



State of the Cosmetic Dentistry Industry

2017 Survey Report

American Academy of Cosmetic Dentistry
www.aacd.com





American Academy of Cosmetic Dentistry
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About This Study

This single-mode survey (email driving to an online instrument) of dental practices was conducted by the American Academy of Cosmetic Dentistry (AACD) and Acuitim Marketing Research and Consultancy to better understand the dynamics of the cosmetic dentistry market and determine the size and impact—in terms of procedures and revenues—and the patient makeup of this market.

Previous benchmarking surveys were conducted in 2004, 2007, 2011, 2013, and 2015 by Levin Group, Inc., Readex Research, and AACD respectively. Data for the 2017 study was collected between October 26 and December 31, 2017. The survey tool questions were updated to reflect the current landscape in the industry. A total of 363 responses were tabulated, with fewer respondents completing the latter portion of the survey. The net number of respondents is noted on each exhibit.

The invitation to participate was primarily offered via email to the AACD membership at large, but also distributed to non-AACD member dental professionals via social media and dental media partners to provide an outside-in view of non-member dental practices that derive income from cosmetic procedures.

About This Report

The first section of this report presents the complete set of survey results with brief narrative summaries of key survey results and comparisons to 2015 data when applicable. Additionally, it includes selected comparisons between important segments of the population of interest. The Survey Findings section provides a bulleted list of key survey results with comparisons to previous years and segments of interest. The Appendix provides a copy of the survey instrument itself.

Thanks to Our Supporters

Thank you to the following companies for donating prizes awarded to survey respondents.



All-Star Dental Academy for donating 3 free months of All-Star Dental Academy LITE.

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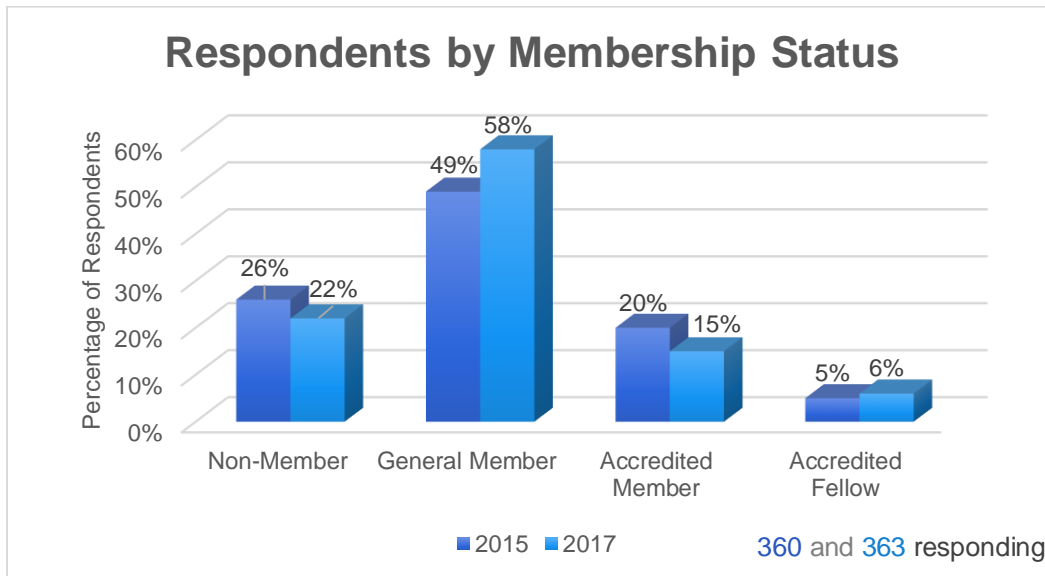
Ivoclar for donating a Variolink Esthetic DC Promo Pack.

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Respondent Demographics

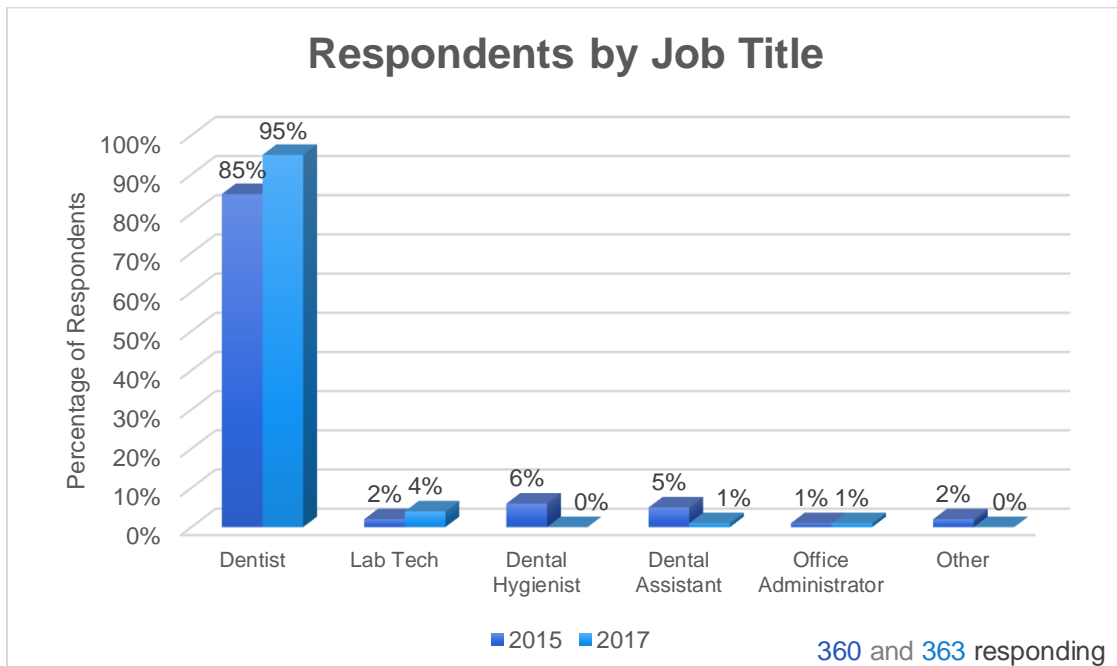
AACD Membership Status

Seventy-eight percent of respondents (78%) were current AACD members and 22% were non-members. This compares to 74% members and 26% non-members in the 2015 survey. This included an increase in General Members (58% compared to 49% in 2015), but fewer Accredited Members (15% compared to 20% in 2015).



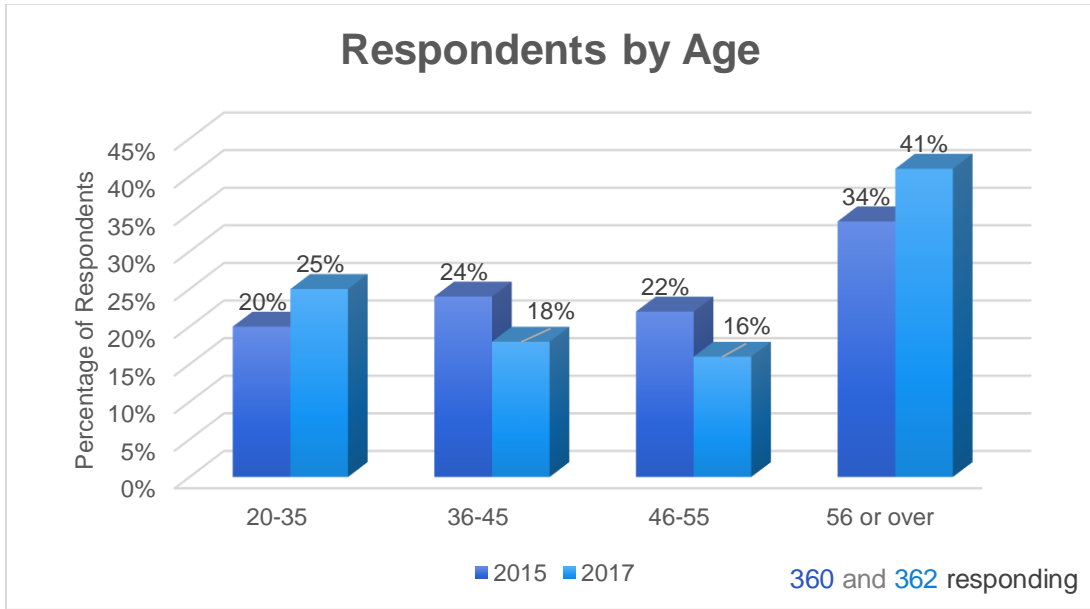
Respondents by Job Title

Almost all respondents were dentists (95%), with lab technicians (4%) comprising most of the rest of the sample.



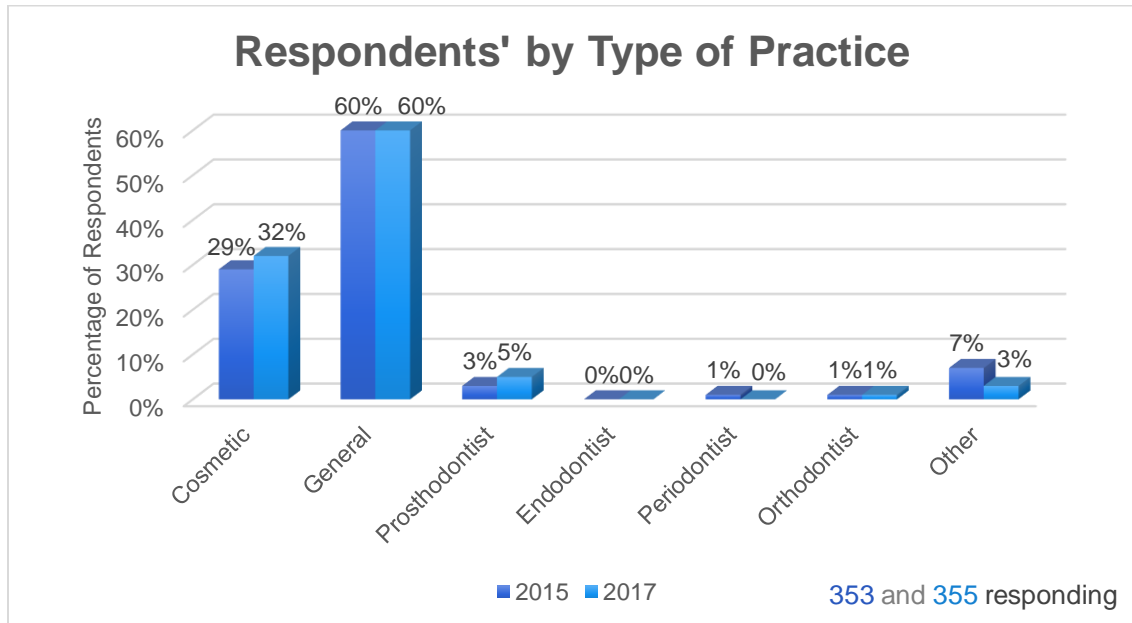
Generational Trends

In 2017, more respondents are 55 or over (41%) compared to 2015 (34%). There are also slightly more respondents age 20 to 35 (25%) than in 2015 (20%).



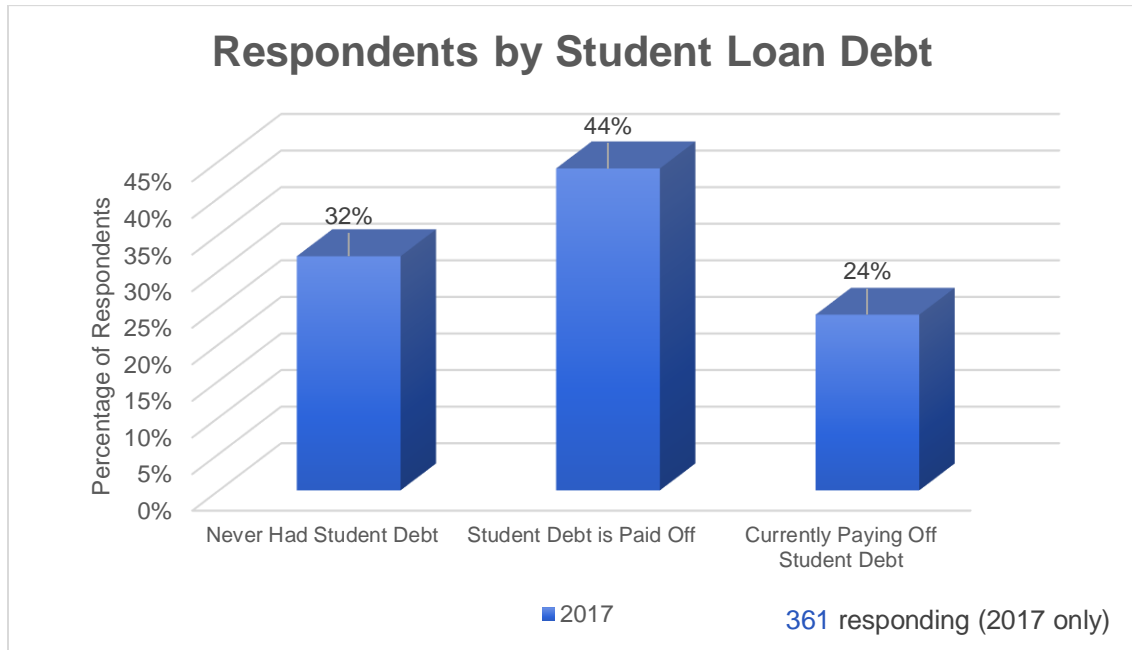
Community of Practice

Over nine in 10 of respondents identified themselves as either general dentists (60%) or cosmetic dentists (32%). Almost half of Accredited Members self-identify as cosmetic dentists (49%), while only 20% of non-members self-identify as cosmetic dentists.



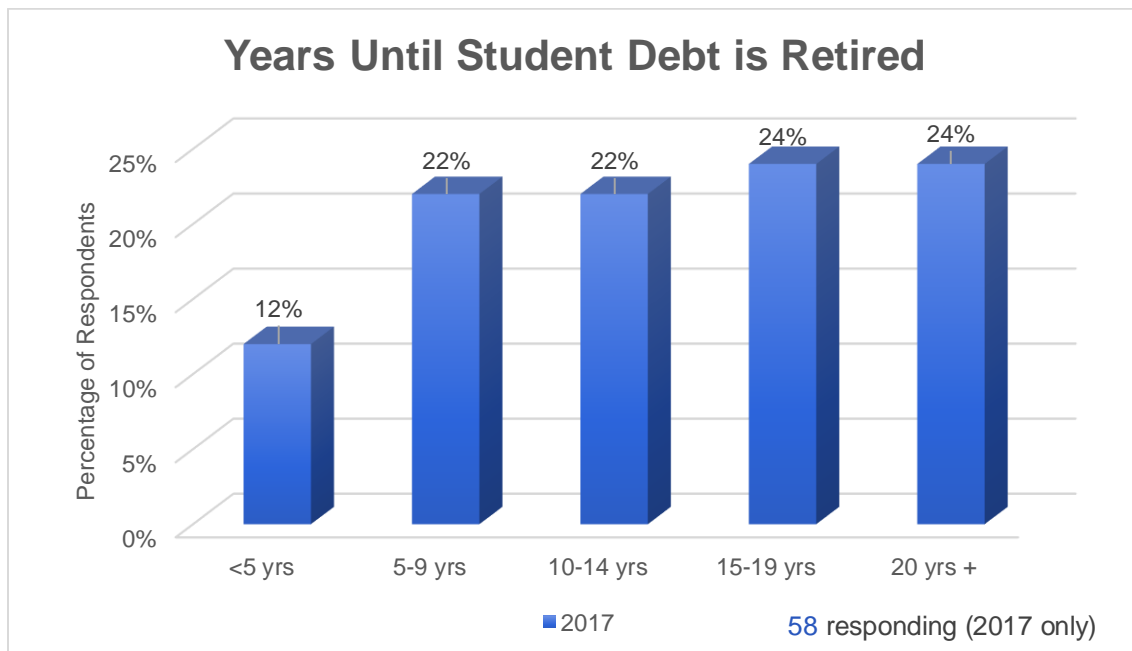
Student Debt

One-quarter of respondents are currently paying off student debt, but few Accredited Members are still paying off student debt (5%). Nearly half of non-members (48%) never had student debt, compared to 28% of members.



Years Until Student Debt is Retired

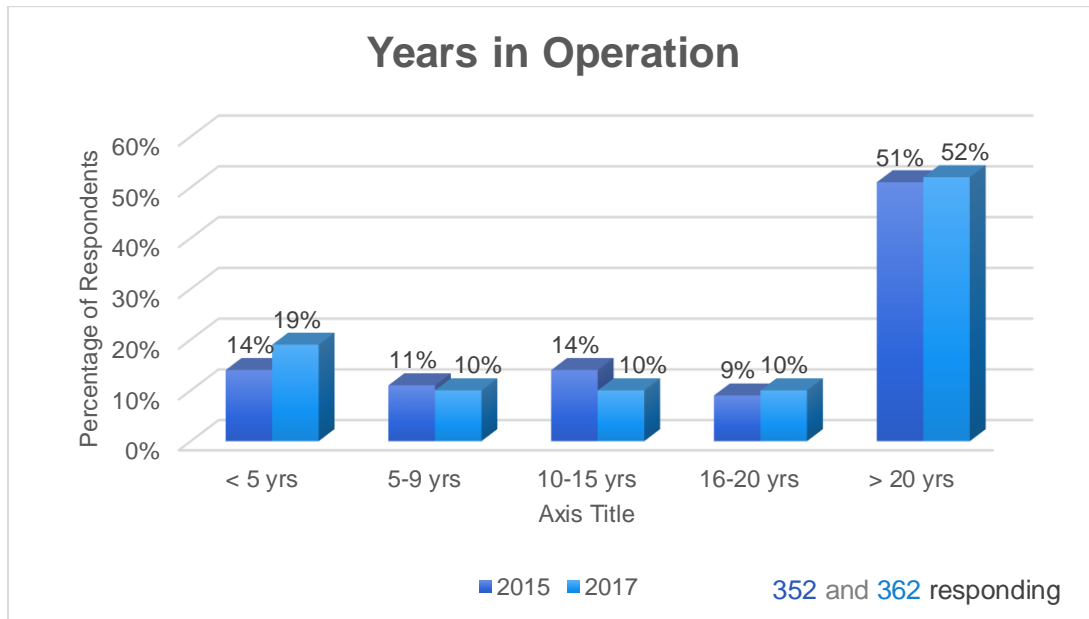
Respondents who are currently paying off student debt were asked how many more years until their debt is paid off. Most (88%) will be paying off debt for five or more years, with one-quarter saying they would be paying off student loans for 20 years or more.



Practice Profile

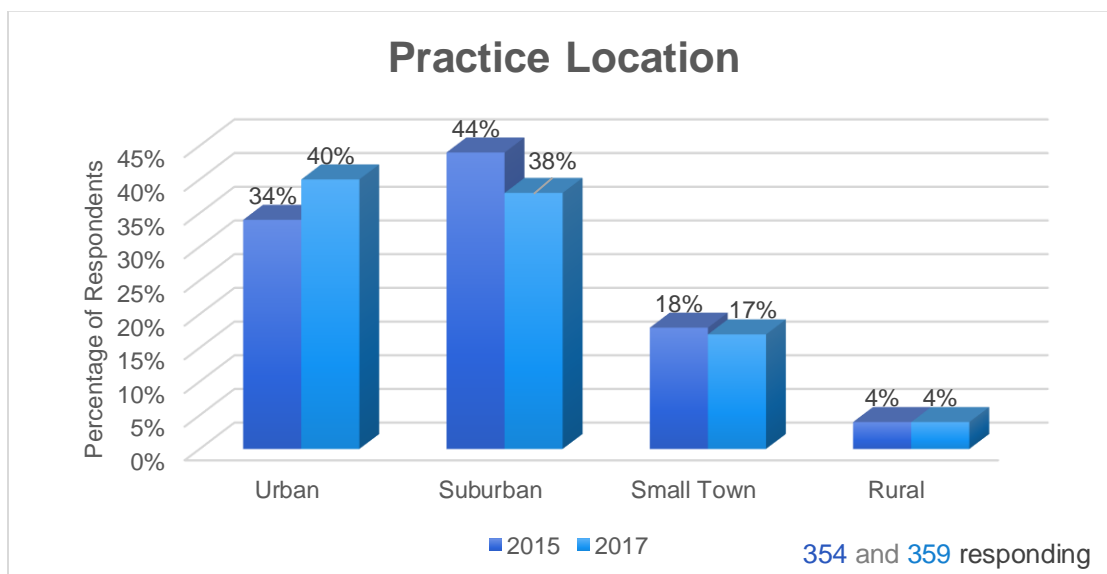
Years in Operation

As in previous years, slightly more than half of respondents are in practices that have been in operation for more than 20 years. There is a slight increase in newer practices that have been in operation fewer than five years, up from 14% in 2015 to 19% in 2017. This includes 28% non-members who are in newer practices.



Practice Location

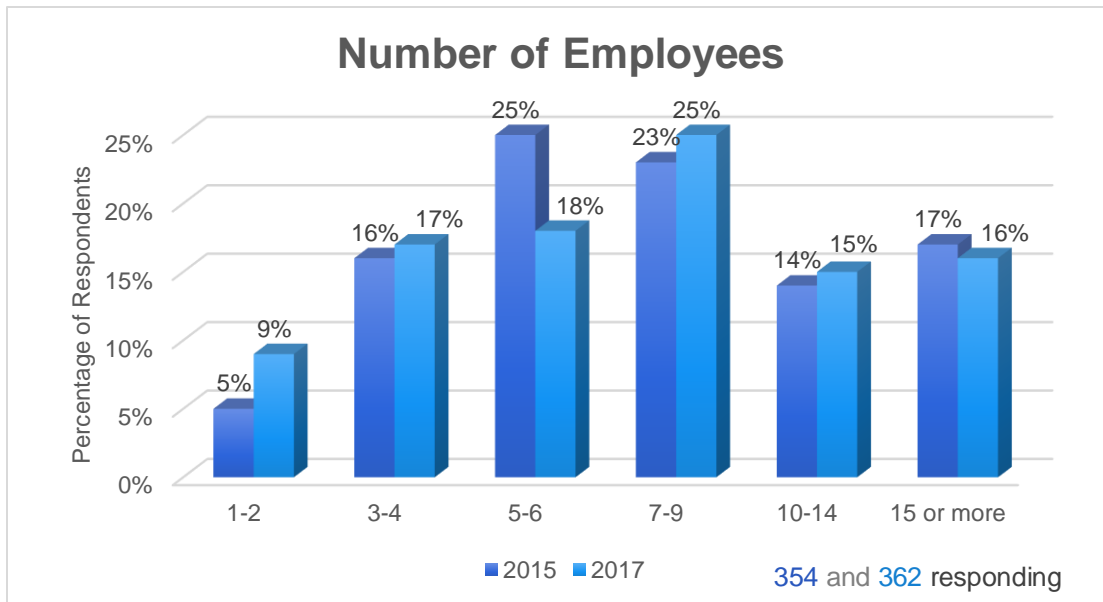
The trend shows migration away from suburban and rural settings to more urban environments. The percentage of practices in urban locations increased by six percentage points since 2015 and a total of 15 percentage points in the last 10 years. The percentage now slightly exceeds the 38% of practices in suburban locations. Dentist under 35 years of age (48%) and with less than 20 years in practice (48%) are the most likely to be in urban practices.



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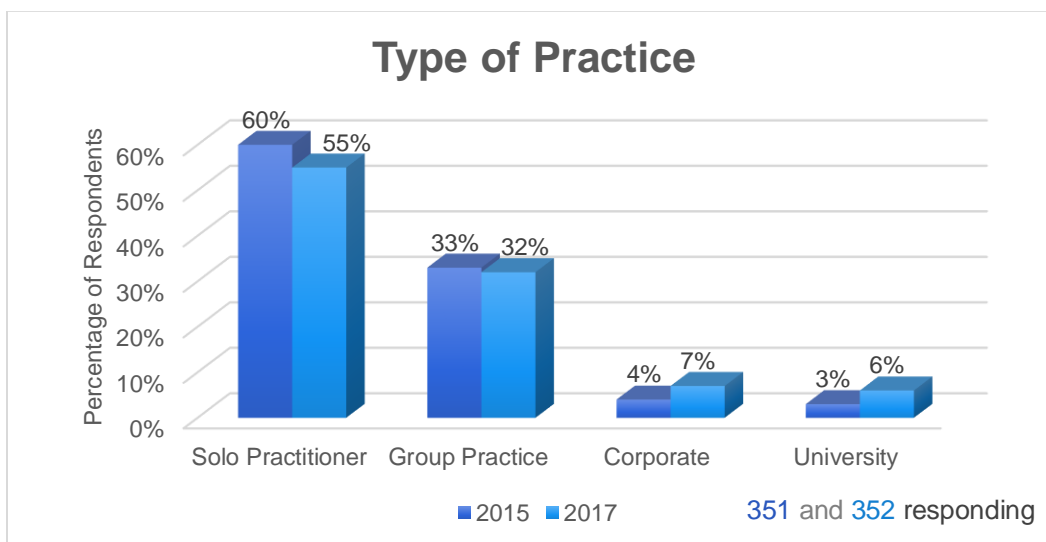
Size of Practice

Respondents were asked to indicate how many people in total (dentists and others) were employed by their practices, both full and part-time. Smaller practices (fewer than five employees) represent 26% of those surveyed, which is below 2015 results (21%) but similar to 2013 results. Larger practices employing 10 or more individuals make up nearly a third (31%) of practices, which is the same as in 2015. In 2017, non-member practices are more likely to have less than five employees (40%) compared to member practices (22%).



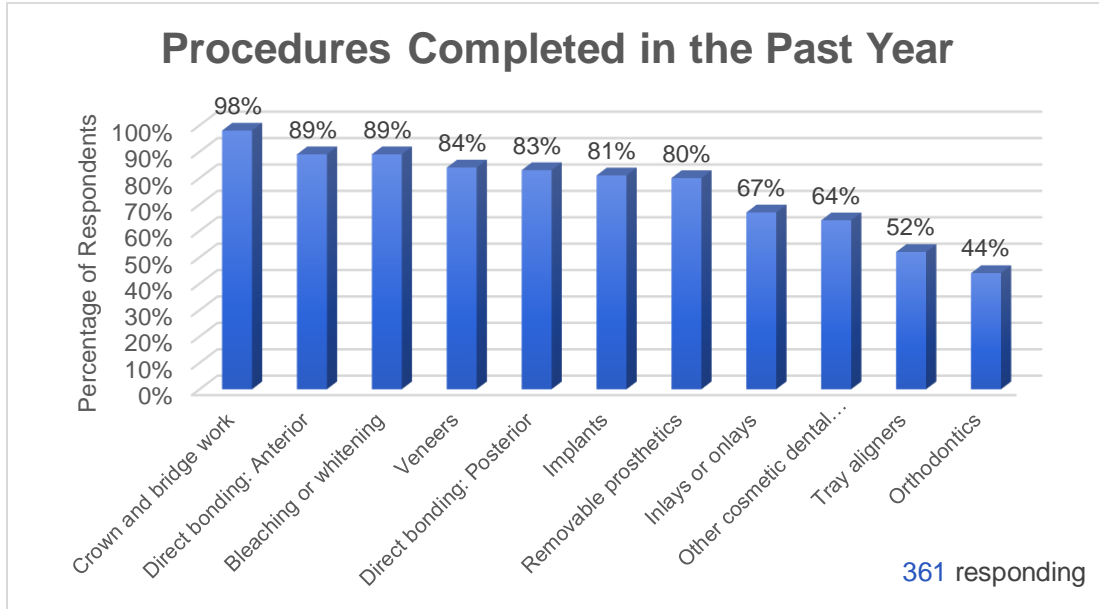
Type of Practice

There are slightly fewer solo practitioners in 2017 compared to 2015, with slightly more respondents in corporate or university practices included in the sample. Respondents age 35 and under are the least likely to be solo practitioners (27%) and by far the most likely to be employed at a university practice (14%).



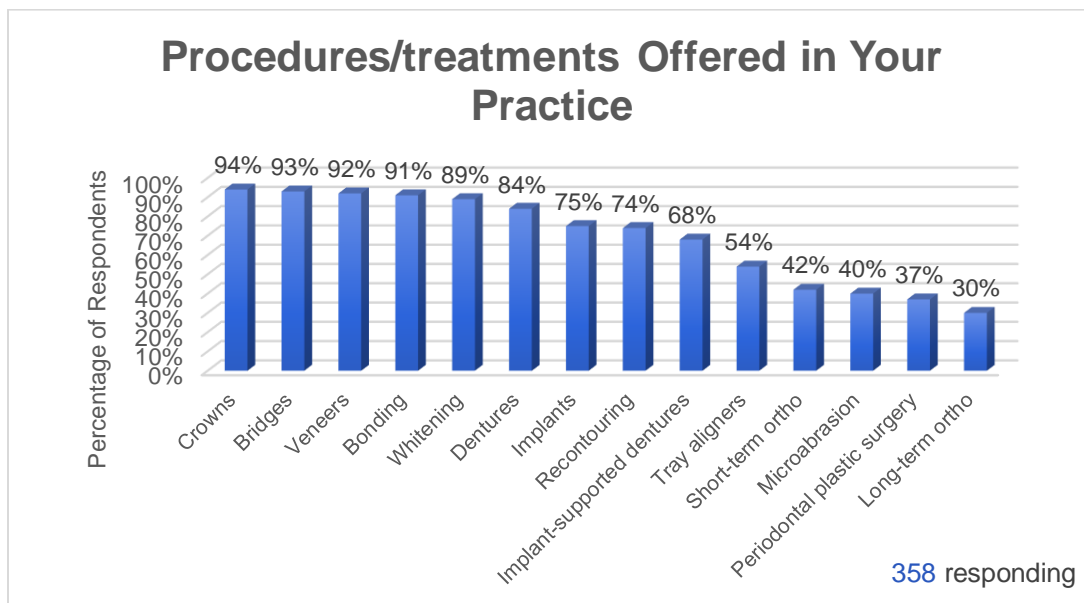
Scope of Practice

Almost all practices complete crown and bridge work. However, only about half offer orthodontics or aligners, with non-members half as likely to offer aligners as members (29% compared to 58%). Practices of Accredited Members are more likely to perform inlays or onlays (86%) than those of General Members (63%) or non-members (59%).



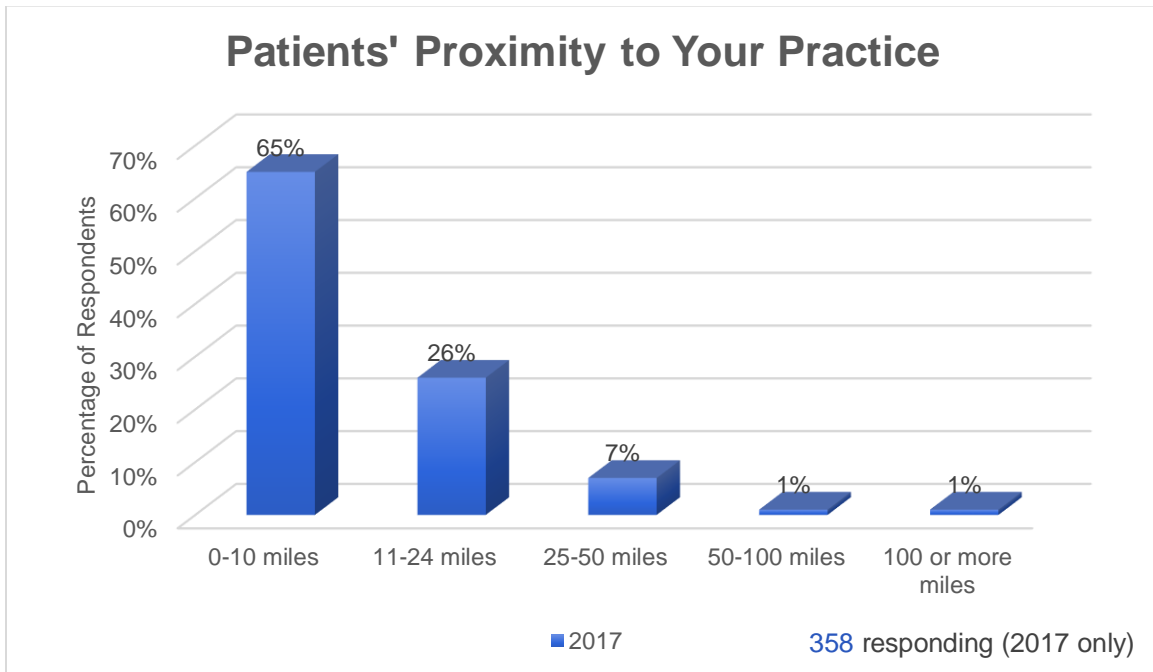
Specialties

Almost all respondents claim to perform crowns, bridges, veneers, bonding and whitening, with fewer performing orthodontics, plastic surgery, microabrasion or aligners. While eight in 10 members perform implants (80%) and recontouring (81%), only about half of non-members complete these procedures (56% and 50%).



Patients' Proximity to Practice

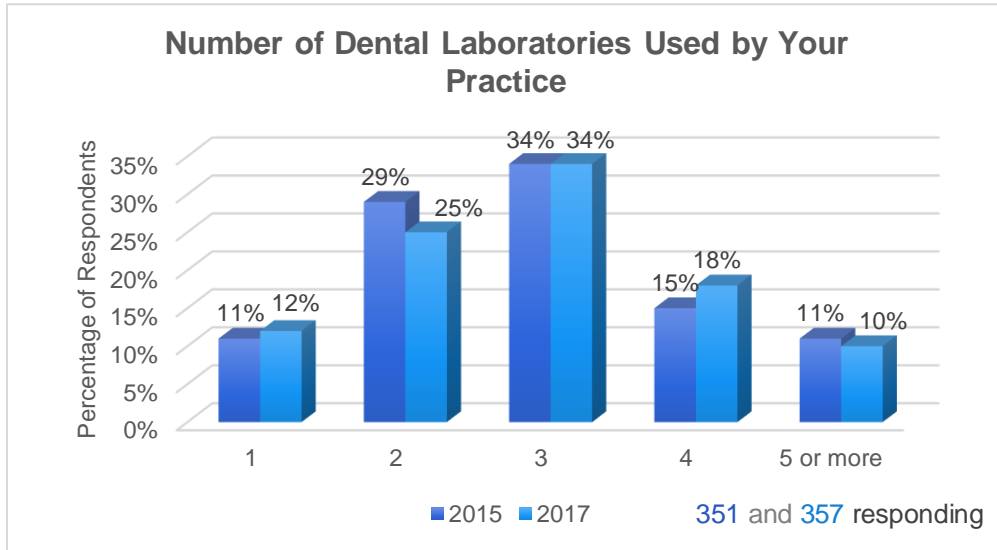
Two-thirds (65%) of respondents say their patients travel an average of 10 miles or less to get to the practice, but non-members' patients travel further. Forty-four percent (44%) of non-members' patients travel 10 miles or less, compared to 72% of members' patients, and 39% of non-members' patients travel 11 to 24 miles, compared to 22% of members' patients.



Dental Laboratories

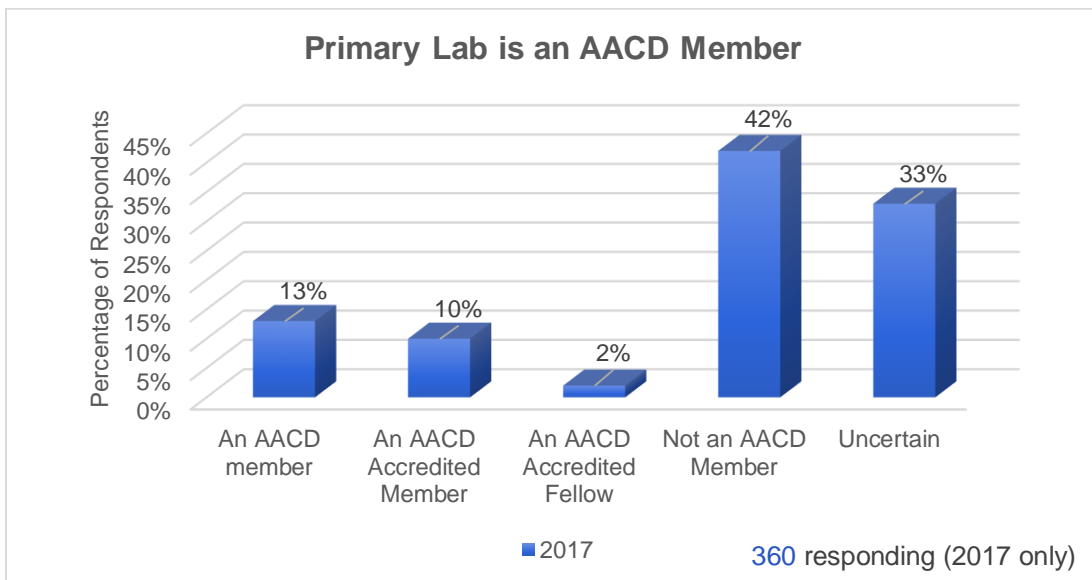
Number of Labs Used

Use of a single laboratory is similar to 2015 and is seven points higher compared to 2013. Most respondents (59%) indicated using two or three labs, while 28% used four or more laboratories. Non-members are more than twice as likely to use only one lab (23%) as members (9%), while members are more than twice as likely to use four or more dental labs (33%) as non-members (12%).



AACD Labs

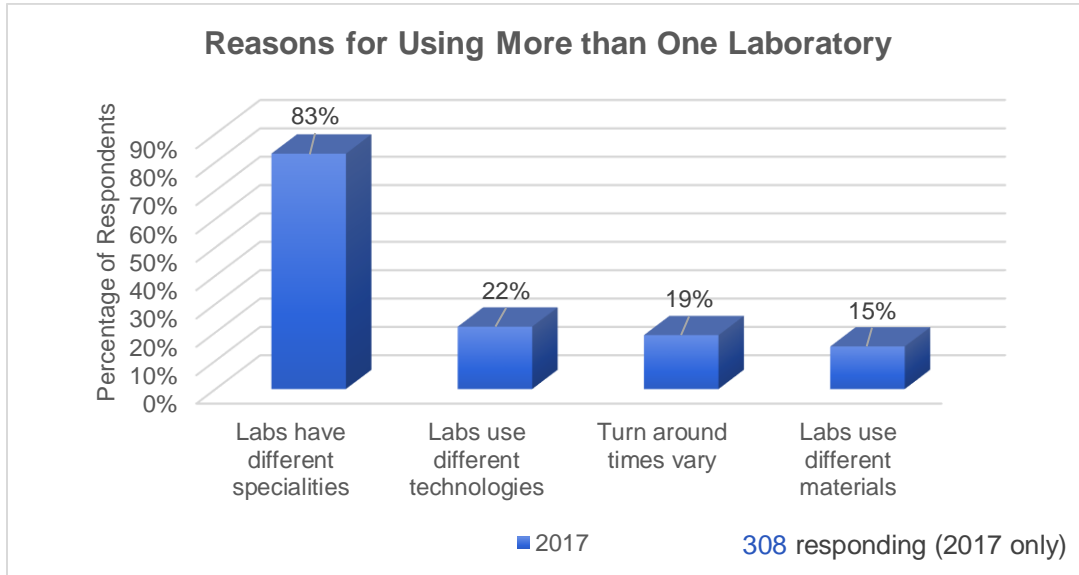
One-quarter (25%) identified their primary laboratory technician as an AACD member of some type. Twelve percent (12%) identified their tech as an Accredited Member. This question was previously asked in two parts, with 18% identifying their tech as an Accredited Member in 2015. This decline may have been influenced non-member responses, with only 4% of non-members identifying their tech as an AACD member.



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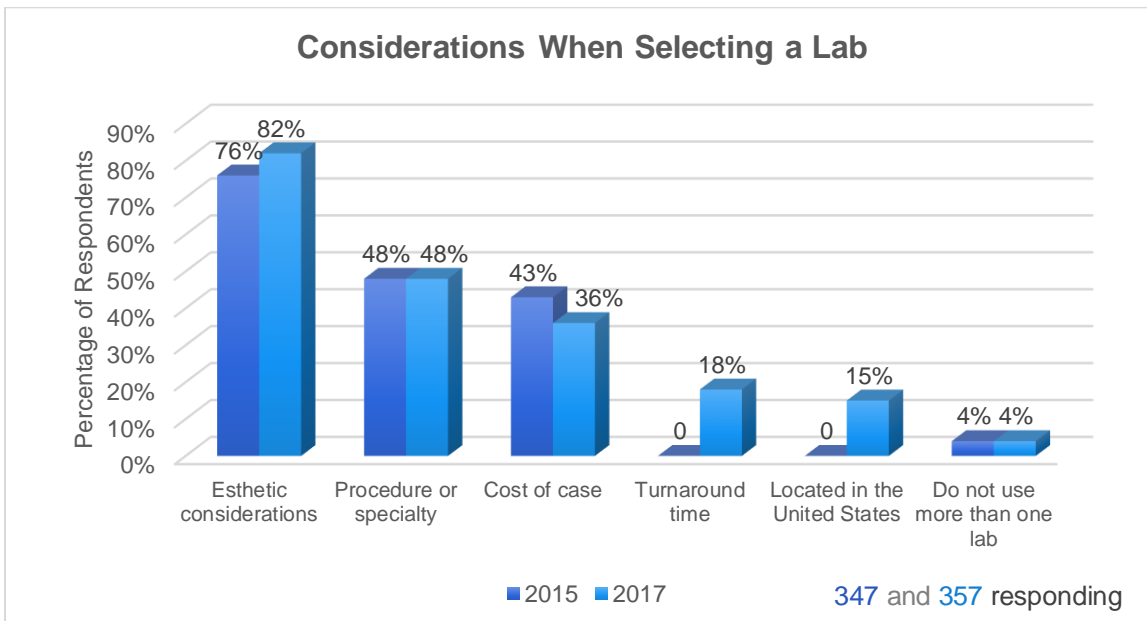
Lab Selection Factors

In a question added in 2017, respondents that use more than one lab were asked why. Differing specialties is the primary reason for using more than one lab. Other reasons were selected far less often, though it is notable that non-members are more likely to use different labs for different materials (25%) than members (12%).



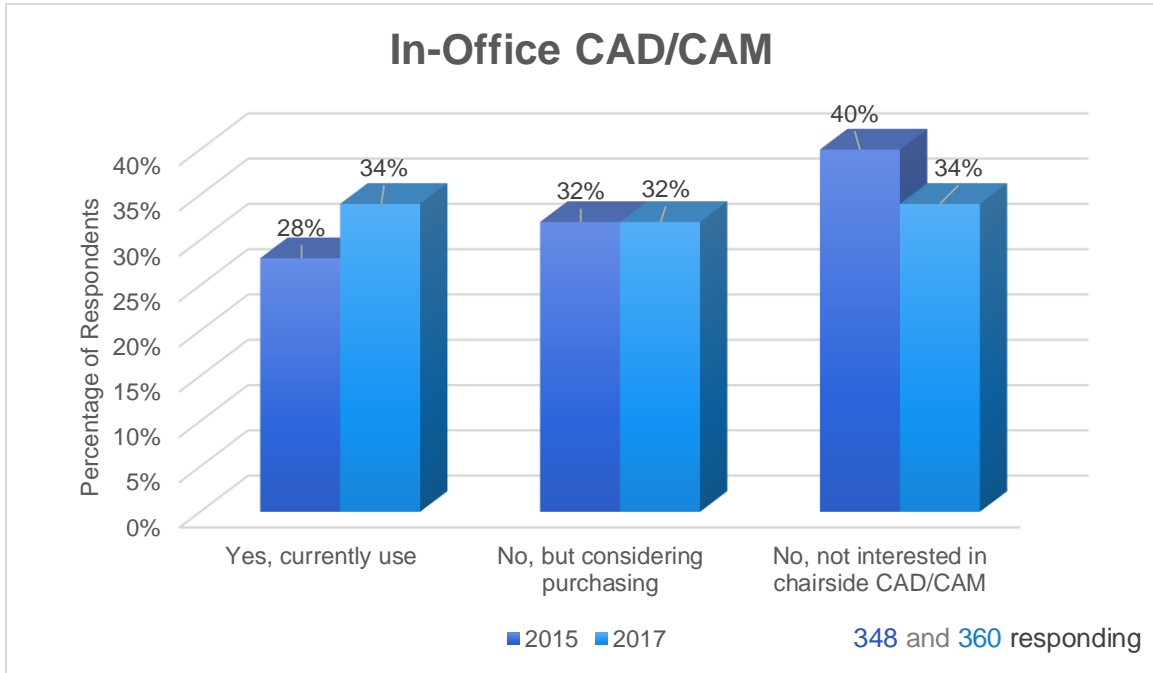
Lab Considerations

Respondents were able to choose more than one answer indicating their primary considerations for deciding on a laboratory. “Esthetic considerations” remained the top reason for selecting a lab (82%), increasing slightly compared to 2015 (76%). Meanwhile, procedure or specialty remained at (48%) and cost declined by seven percentage points compared to 2015, with Accredited Members placing the least importance on cost (28%).



In-Office Technology

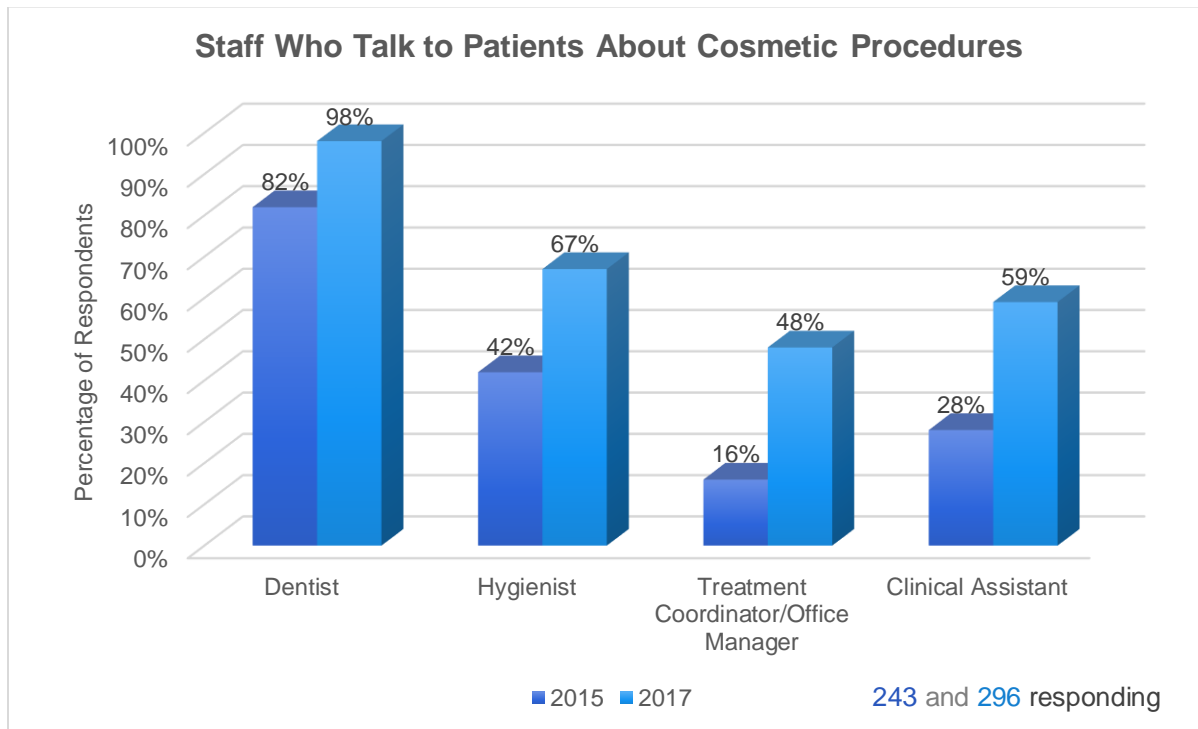
Use of a chairside CAD/CAM system had a six-point increase since 2015. About one-third of respondents use a system and another one-third are considering it. Larger practices with 10 or more employees are the most likely to use a CAD/CAM system (50%), with AACD members using a system (37%) more often than non-members (24%).



Comprehensive Cosmetic Dentistry

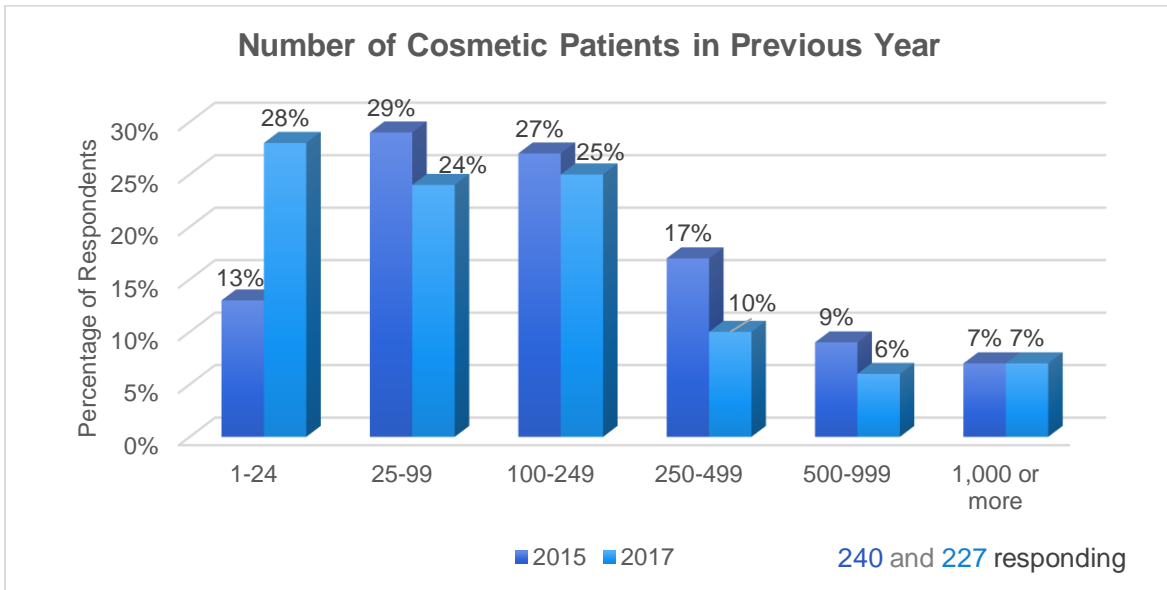
Conversation Starters

In 2015, respondents were asked to identify the primary person (staff and/or patient) initiating the discussion about cosmetic procedures. In 2015, 26% of respondents said the patient initiated the conversation. In 2017, respondents were asked more specifically which staff members discuss cosmetic procedures. While dentists are almost always involved (98%), hygienists (67%) and clinical assistants (59%) also discuss procedures with patients at most practices. Non-dentists are less likely to have these discussions with patients at non-member practices.



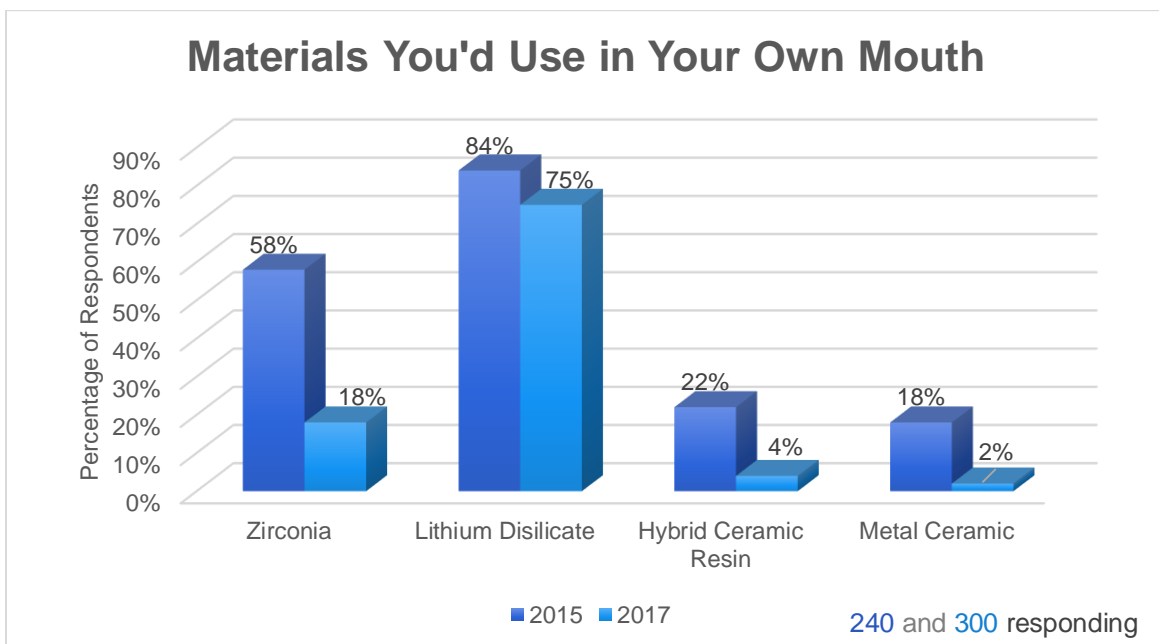
Number of Cosmetic Patients

There was a large increase in respondents that saw fewer than 25 cosmetic dentistry patients in the last year, with slightly more than one-quarter in this lower category. It is notable that nearly half of Accredited Member practices saw 250 or more cosmetic dentistry patients in the last year (46%), compared to 18% of General Members and 12% of non-members.



Materials

In 2015, respondents were allowed to select all materials they would use themselves. In 2017, they selected only one. Lithium Disilicate was clearly the preferred material. However, this preference for Lithium Disilicate is less among non-members (50%) and respondents that work at a corporate practice (56%).

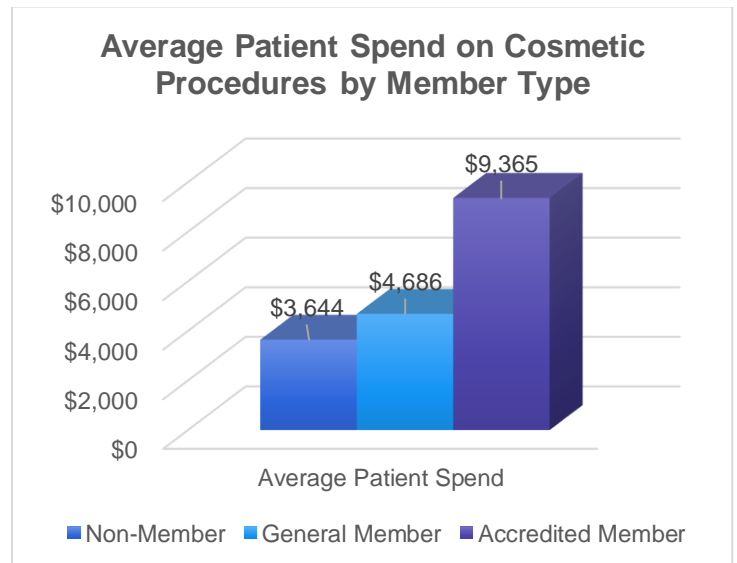
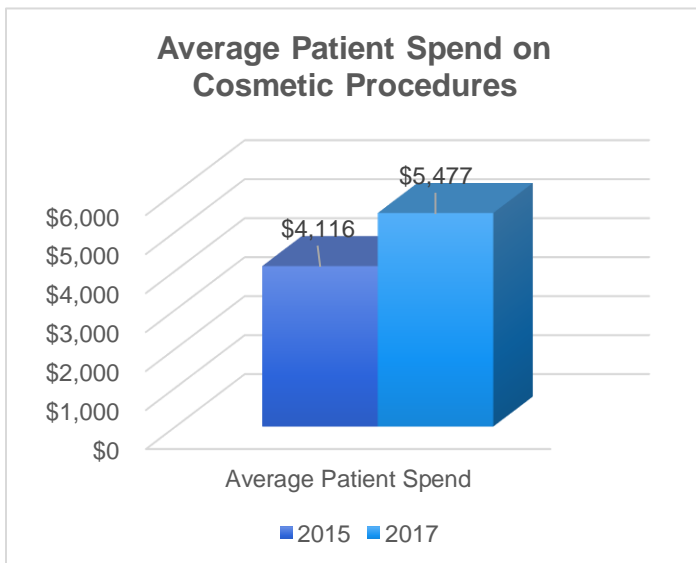
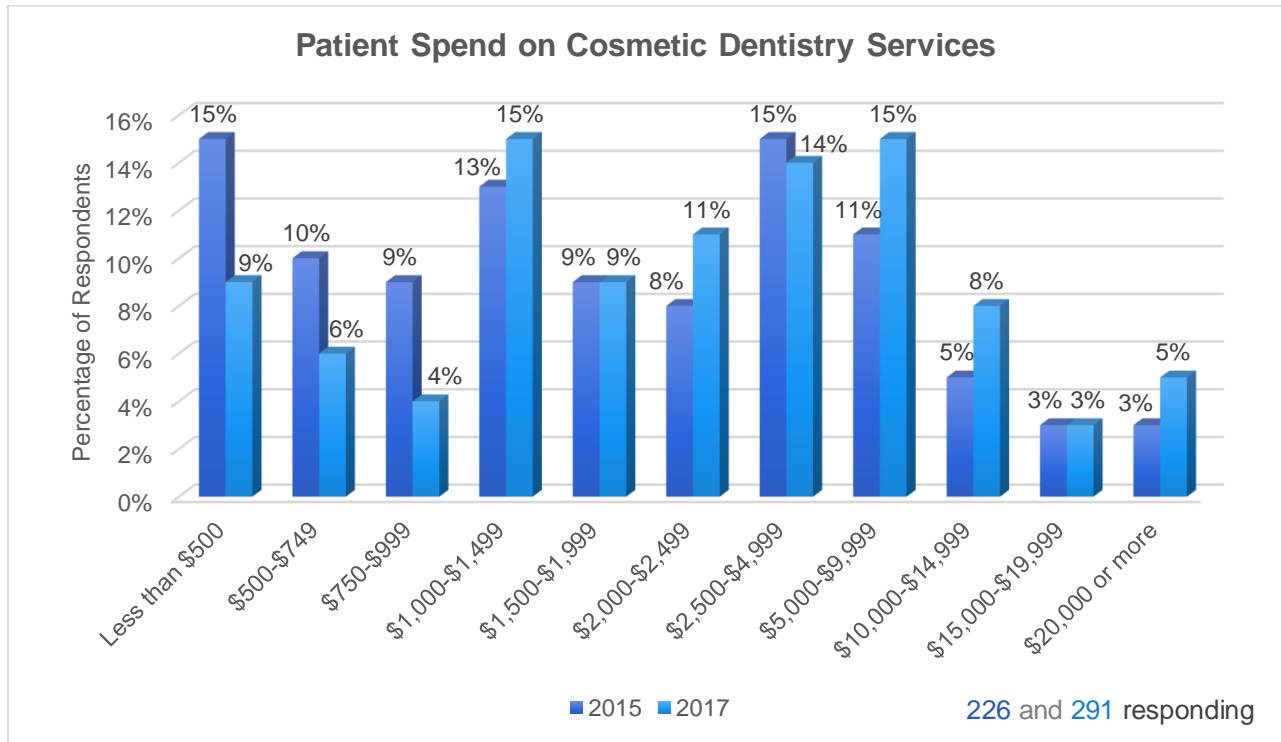


Dollars and Cents

Average Patient Spend on Cosmetic Services

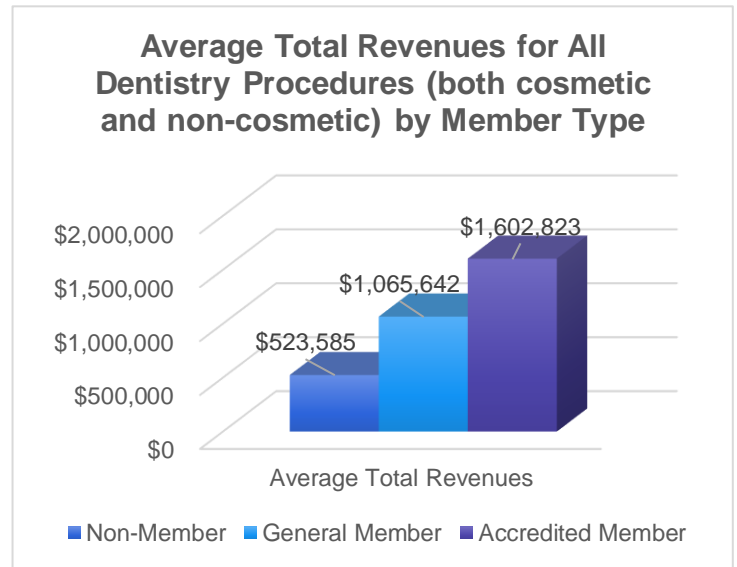
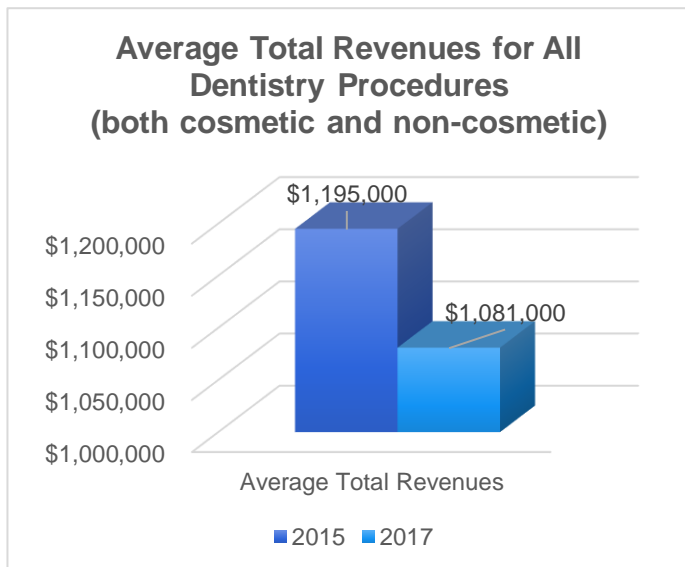
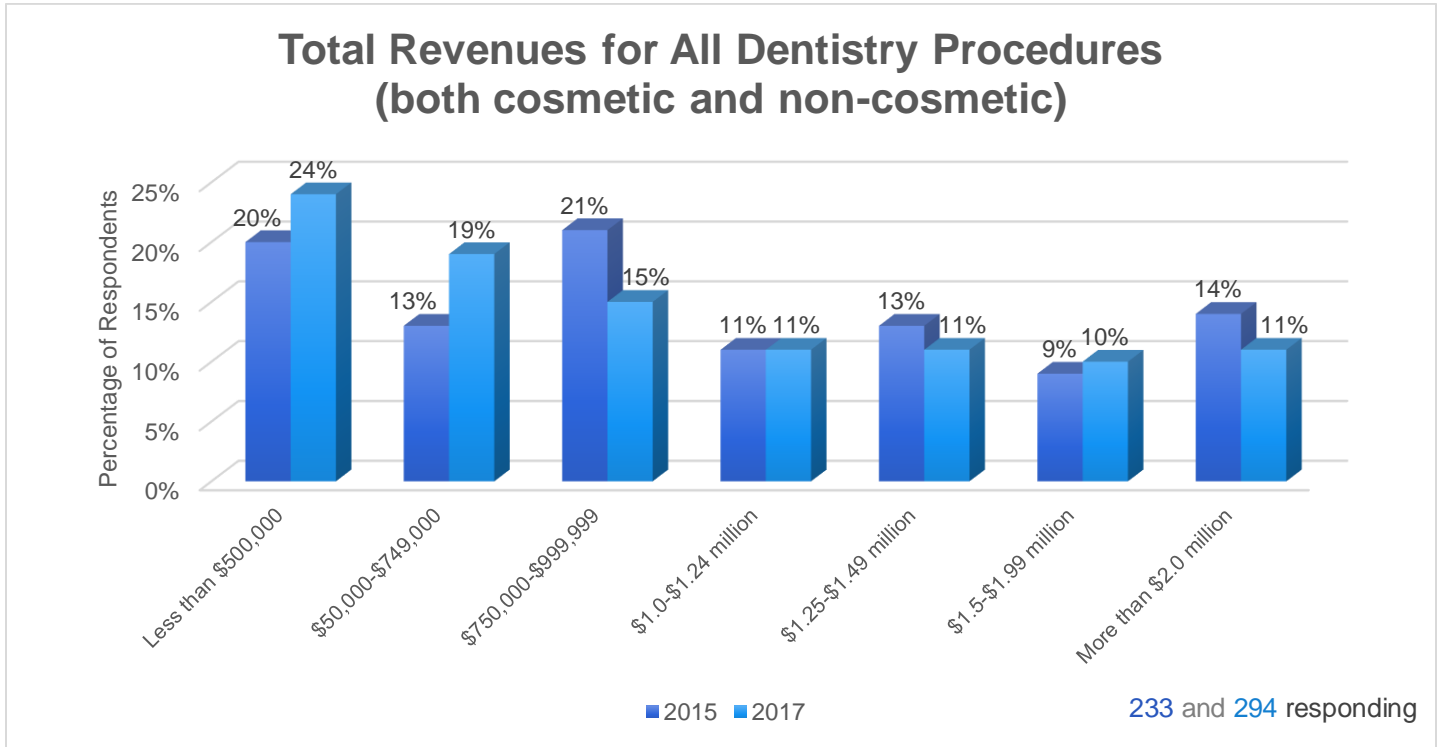
Respondents were asked to indicate how much the average cosmetic dentistry patient spent on services *in the past year* at their practices. More 2017 respondents say their average patient spent \$5,000 or more (31% in 2017 to 22% in 2015). Further, there are fewer respondents in the lower tier (19% reporting less than \$1,000) representing a decline of fifteen points compared to 2015.

In 2017, Accredited Members have a much higher average than any other group (\$9,365), followed by respondents age 56 and over (\$6,991) and those identifying themselves as cosmetic dentists (\$6,934).



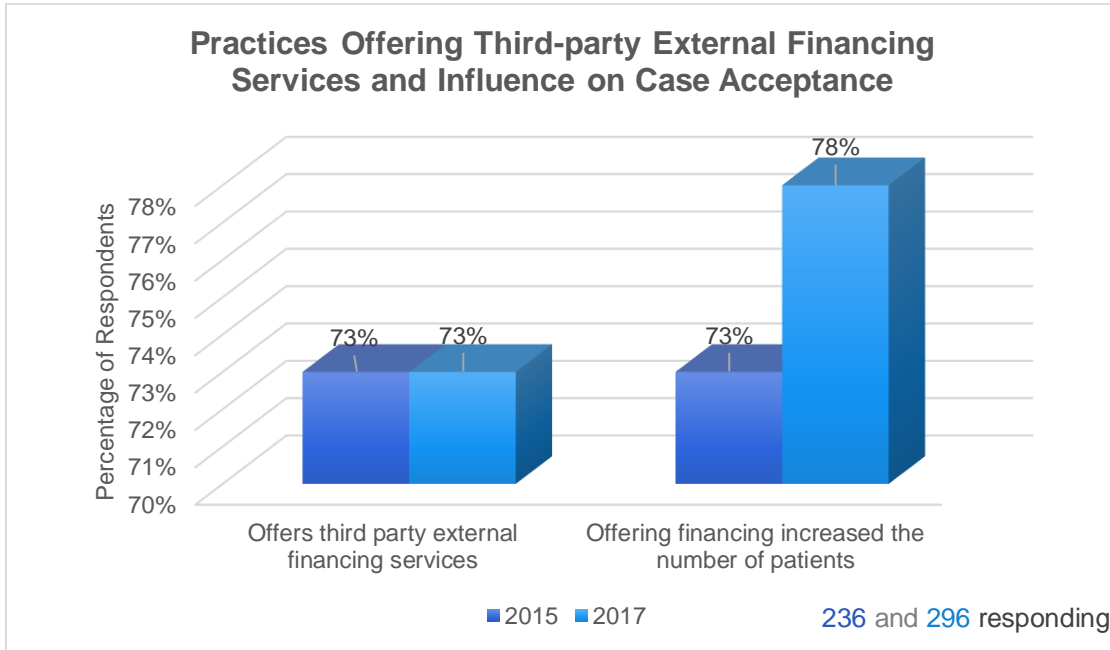
Total Revenues for All Dentistry Procedures

More respondents in 2017 say their total revenues were under \$750,000 (43% in 2017 compared to 33% in 2015). This may be related in part to the increase in newer (less than five years in practice) and smaller (one or two-person staff) practices in this survey. It is also notable that most Accredited Members (71%) were in practices with more than one million in revenues, compared to less than one in 10 (9%) among non-members. Accredited Members also have a much higher average total revenue (\$1.6 million) compared to non-members (0.5 million) or General Members (1.1 million).



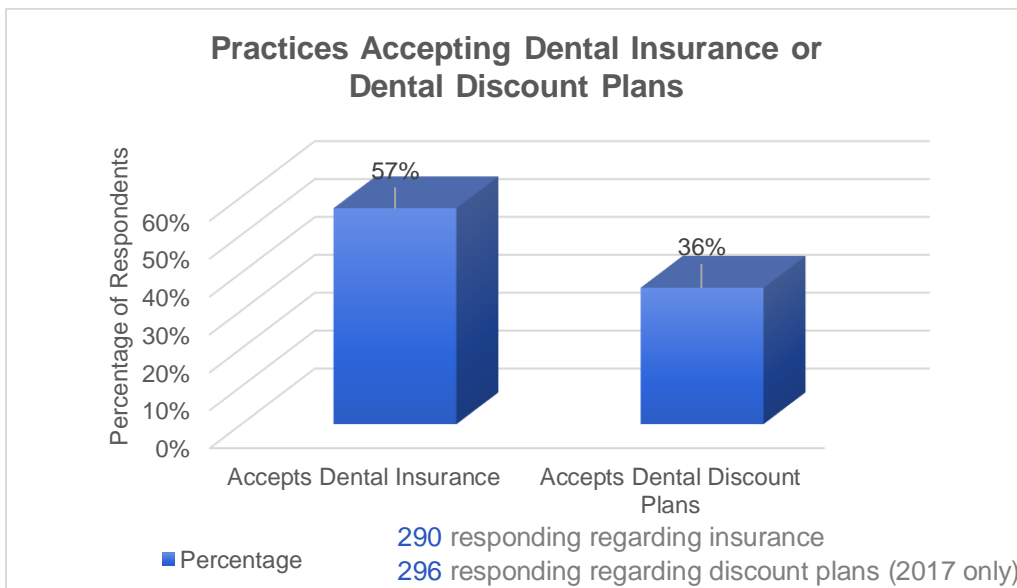
External Financing

There has been no change since 2015 in the number of respondents offering third-party financing. This remains down six points compared to the 2013 survey. There has been a five-point increase in the percentage of respondents who believe financing increased the number of cosmetic patients. Members are more likely to offer third-party financing (79%) than non-members (46%). Further, Accredited Members are the most likely to offer external financing services (90%) and to believe those services increase the number of patients (85%).



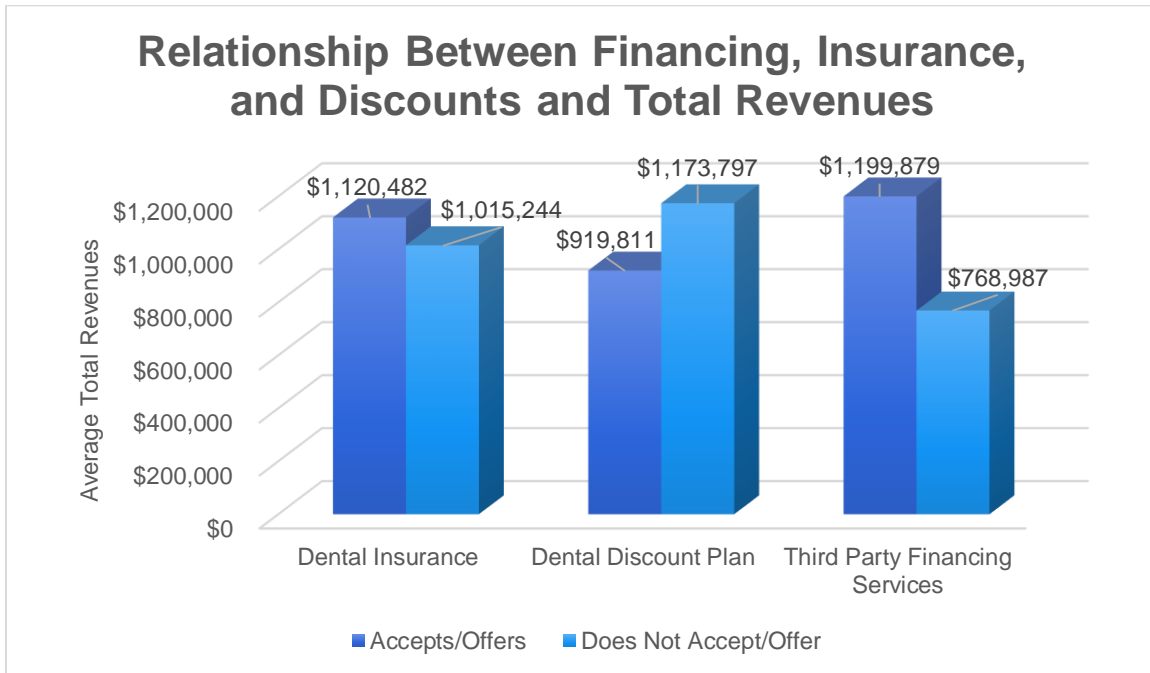
Types of Financial Assistance

In questions added for the 2017 survey, over half of respondents (57%) said their practice accepts dental insurance, with slightly over one-third (36%) accepting dental discount plans. AACD members are more likely than non-members to accept insurance (63% to 33%), and non-members are more likely to accept discount plans than AACD members (48% to 33%).



Revenues by External Financing/Financial Assistance

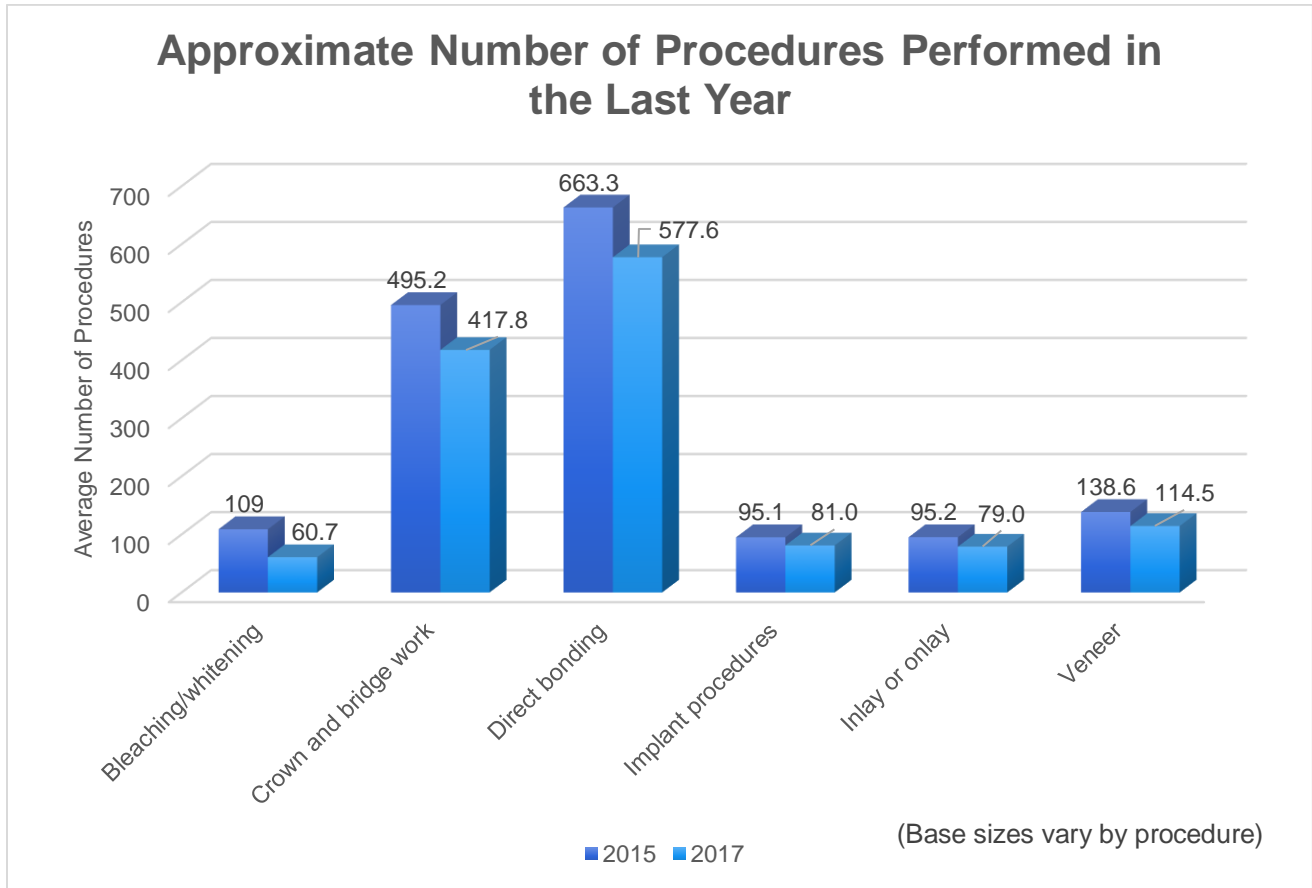
An analysis of average total revenues in relation to acceptance of each type of financial assistance was completed. Practices that offer third-party financing generate, on average, 50% higher revenues. Meanwhile, there is no evidence that offering dental discount plans helps to increase revenues, with practices that do not accept these discounts averaging 25% higher total revenues. This may be related, in part, to the fact that far fewer AACD members accept these plans compared to non-members. Meanwhile, there is only a slight difference in revenues based on acceptance of dental insurance, with practices that accept insurance averaging 10% higher revenues.



Frequency and Revenues for Top Cosmetic Procedures

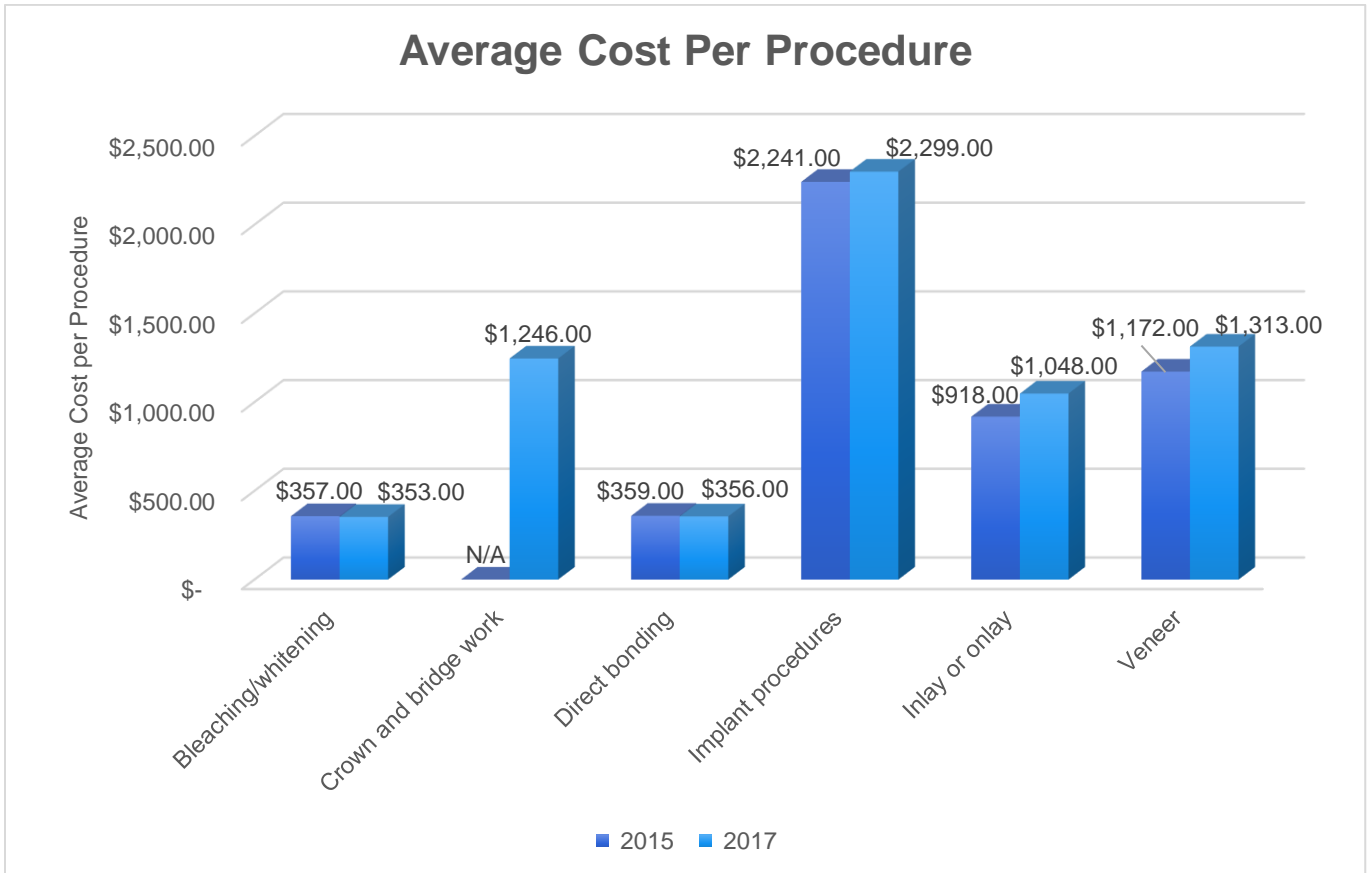
Average Number of Procedures Performed

The average number of procedures performed by each practice is down across the board. This may be related to the increase in small practices (less than five employees) in the sample. However, the decline in bleaching and whitening procedures is much greater than the decline for other procedures, and this may indicate a change in popularity of these procedures or a shift to home solutions.



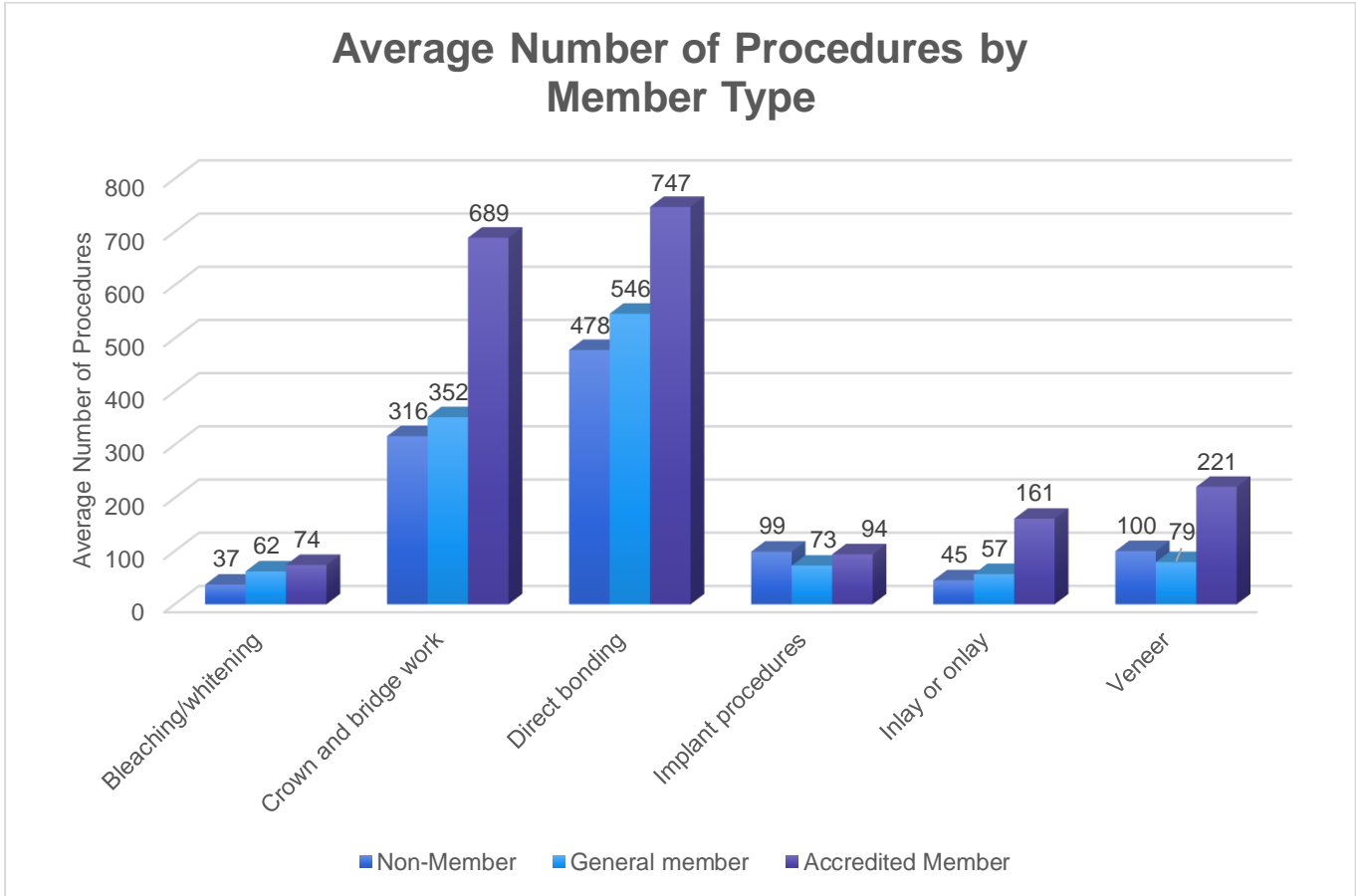
Average Cost of Procedures

The average cost of procedures is similar to 2015 in most cases. Veneers and inlay/onlay each had an increase of over 10%.



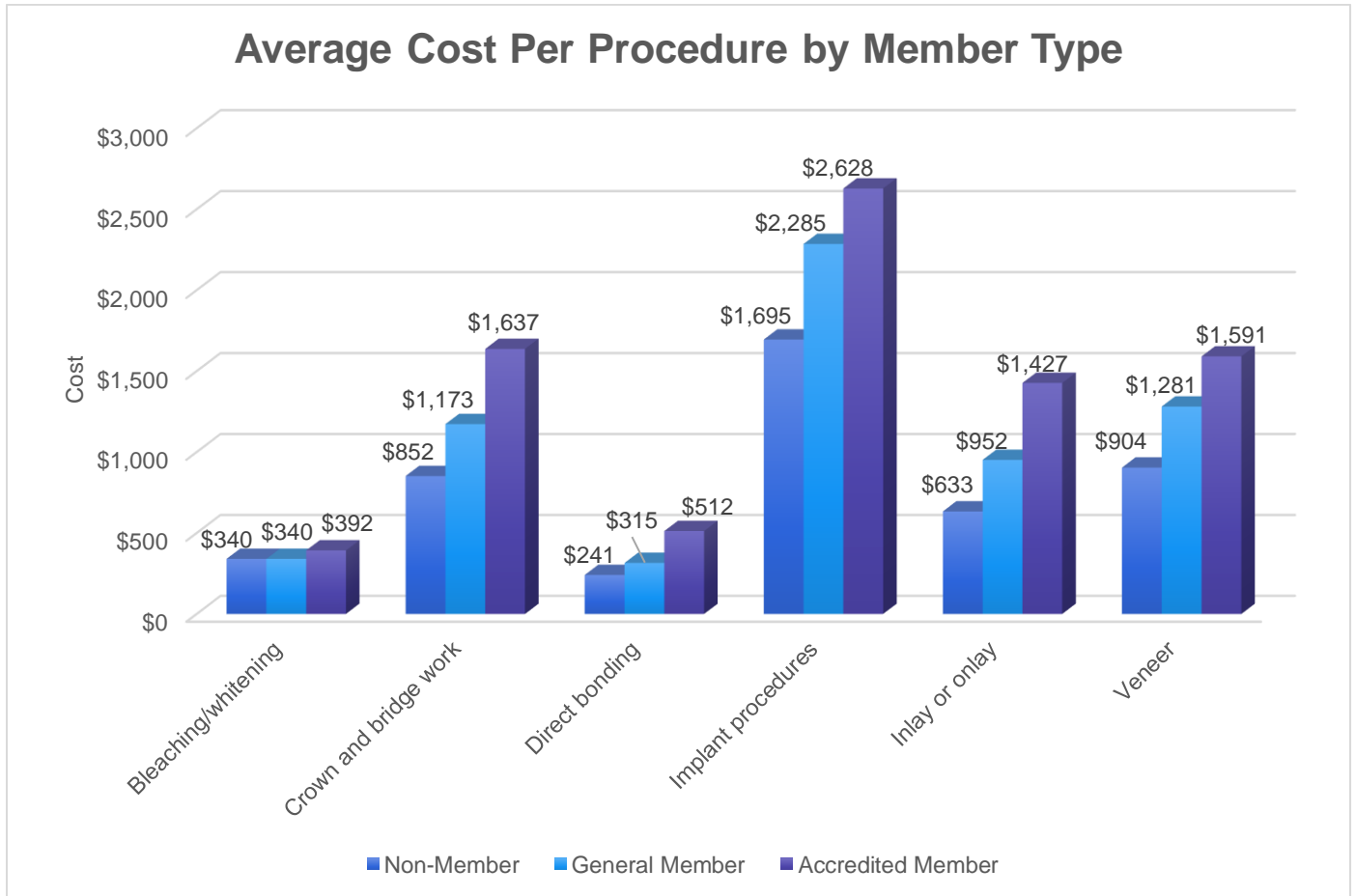
Average Number of Procedures by Member Type

Accredited Members report more procedures are done by their practices for almost all types of procedures. Non-members' practices average slightly more implant procedures and perform more veneer procedures than General Member practices.



Average Cost Per Procedure by Member Type

Accredited Members report charging the most per procedure for all procedure types. General Members report charging more per procedure than non-members for all procedure types except bleaching/whitening.



Survey Findings

General

- A total of 363 responses were tabulated, with fewer respondents completing the latter portion of the survey.
- Seventy-eight percent of respondents were American Academy of Cosmetic Dentistry (AACD) members. (pg 4)
- Previous benchmarking surveys were conducted in 2004, 2007, 2011, 2013 and 2015. Comparisons to 2015 results are shown in this report wherever applicable.

Cosmetic Dental Practice Demographics

- Ninety-two percent of respondents identified themselves as either a general or cosmetic dentist. (pg 5)
- One-quarter of respondents (24%) are still paying off student debt. Of those respondents, 88% will be paying off that debt for five or more years. (pg 6)
- More than half of the practices reporting (52%) have been in operation for 20 years or more. (pg 7)
- Since 2007, there has been a migration away from suburban and rural settings to more urban environments, which increased 15 percentage points in the past eight years. Urban practices (40%) now outnumber suburban practices (38%) for the first time. (pg 7)
- Sixty percent of reporting practices have between three and nine employees. Practices with one or two employees saw a four-point increase from 2015 (5%) to 2017 (9%). (pg 8)
- Over half of respondents (55%) indicate that they work in a solo practice environment, with another third claiming affiliation with a group practice. (pg 8)
- Two-thirds of respondents (65%) say that their patients travel an average of 10 miles or less to get to the practice. (pg 10)
- Most respondents (59%) indicate patronage of two or three labs. Most (83%) say they use multiple laboratories because labs have different specialties. (pg 11 and 12)
- Twenty-five percent identify their primary lab technician as an AACD member. (pg 11)
- For 82% of respondents, “esthetic considerations” was the top concern in selecting which dental laboratory to use. (pg 12)
- One-third (34%) of practices report using a chairside CAD/CAM system, with another third (32%) considering purchasing one. (pg 13)

Cosmetic Dentistry Patients

- While almost all dentists (98%) discuss cosmetic dentistry with patients, hygienists (62%) and clinical assistants (59%) also play a role in discussing procedures. (pg 14)
- Twenty-eight percent of practices report having less than 25 cosmetic dentistry patients in the last year, a fifteen-point increase compared to 2015. (pg 15)
- Almost all practices (98%) perform crown and bridge work, with nine in 10 performing direct bonding as well as bleaching and whitening. About half perform orthodontics and tray aligners. (pg 9)
- About nine in 10 respondents personally completed crowns (94%), bridges (93%), veneers (92%), bonding (91%), and whitening (89%). (pg 9)
- When asked to select what one restoration material the respondent would prefer to put in their mouth, three-quarters (18%) chose Lithium Disilicate. (pg 15)

Cosmetic Dentistry in Dollars and Cents

- The amount the average cosmetic dentistry patient spent on services at respondents' practices *in the past year* increased, with only a combined 45% of respondents selecting the top five tiers available in the survey (\$2,500 to \$20,000+), up eight points since 2015 and two points higher than 2013. (pg 16)
- When asked about total revenues for all dentistry procedures (cosmetic and non-cosmetic) in the last year, 43% of respondents selected the bottom two tiers (under \$750,000), up 10 points since 2015. (pg 17)
- Seventy-three percent of practices indicated they offered their cosmetic dentistry patients third-party external financing services in the past year, which is the same as in 2015. Among those offering financing, 78% of respondents reported that third-party financing options helped patients get to a "yes" decision, which is up five points since 2015. (pg 18)
- Over half (57%) accept dental insurance and slightly more than one-third (36%) accept dental discount plans. (pg 18)
- Practices that accept third-party financing average 50% higher total revenues compared to those that do not. Meanwhile, those accepting dental insurance average about 10% higher revenues and those accepting dental discount plans average 25% lower revenues compared to practices that do not accept these forms of financial support. (pg 19)
- The average number of procedures performed by each practice is down about 15% for most types of procedures compared to 2015, with the number of bleaching or whitening procedures performed down by over 40%. (pg 20)
- The average cost per procedure is similar to 2015 for most procedures, with an increase of about 10% for veneers and inlays/onlays. (pg 21)

Advantages Enjoyed by Members

- Members charge more for the same procedures. (pg 23)
- Bleaching and whitening is the one exception, where members and non-members report about the same average cost. (pg 23)
- For the other five types of procedures that were measured, General Members report average cost per procedure that is forty percent higher than the amount reported by non-members. (pg 23)
- Accredited Members average 90% higher charges per procedure (nearly double the price) compared to non-members. (pg 23)
- Average patient spend for Accredited Member is nearly three times as much as for non-members. (pg 16)
- Accredited Members practices do more business. (pg 15)
- With the exception of implant procedures, Accredited Member practices average more than twice as many procedures as non-member practices for the remaining five types of procedures. (pg 22)
- Members have a chairside CAD/CAM system (37%) more often than non-members (24%). (pg 13)
- Staff other than dentists discuss cosmetic procedures with patients significantly more often at member practices, particularly Accredited Member practices. (pg 14)
- Members use member laboratory technicians. It is notable that almost all non-members don't use or are not aware that they are using member lab techs. Only 4% of non-members identified their lab tech as an AACD member. This compares to 20% among General Members and 60% among Accredited Members. (pg 11)

Appendix—Survey Questions

1. What is your AACD Membership Status?*

- Member
- Accredited Member
- Accredited Fellow
- Non-Member

2. I am a...*

3. What is your age range?

- 20-35
- 36-45
- 46-55
- 55-64
- 65 or over

4. Please enter your email address if you would like to be entered into a drawing for a \$50 American Express gift card.

5. In the past year, which of the following procedures has your practice completed? (Check all that apply)

- Crown and bridge work
- Bleaching or whitening
- Veneers
- Direct bonding: Anterior
- Direct bonding: Posterior
- Implants
- Removable prosthetics
- Inlays or onlays
- Orthodontics
- Other cosmetic dental procedures
- Tray aligners

6. How many years have you been in practice?

Please attribute all data to the American Academy of Cosmetic Dentistry (AACD)
For more information, please contact pr@aacd.com or visit www.aacd.com

- Fewer than 5 years
- 5-9 years
- 10-15 years
- 16-20 years
- More than 20 years

7. Please indicate where you are with student debt:

- Never had student debt
- Student debt is paid off
- Currently paying off student debt

8. How many more years do you think it will be until your student debt is paid off?

- Prefer not to answer
- Number of Years:

9. In what type of community is your practice located?

- Urban
- Suburban
- Small Town
- Rural

10. How far, on average, do patients travel to get to your practice?

- 0-10 miles
- 11-24 miles
- 25-50 miles
- 50-100 miles
- 100 miles or more

11. How many people are employed at your practice (including dental team and staff)?

- 1-2
- 3-4
- 5-6
- 7-9
- 10-14
- 15 or more

12. What best describes your practice?

- Solo practitioner
- Group
- Corporate
- University

13. What kind of dentist would you classify yourself as?

- Cosmetic Dentist
- General Dentist
- Prosthodontist
- Endodontist
- Periodontist
- Orthodontist
- Other

14. Which of the following procedures/treatments do you complete in your practice?**Check all that apply.**

- Veneers
- Whitening
- Implants
- Short-term ortho
- Bonding
- Periodontal plastic surgery
- Dentures
- Microabrasion
- Recontouring
- Bridges
- Long-term ortho
- Implant-supported dentures
- Crowns
- Tray aligners
- Other

15. How many different dental laboratories does your practice patronize?

- 1
- 2

- 3
- 4
- 5 or more

16. When deciding on a dental laboratory to use, which two are your primary considerations?

- Cost of case
- Esthetic considerations
- Procedure or specialty
- Do not use more than one lab
- Turnaround time
- Located in the United States
- Other

17. Is your primary laboratory technician:

- An AACD Member
- An AACD Accredited Member
- An AACD Accredited Fellow
- Not an AACD Member
- Uncertain

18. Does your practice use a chairside CAD/CAM system?

- Yes, currently use chairside CAD/CAM
 - No, but considering purchasing chairside CAD/CAM
 - No, not interested in chairside CAD/CAM
-

19. Which members of your staff talk to patients about cosmetic dental procedures?

- Dentist
- Hygienist
- Treatment Coordinator/Office Manager
- Clinical Assistant
- Other

20. How many patients did your practice see for cosmetic dentistry procedures in the last year?**21. In the last year, how much did your average patient spend on cosmetic dentistry services?**

- Less than \$500
- \$500-\$749
- \$750-\$999
- \$1,000-\$1,499
- \$1,500-\$1,999
- \$2,000-\$2,499
- \$2,500-\$4,999
- \$5,000-\$9,999
- \$10,000-\$14,999
- \$15,000-\$19,999
- \$20,000 or more

22. Did your practice accept dental insurance for cosmetic dentistry patients in the previous year?

- Yes
- No

23. Did your practice accept dental discount plans for cosmetic dentistry patients in the previous year?

- Yes
- No

24. Did your practice offer cosmetic dentistry patients third-party external financing services in the previous year?

- Yes

No

25. Do you believe that offering financing increased the number of patients who decided to have cosmetic procedures in your practice?

Yes

No

26. Which restoration material would you use in your own mouth? Choose one.

Zircon

Lithium Disilicate

Hybrid Ceramic Resin

Metal Ceramic

27. Please indicate the total revenues for all dentistry procedures (both cosmetic and non-cosmetic) that your practice performed in the previous year.

Less than \$500,000

\$500,000-\$749,999

\$750,000-\$999,999

\$1.0 - \$1.24 million

\$1.25 - \$1.49 million

\$1.5 - \$1.99 million

More than \$2.0 million

28. Please report the approximate number of bleaching/whitening procedures your practice (including all associates) performed in the last year.

29. What is the average cost of a whitening procedure in your practice?

30. Please report the approximate number of crown and bridge work procedures your practice (including all associates) performed in the last year.

31. What is the average cost of a crown and bridge work procedures in your practice?

32. Please report the approximate number of direct bonding procedures your

practice (including all associates) performed in the last year.

33. What is the average cost of a direct bonding procedure (per tooth) in your practice?

34. Please report the approximate number of implant procedures your practice (including all associates) performed in the last year.

35. What is the average cost of an implant procedure in your practice?

36. Please report the approximate number of inlay or onlay procedures your practice (including all associates) performed in the last year.

37. What is the average cost of an inlay/onlay procedure in your practice?

38. Please report the approximate number of veneer procedures your practice (including all associates) performed in the last year.

39. What is the average cost of a veneer in your practice?

40. On average, how many veneers do patients receive at once?

- 1-2
- 3
- 4 or more
- the entire smile zone