remember I started a patient list on an accounting program called “Attache” and with a dot matrix printer we were invoicing and finally had a computerised patient list. Everything else though was done manually. In 1988 I spent $12,000 on setting up this network. My dream quickly became being able to run two programs at the same time – I was told to stop hallucinating.

In 1996 we fully computerised incorporating SunixVision (www.sunixvision.com) and a network of 8 computers. What a fantastic decision. Filing and looking for lost records took up half of one staff member’s time. Recalls were being done manually by going back into the old appointment books, finding the file and sending out letters from the address on the file. Reminders were
constantly behind as it was usually the last task the staff would take on as it was so boring and tedious.

All of a sudden staff could concentrate on selling to our patients and within a year our sales had gone up 20%. This not only paid for the computer system, but we also needed one less staff member – this saved us another $25,000 at the time. But even more occurred, all of a sudden I could service my patients in 4 days instead of 5. Having the spare time allowed me to start practicing at The Eye Institute (ophthalmology practice). What a snowballing effect.

Further to this involves the collection of patient data. Their email address, their mobile phone number, their occupation, classification of spending habits etc. This information is invaluable and when manipulated with the practice management software, the business can then specifically market to certain groups within your database.

After 12 years of trying to do IT on the cheap (it had cost me a fortune anyway) I was referred to Richard Rees (richard@lookup.com.au). This man nearly grew back the hair on my bald head! He taught me a very important lesson, which was regular maintenance of our network was critical. We then spent $17,000 on a new server and the latest virus protection. We have not had a virus or a hiccup with our computers for 5 years. What a fantastic investment!

**In Summary**

Investment in IT is the first thing that needs to change. The average optometrist does not do it for a number of reasons:

- They are not comfortable with a keyboard
- They feel it is impersonal to type while consulting
- They do not realise the immense power that IT gives the practice
- They do not believe that changing to a paperless office will add any advantage
- They believe it is too expensive to computerise
All these issues can either be easily overcome or just are not true. If you are not fully computerised do so immediately. If you are not sure what to do, either email us or call us and we can create a plan and implement it for you. Email me on jim@kokkinakis.com.au or call on 0400 06 04 03.

Mistake #2: Not investing in high-tech instrument technology

Let’s think about it. What instruments do you currently have in your practice? More importantly what instruments would you love to have but feel that you cannot afford?

Not having high-tech instruments means many things to the optometry practice. None of them are good:

- You are not collecting great clinical information about your patient
- Your examination is less efficient
- You are not impressing your patient
- You are less likely to get word of mouth referrals
- You are probably not as excited about clinical practice as you could be
- You are not differentiating your practice from the rest of the optical market
- I had better stop here because I am depressing myself!

In 1985 I trialled one of the first computerised visual field analysers from Humphreys instruments. This was when it did not have a statistically analysis package. I kept it for two weeks but really could not see value in it, as I was doing the laborious test myself and the possible benefit was not worth the $25,000 at the time – remember we are talking 1985. A few months later I trialled the Humphreys Automatic refractor and from the very first patient that I used it on, the feedback was fantastic. Being able to automatically get clear vision for my patients was like a miracle. I bought it at wait for it $20,000. In reality it probably only helped me with about
one patient per week, who I would otherwise have had difficulty extracting an accurate prescription.

Its great advantage was that every patient was impressed with it – every one! This then started me on my forever upgrade of equipment. It was not until about 1995 that I decided I was not going to buy another bit of equipment unless it made a direct profit.

At the time I was dilating nearly every patient and I was taking fundus photos using an Olympus 35mm film retinal camera. I had bought a Humphreys Visual Field Analyser with Fastpac and I had finished not one but two therapeutic courses. I had a practice full of eye disease and I was not making money. Something had to give. I enjoyed the gadgets too much to give up on them, so I decided that I had to change my paradigm. (I'll talk more about changing paradigms later).

My new paradigm was:

**Any new instrument that was purchased had to be profited from.**

What happened next was my biggest investment up until then. I bought an EyeSys corneal topography unit and soon after one of the first digital retinal cameras and I started charging $40 per scan whether it was a corneal map or a retinal photo. The consultation was bulk billed. Bulk billing and charging separately for the technology was an interesting exercise, as quite a few patients questioned why they had to pay with both their Medicare card and their credit card. Nevertheless I was profiting on this $70,000 investment. What happened next was even more amazing. I stopped bulk-billing in 1998. My consultation fee was $98 and I was getting less questioning about the fees and more patients were choosing to have imaging. All of a sudden instrumentation was a significant profit centre in my practice.

Why was this? The answer was because patients value their eye health. When they were seeing their optic nerve and blood vessel supply in their retina for the first time, they started to appreciate, what an important organ the eye was. Having a manual retinal camera was not perceived as valuable as it would take a few weeks to develop the pictures and the patients did not see them at
all. The camera created an instant image, which the patient was amazed with.

Since then I have bought a Rodenstock computerised refractor head, a digital imaging slit lamp, a Zeiss-Humphreys computerised vertometer, a puff tonometer, a rotor table to do preliminary testing with, a second topographer (Medmont), a Zeiss Matrix Visual Field Analyser, a second Topcon Digital Imaging Retinal camera, a Corneal Pachymeter and the ultimate gadget, an Optical Coherence Tomographer (Zeiss OCT). The OCT has allowed our consultation fees to now be $224. Who would have imagined a patient would be prepared to pay this sort of money for an eye exam. Not only do they pay the fee, but they thank us for looking after them.

**It happens because they perceive great value!**

Even patients who we have classified as D grade, because they would prefer to take their script elsewhere, still stayed with us. These were patients who we originally would have preferred they went elsewhere. All of a sudden they were profitable to our practice and were happy to pay. Not for the glasses, they still don’t perceive value there, but they are happy to pay $224 for an eye test, yet they will not pay $200 for a pair of glasses.

Recently I was in the US for a conference. I saw an instrument to die for. It is called the OPTOS. I saw it in action and my jaw hit the floor. It is capable of imaging the retina and gives a 200° field in one photo, with a 4 megapixel resolution. This is done with no pupillary dilatation. Normal digital retinal cameras can achieve a 60° field but with dilatation. This instrument can virtually give an ora to ora image without dilating the pupil. The implication of such a device in a busy optometry practice is enormous. But there was some very bad news!!

They would not sell me one. Yes you heard right. How could this be? Apparently the Managing Director had visited Australia to assess the market potential and the feedback was that consultation fees represent such a low proportion of an Australian optometrist’s income that they would never sell one of these instruments, as Optos perceived that the average optometrist in Australia could not sell the procedure to patients. For the time being they have decided to hold this magnificent technology from
us. Stay tuned for the next three newsletters, where I will review this magnificent instrument.

To this day I still think that introducing the fees for technology and still bulk-billing was the right thing to do, as the out of pocket cost was only $40. I slowly evolved into not bulk-billing. By this stage all my patients were used to paying something, so when the fee jumped to $98, there was not resistance at all.

Sometimes I think we create our own artificial barriers, which are perceived as impossible to overcome. Don’t get me wrong, I was worried sick about discontinuing bulk-billing, but luckily I had the support of my wife, Nicole. She said: “What are you worried for. If you get a huge resistance, after 3 months go back to bulk-billing”. The rest of course is history.

In Summary

This is very simple.

- Invest in technology
- Charge for the service
- It will be the best decision you have ever made.
- You cannot afford not to invest in new computerised instruments.
- You are missing out at least $50 profit per patient (even after you take leasing into consideration).
- If you see 1500 patients per year, you could potentially earn another $50,000 profit per year.
- Remember this is profit, it does not have any cost of goods associated with it once the lease fee is paid.
- The simplest and most useful instrument to incorporate into the average optometry practice is a digital retinal camera
- We have purchased a Topcon with a 6 mega pixel digital camera back from Optical Manufacturers. There are many others that are probably quite good but I decided on Optical manufacturers because of their attention to service and the great nature of Lee Pepper. A lot of our other high tech gadgets we have purchased from Zeiss-Humphreys. Their products are second to none. Remember the Automatic refractor I bought in the eighties. It is still working today!
- Choosing your instrument suppliers is very important
• After sales services is just as important as the technology you are buying
• Email or phone us if you are unsure of what to do. We are available for consultation in regards to introducing the best and most cost effective technology into your practice.
• Most of the seminars we are conducting involve incorporating technology and using it to impress your patients and making it profitable
• Visit our website www.kokkinakis.com.au for further information and dates.

Mistake #3:
Not delegating responsibility to their staff

In March 2004, I organised our first seminar called “Break the Shackles of Medicare”. My intention at the time was to provide a global picture of Optometry today and what it could be if alliances were created and procedures and technology were implemented.

What was amazing was that on collating the results of the survey, I had missed the point. Most practitioners perceived that their staff were holding them back.

“If only they were on my side, the business would progress so much easier.”

This comment is quite true. Unco-operative or unmotivated staff certainly can significantly hinder a business and frustrate the proprietor.

The flip side of this statement is how much is the proprietor contributing to the staff’s motivation. This involves Optometrical, Dispensing or Reception staff.

In many cases the proprietor does not run a functional business. In other words staff do not have specific tasks and responsibilities and the proprietor is forever sweeping through and picking up on uncompleted work. This frustrates the staff because they are always having someone breathing down their backs waiting for them to make a mistake and it in turn infuriates the proprietor.
because he / she is forever finding the mistakes they were looking for.

In no time the environment becomes heated and extremely unproductive, as everyone is double checking the other.

Imagine if you could change this, where everyone knew exactly what to do and you did not have to worry about your staff. You would do your consulting and everything outside the consulting room could run seamlessly and accurately.

The way to achieve this is by staff delegation. Involve your staff in everything. Once you have invested in new technology, it is imperative to have all the new instruments outside of the consulting room. The reason is that if the instrumentation is in the consulting room, it cannot be delegated, unless of course you have space for a second consulting room.

The following is a list of possible delegation that creates efficiency and inspires your staff to greater heights. Believe me it works. We have been delegating the following list for more than ten years:

- Automatic refractor
- Puff Tonometer
- Verto old specs
- Visual field screening
- Digital retinal imaging
- Corneal topography
- Threshold visual fields
- Corneal Pachymetry
- Instillation of dilation drops
- Contact lens insertion and removal
- Solution instruction

All these delegated tasks are then added to the record by the staff member. The optometrist then takes symptoms and history, does refraction and slit lamp and then passes on the patient for dispensing of spectacles, usually to the same staff member that did all the preliminary testing. The patient all of a sudden perceives that the staff member knows all about their eye health and the intricacies of their spectacle or contact lens prescription.
Once they have a rapport with the staff member they also trust their recommendations.

Further to this very important topic, we have delegated different areas of the practice to different staff members.

Our practice currently has:

- Optometrists – equivalent of 2 optoms full-time
- A Practice manager – 3 days per week
- Dispensers – Equivalent of 2.5 staff full-time
- Phone/Back Office – 1 full-time
- Book-keeping – 3 days per week
- Marketing – Outsourced but equivalent of 1 day per week
- Business Coaching – 1 day per month

Every staff member has been delegated areas of responsibility, paying particular attention to being fair and distributing around the mundane tasks.

Even though our practice is a fair size, an average practice with one optometrist, a dispenser and a junior can do the same thing. All the different areas of the practice need people that are responsible for their section. It does not mean that they do everything in that area, it just means that they are responsible for at least overseeing it and following through.

A classic example of this is a section of the practice called Premises. Our back office / phone person is responsible for this. Her tasks are:

- If a light globe goes out, she will call the building superintendent to have someone come in and change it.
- If new signage needs to be installed she will ring around and get a few quotes for approval.
- If the current cleaners are not up to scratch it is her responsibility to warn them and if there is no response to her warning, organise new cleaners.
- If a wall needs painting she will organise for it to get done
- It does not necessarily mean she will get on a ladder and paint the wall, unless she decides that this the most efficient and cost effective way to perform the task.
- She also has a set budget to work to
- Every section has rules and boundaries

By breaking up the activities and taking responsibility, in the everyday running of the practice, the staff perceive they are contributing and that they are respected for their input.

When I do not have to think about every little aspect of my practice, all of a sudden it opens up space in my mind to be creative and look at ways of changing and upgrading the things we are doing. This then brings me to the next critical mistake, but before I move on let me summarise.

**In Summary:**

Delegate, delegate, delegate.

- Be fair in this process
- Acknowledge good work
- Do not criticise, but guide your staff to better outcomes
- Involve them in the consultation process by setting up a preliminary testing process
- Break up the practice into different sections that have one staff member that is responsible
- Notice I have not mentioned wages. These need to be average top slightly above average.
- Paying huge salaries in many cases does not help motivation in the long term.

**Mistake #4:**

**Do not schedule specific management time**

Management time is typically done on the run. The problem is that the average day in an undelegated practice involves the optometrist busy putting out “bushfires”. You have a million ideas but do not have the time to implement them.

It is this very issue that stagnates most practices. Being too busy and just getting through the day is tiring and in some cases demoralising.
Once you have delegated as many responsibilities as possible to your staff, guess what will happen? You will have so much time that you will not know what to do with yourself.

For me it started as early as 1996, when I found that I only needed to be in the practice 2 days a week. I then had three days spare, so I applied for a position with The Eye Institute, as their optometric liaison and creating education programs mainly for Laser Vision Correction. Many optometrists around NSW came to these programs. For me it was one of the most fulfilling activities I have ever done. I also had another day to just be creative, from which evolved the concept of a merger to form The Eye Practice.

Let me tell you it was an amazing experience! I was working 3 days a week at The Eye Practice and 2 days a week at The Eye Institute with the ophthalmologists. The experience that this scenario created was invaluable for me as it really drove home to me the need for delegation and management time.

Half of the employees were new to our systems and because we were so busy setting up the new practice we had not formally assigned everyone their different sections and responsibilities. Within two months two staff members had resigned. All of a sudden I was putting out bushfires all day. I then went to the ophthalmology practice and was flat out busy there and by the time I got back to work on Monday, the Optometrical practice was in bigger chaos than the week before. I felt like I was drowning!

I then made a pretty big decision. I gave up the ophthalmology work that I so much loved to try and bring things back on track. This was a very hard decision as we were now in huge debt and I was going to give up a significant income stream from The Eye Institute.

Now I had two days extra to start the management process. A significant decision at this point was engaging the services of a business coach. I needed an independent person to give us an objective approach. We engaged David McCann of Shirlaws to coach us through the difficult process of building new platforms to allow the practice to grow.
I purposely slowed down the appointment taking process to one an hour, and at the same time implemented the delegation process, to the untrained staff. We did not lose any patients; we were just booked ahead for a week or two. The key issue here was that it gave us the breathing space to create systems and procedures for the new venture.

In the back of my mind I concluded that, I have been in business for twenty years. The merger of two businesses would be a piece of cake and everything would just fall into place. Was I wrong!

Within a few weeks we had settled down. Emotions were not running high anymore and we had created the platform for further fine tuning.

Within 6 months I and my staff, efficiently squeezed all my consultation time into two and half days per week and again, I had time to burn.

For fifteen years I was going to build my dream home, but there were always things and excuses to put it off. With the extra time I decided to be an owner builder. That took up most of my spare time in 2004.

This e­book has been written from my new office and computer system. Once I had moved into the new house with my family, I again had spare time. From December 2004 till April it was easy, I just enjoyed my backyard and pool. Unfortunately it then gets a little cold from April onward to work on ones suntan, so what next? Well Kokkinakis Consultants was finally created. Having the spare time and brain capacity allows the mind to start wandering and thinking laterally. You cannot create new exciting activity if you are working 5 days per week flat out in the practice, it is imperative to have some breathing space.

Here is the challenge, from next week set aside half a day a week, where no appointments are taken. Use this time to brain storm your mind. What is in that mind that is probably a great idea but has been left on the back burner? It does not necessarily have to be on the business, it could be something personal, like losing some weight, getting fit, resurrecting a relationship with a loved one. What ever you chose will be good. It will add another dimension to your life. It is all about creating the time to think. I
hope this make sense. The half day can then become two half days. That time could also be specifically assigned to staff training to pass on responsibilities. The options are endless.

In Summary

- You must set aside management time
- Get out of the practice if you have to so that your mind can be clear
- Start with a half day a week
- The reality is that most practitioners can easily create the same income they are doing today in 2 days per week
- Engage someone to help you in this process
- Having done this successfully twice Kokkinakis Consultants can help mentor you through this process
- We already have done the leg work in setting up systems.

Mistake #5: Do not offer specialty services

The average practice bulk bills the consultation and then hopefully sells some product; either spectacles or disposable contact lenses.

Unfortunately all three sources of income are perceived as commodity items by the average consumer. Trying to differentiate your practice from the crowd using this basic approach is dying a slow death. No wonder optical chains, health fund eye clinics and the internet can compete so successful with us.

I hope that I am wrong but I feel that the standard Optometrical practice will eventually go by the wayside like the corner shop. For those of you that can remember, years ago little corner shops were everywhere. Shopping centres had not come in a big way. I distinctly remember going down the street to the local shop to buy many things every single day. The corner shop has been replaced by the 7 – 11 combined with the petrol station. Coles has aligned
with Shell and Woolworths has aligned with Caltex. Woolworths is talking about incorporating optical outlets within their floor space.

**Can you see the change in paradigm that is occurring?**

Please seriously consider this very important question:

What are you doing today to shift your patient’s perspective of your practice? If you are practicing in a similar way to what you were ten years ago, I think that you can only look forward to reduced profits. I honestly hope that I am wrong but I doubt it.

As optical outlets are merged into supermarkets, optical products are going to be sold side by side with potato chips and sugar. If we do not change our style of practice it will be impossible to compete with a business, which is happy with maximum turnover and small profit margins.

So what can we do to slow down and hopefully turn around this alarming trend?

It is all about differentiation! Previously we have mentioned high-tech instruments. These commodity driven outlets will not be interested in the consultation side, so instruments are one area we can differentiate. The other is in the products we sell. But I just said that the optical chains will be selling product in high volume with low margin.

The trick is in with what products we sell. This section is about specialty products but it also involves making sure we are continually upgrading the products our patients purchase. By prescribing the latest multifocal for example your patients will perceive that you are interested in keeping abreast of the latest developments.

Recently I have been using the custom made multifocal by Rodenstock (Impression ILT). This product is absolutely amazing. Think about what your patients tell you about multifocals. The vision and reading areas are not great but at least they are convenient. Well let me say this – the latest generation multifocal doesn’t compromise anything. Distortions are virtually non existent and reading areas are maximised. This product is perfectly placed to compete with the optical chains, as it is technically difficult to fit,
it takes 2 weeks to be delivered from Germany and it is at a premium price. Unless it is an emergency, which most spectacle orders are not, having the order take greater than a week, actually works in your favour. It adds evidence to the patient that this specific job is special, as it has to be imported and takes time to prescribe and deliver.

The key to successfully dispensing this product is to educate your patients via newsletters and in the consulting room. Having their age, occupation, email address on the practice management software allows you to specifically target any group of patients that might be interested in your new product.

Once the product is differentiated from the very average products that are normally sold, most patients will seriously consider the upgrade. If they have had any problems with previous models (lets face it most patients have), they will invariably upgrade. The winner is that once they have purchased, they are thrilled with the result. Hoya and Essilor have their own custom multifocals, but they are not as sophisticated as the Rodenstock.

Guess what? We also have even better multifocals and even custom made single vision lenses coming soon. Our opportunities are nearly limitless. We need to recognise that we need to be different and that pursue that path.

Another very significant example of specialty product is orthokeratology. This procedure is probably the most profitable procedure / product in optometry today. It is absolutely not in the realm of optical chains and better still, it cures the single most common reason for contact lens dropout – Dry Eye.

What is important to mention here is that consumers are ultimately not buying products. They are buying results! The message always must be what benefits or results will occur if the consumer purchases your unique product. The product must be perceived as supplying the benefit. When they

In May 2005, I conducted an orthokeratology workshop, from my practice. Once the registered optometrists realised the benefits of this amazing procedure, the feedback was only enthusiasm. Some of the comments were:
“The seminar was very well structured and PRACTICAL. The amount of theory that was discussed was also appropriate. Good HANDS-On approach. I appreciated you discussing your fees (openly) as this has helped me structure my fees. This also generated a lot of interesting discussion amongst the "conservative" element in the group”.

There is an ongoing seminar / workshop series at:


Each seminar will concentrate in a specific area of Optometrical specialty. Their purpose is to introduce process, instrumentation and how to profit from providing specialty services, which will in turn impress your patients. This will reset their expectations of what a great eye test should involve. The best news is; they will be delighted to pay the fee.

Other examples of specialty services are:

- Behavioural Optometry
- Therapeutics
- Eye Disease, concentrating on:
  - Macula Degeneration
  - Glaucoma
  - Diabetes

It is imperative in the mind of your patient, that you are a cut above the rest, otherwise why would they use your service, when there are probably many other optometrists more conveniently located.

**In Summary**

- Provide services that your patients have not experienced before
- Provide services that will not be provided at optical chains
- Keep upgrading the products that your patients are using
- **Do not take** the attitude, if is not broken don’t fix it
- By keeping patients in the same products every time they see you, many will decide that they can get the same service elsewhere, cheaper and more conveniently
Specifically chose education programs that will bring your clinical skill to the appropriate level
- Providing these services will not only increase your profitability and secure your patients to your practice, but just as importantly will recharge your enthusiasm for this great profession
- Once your patients perceive that you love what you do, they will love to part of your new paradigm

Mistake #6:
Believe that Contact Lenses and Solutions are unprofitable

Australia for some reason has one of the lowest prescribing rates of contact lenses and consequently solutions in the western world. The US on the other hand has a prescribing rate of nearly 5 times greater than Australia.

I am sure you have all heard this before:

Contact lens patients are more loyal and spend significantly more money in your practice than the non-contact lens wearing patient.

Unfortunately today the contact lens patient can be far from loyal. Why?

This is partly because most contact lenses are sold in little boxes. They are easily perceived as a commodity and can cheaply and conveniently be distributed via the internet or the optical chains. There is nothing special about them, so why would you buy them from your optometrist? If you look at this simply, there are some very important reasons why the patient would buy the contact lenses from the optometrist, but if our prescribing rate is so low, there must be some significant reasons why the average optometrists avoids prescribing contact lenses.

Let's think about the following premise:
“Prescribing contact lenses does not return enough income for the amount of effort that has to be put in”.

In my opinion this the main reason why optometrists in Australia are reluctant to prescribe contact lenses. So the solution might be a simple as change the way we prescribe contact lenses, so that you guarantee that you will earn enough income for the amount of effort you put in. Could it be that simple? The answer is yes!

Think about this. There is one optical chain that allows its optometrists to prescribe and sell contact lenses, whereas the spectacle prescription is given to the optical chain. These practitioners invariably have successful contact lenses businesses, simply because it is in their interest to not just rely on income from their bulk-billed consultation fees but they also have the opportunity to top up their income from selling product.

You might say that its better use of my time concentrating on spectacle sales, as there is more profit to be made. The reality is the current prescribing rate in Australia is around 5% and at least 10% of spectacle wearers want contact lenses. You are losing at least 5% of your patients because you are not offering them contact lenses. They will leave your practice and find them elsewhere.

Can we afford to continually lose 5% of our patients because we are not promoting a simple service? Remember I have probably underestimated this because if 20% of patients are in fact looking for contact lenses and we are only prescribing to 5% of them, we could be losing 15% of our database ongoing just because we feel contact lenses are unprofitable.

OK say we now start to feel that contact lenses need to be promoted within the practice because we cannot afford to lose this portion of our patient list. What can we do to make this a significant profit centre in our practice?

The answer lies in breaking down every activity that occurs with the prescription of contact lenses, discovering where the unprofitable and inconvenient areas are. Then it is a matter of changing each area, so that it is a winner for us and the patient.
Sounds like a challenge, doesn’t it? This challenge though when over come will inspire you to greater and greater heights.

Let’s now break down the different components of contact lens prescribing:

- It is a lot easier to recommend any product or procedure if the patient has a good understanding of it before you even start therefore:
  - You must educate your patients about contact lenses before they even come into your consultation room
  - Do you have a regular postal or electronic newsletter?
  - If not make this a priority.
  - By sending every patient on your database no more than two communications per year, you can keep them informed on the latest developments
  - Many of these patients will look forward to their next appointment, just to find out whether they might be suitable

- How important does the electronic newsletter now become?
  - It will probably cost you $5 per newsletter to send out if you factor in printing, postage and staff time
  - With a 5,000 strong database your costs will $50,000 per year to keep in touch twice a year
  - Probably still worth spending but, if you have every patients email address, it now only costs about $500 in staff time to get the newsletter out electronically
  - Do you have IT ready to get this type of activity running?
  - If not start tomorrow, it will not only increase you contact lens business but you will sell more sophisticated spectacle lenses etc.

The next critical point is that many optometrists are not charging appropriate fees for their contact lens consultations. Consultation fees are very simple – you have to differentiate between the spectacle and health consultation and the contact lens consultation. Once you are in a position to finish the consultation
from a spectacle and health perspective, it is then important to advise the patient you are now moving into contact lens territory.

If you bulk-bill you need to mention that Medicare does not cover the fitting of contact lenses because they are considered cosmetic devices, just the same as they do not cover laser surgery. I rarely find resistance at this point. If there is, do not take it to heart and move on. Obviously the patient is not that motivated to proceed. It is actually quite easy to charge at this point with a novice contact lens wearer. The difficulty arises if you have not charged for contact lens assessments with this patient in the past. Not surprisingly there can be resistance in these circumstances. The moral to the story is you must charge contact lens consultation fees from the very first time the patient agrees to try them otherwise you probably have lost the opportunity for ever with this person.

The opportunity now also arises to charge for topography fees. Any contact lens has the potential to distort corneal topography, therefore a baseline is needed.

Once you have educated your patients via newsletter and you then bring up contact lenses in the consultation room, at least 2 in 10 will want to try them and at least 1 in 10 will be successful. When factoring in consultation fees and contact lens solutions and dry eye products, most practices are giving up close to $100,000 in \textbf{PROFIT} per year because they do not position contact lenses and solutions properly in their practice.

\textbf{In Summary}

If you currently do not have a strong contact lens practice, start building one tomorrow. It is your choice:

- By not promoting contact lenses within your practice you are losing at least 5\% of your database just because you don’t offer them.
- Novice contact lens wearers need to be charged immediately
- It opens the opportunity to charge for topography regularly and thus make that a profit centre
- You can build a strong contact lens practice by continually educating your patient base
• It is especially cost effective if you do this via an email newsletter
• If you need help setting up the systems either call us or email us jim@kokkinakis.com.au and we can help you mine your database.

Mistake #7:  
Do not have a regular newsletter or internal marketing plan

If you do not have a sophisticated IT system with procedures that are geared around managing your patients, you do not even get past first base. That is why Mistake #1 is about having an IT system.

Many optometrists, other than sending a two or three yearly reminder, are not in regular communication with their patients. This is because they do not have systems that make this process simple or they perceive that reminders do not work. Therefore, what is the point of sending out further information?

If you do not have IT with systems, procedures and delegation in place it will be impossible to market your database cost effectively. The implication of not having regular, interesting and targeted information to your patients will be detrimental to the future growth of your practice. In fact it probably will contribute to an eventual downward slide. It is my belief that if you are not growing you are shrinking.

We are currently right in the middle of the information revolution. Consider the following statement:

“It is important because IT is likely to change the 21st-century world just as much as the steamengine, railroad, and telegraph changed the 19th-century world, and just as much as electricity, the internal combustion engine, automobile and airplane, and the telephone, radio, and television changed the 20th-century world.”

http://www.rand.org/publications/MR/MR1680/
Then do yourself a favour and immediately read:

“The Global Course of the Information Revolution: Recurring Themes and Regional Variations.” – which this quote comes from. The web link in the footnote of the page before will take you straight there.

It discusses in great detail the information revolution. In the past whole industries have been replaced with a revolutionary shift in paradigm.

Without riding this new revolutionary wave of distributing information that is interesting and relevant to our patients the average optometry practice will go by the way-side.

Why is this?

Simply because your patients will be lead, lured, cajoled, coaxed, persuaded, sweet-talked, enticed into trialling new ways of getting their eyes examined and new products and services, which will offer them perceived benefits and advantages. Are you currently offering benefits and advantages to your patients regularly every time they visit you and at least twice a year via an electronic or snail mail newsletter? If you are not, you can bet your bottom dollar that there are other businesses randomly but effectively intruding into the way your patients are thinking. If you are not positioning your services regularly, many of your existing clients will be tempted to seek alternative supply.

Luckily it is not that difficult to organise your patient database, but it does require having the appropriate IT. The next stage is to code your patients under various categories so lists of patients can be easily extracted to specifically market to.

A really great example is marketing to our patients for macula degeneration. In June of every year we have Macula Degeneration Week. As we all know ARMD is the leading cause of blindness in the age group over 55. Other risk factors involve diet and lack of antioxidants lutein. Ultraviolet exposure is also considered a risk factor.

Using the advertising wave in the media during Macula Degeneration week we have emailed and mailed every over 55 in
our database during this week advising them of the advantages of prescription sunglasses, PreserVision (B&L) and LuteinVision (Blackmores). We also took the opportunity to position our unique instrumentation (Zeiss OCT).

The response was immediate. Many patients that perceived they would like to protect themselves from this debilitating condition made appointments. Consultation fees were generated, supplements and sunglasses were sold that normally would not have occurred. That was the immediate tangible benefit, but it goes beyond that as we have strengthened our relationship with these people. They would not consider going elsewhere for their eyecare.

The same marketing plan can be implemented for both glaucoma and diabetic retinopathy. It can quickly be seen that throughout the year we could contact different groups within our database depending on how we have segmented our patient list. If we were to remain passive and not contact our patients, I hope you can see that it is a very slow process that brings them in for eye care. In fact it is only when they are in trouble with their vision or the have eye pain that they are prompted to come in.

By having an active ongoing marketing plan you are continually giving your patients reasons to seek your care and not having other businesses tempting them to switch.

**In Summary**

- Get some good IT
- Segment and code each patient that you have into subgroups
- Market each subgroup ongoing
- About two patient contacts per year is right
- If you need help with your marketing plan contact us
- We can lead you quickly to the most cost effective way of achieving this.
In Conclusion

That is the end of this e-book.

Here’s a summary of the 7 critical mistakes:

- Mistake #1: Not Investing in IT
- Mistake #2: Not investing in high-tech instrument technology
- Mistake #3: Not delegating responsibility to their staff
- Mistake #4: Do not schedule specific management time
- Mistake #5: Do not offer specialty products
- Mistake #6: Believe contact lenses and solutions are unprofitable
- Mistake #7: Do not have a regular newsletter or internal marketing plan

Now it’s up to you

I hope you have benefited from this e-book. More importantly I hope that I have shifted the way to look at things. The key to reading this book is to prompt you into action.

Over the years I have discovered that constant change is imperative. The saying to change for the sake of change is not good, I believe is very restrictive. I have found that by continually evolving progress is often not made, but different paradigms open. Over time you get better at predicting whether a change is going to be beneficial.

Start changing today. The above seven areas are only the tip of the iceberg. Ban inertia and procrastination from your business and from your life!
Optometry is an exciting and fulfilling profession. We have the opportunity to offer so much good to our patients and at the same time have a great time every day delivering our services.

Make yourself embrace the information revolution today and demonstrate this to your patients from today. The progress you will make will uplift and astound you.

Can we help you?

Contact us immediately if it sounds difficult or you feel you will need some mentoring to help take the right course.

Using a number of examples through this e-book I have described our learning experience over the last twenty years.

We now have systems developed that work. Feel free to visit our website: www.kokkinakis.com.au

We will work with you to develop the systems and procedures that feel right for you to move your practice from where it is now to a level that will differentiate it in your patient's minds. This will in turn transform your perception of clinical optometry. Every day will be fun and exciting as you will not have to worry about all nuisances that are dictating your business today. In fact any problems that do pop up can then be challenging to sort out rather than being demoralising.

Jim Kokkinakis