



How to... get the most from your optical dispensary

July 15, 2003

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Vail, CO—Having an optical dispensary in a practice is an excellent way to provide full-service comprehensive eyecare for patients and has the potential to generate significant revenue for the practice, according to ophthalmic practice management specialist James Rienzo.

"Most patients prefer one-stop shopping," Rienzo said. "They would prefer to purchase their eyewear from the ophthalmologist's dispensary rather than take their prescription elsewhere. It is more likely this will happen if patients are educated while in the office about the available ophthalmic materials and are made to feel confident they'll receive the highest quality materials at affordable prices."

Physicians' salesmanship abilities are often lacking, explained Rienzo, a senior eye-care business advisor with Allergan's ophthalmic advisory group, who spoke at the Current Concepts in Ophthalmology meeting in Vail, CO. The meeting was co-sponsored by the Johns Hopkins University School of Medicine, Baltimore, and Ophthalmology Times.

"I have seen situations where doctors will spend a great deal of money to add an optical dispensary, but will continue to be very casual, or even reluctant, to encourage patients to use it," he said. "It is almost as if they feel that by selling, or recommending use of an in-house optical shop, they are doing patients a disservice. Possibly they feel that, as surgeons, they shouldn't be doing any marketing of materials like glasses."

A retail mindsetRienzo emphasized that for a dispensary to be successful, the doctor must be the first one in the practice to grasp the concept of selling. A dollar earned, whether from cataract surgery or from the sale of glasses or contact lenses, is a dollar that goes into the same practice coffers at the end.

"Ophthalmologists need to take hold of the retail mindset if they are to have a successful dispensary," he continued. "They need to tell themselves that this is another service line being offered to patients; that it will be convenient and beneficial to patients. At the end of the day, it should become a profit center as opposed to a cost center."

Rienzo encouraged physicians to engage patients while in the examining lane. He advised them to ask patients questions about how they use their eyes and if they have unusual visual needs at work or with their hobbies. He also said this is a good time to encourage a visit to the optical shop, emphasizing the skills of the optician, quality of materials used, and selection of frames available.

"The technician needs to be engaged at this time also," he added. "After the technician finishes that part of the exam, it is a great opportunity to present patients with a short questionnaire while waiting for the doctor. This questionnaire should ask questions about the patients' optical history, such as the age of their current glasses, whether they usually purchase designer frames, or if they would be interested in learning more about various materials. This can set the stage for the doctor to talk about optical."

Getting patient to optical shop Rienzo also said it is important to initiate a flow from the examination lane to the optical shop for patients. Creating this flow can be done in a number of ways.

"The old school had doctors taking patients by the hand and walking them to the dispensary," he said. "But this may not be very practical in today's busy offices. It may not even be practical for the technician to walk patients to the optical shop. Some offices have patients pick up their written prescription for glasses in the optical shop. This may be regarded as being somewhat aggressive, but it works if done with a certain amount of pre-selling of the optical shop. It helps if everyone who comes into contact with the patient is in the retail mindset."

Rienzo feels the best way to keep patients in the practice and to compete with commercial optical establishments is through education. Patients appreciate learning about their eye condition and the new lens products that address their visual needs.

"Patients need a full spectrum of educational materials," he said. "I know one office that displays only one piece of non-ocular-related literature in the waiting room. The office is full of brochures and optical displays that serve to educate patients on what's new in the field. The key is in-house advertising to let people know that your practice is up-to-date and offers the latest materials."

He said if you choose not to carry the low-cost, lower-quality frames and lenses, you should explain your reasoning.

"I recommend telling patients that you have decided to stop carrying the budget materials because of their frequent need for repair and replacement," he said. "It is important to state your philosophy of using only the best materials in your practice, because that is what your practice stands for. You may, however, wish to carry a small number of these low-cost materials, making sure the patients understand what they are getting."

Rienzo noted he finds it amazing when he hears physicians complain that their optical shop is not doing well, only to find that it is hidden from patient view.

"If patients must work hard to find the optical shop in a practice, more than likely the capture rate in the practice is going to be pretty low," he said. "The dispensary needs to be visible, open, and bright, so patients can see it when they first enter the office."

He also stressed the importance of the dispensary having a fashionable, yet professional, ambiance and a frame inventory suited to the patient population.

"Patients must feel like this is the right place for them. They should feel relaxed and comfortable that the products are not beyond their price range. This is why it is important to know your patient population when you decide on what frame inventory to carry," he said.



Hiring an optician Not all states require opticians to be licensed. However, Rienzo thinks it is important, at least when recruiting for a managing optician, to seek an individual who is certified by the American Board of Opticianry (ABO).

"As in hiring any employee, it is important to have a clearly stated job description for opticians," he continued. "Set expectations immediately, so they understand what is expected from the start."

The managing optician typically is in a supervisory role, where he or she does the frame ordering, maintains inventory control, and establishes pricing. In general, the managing optician runs the optical shop.

"Finding an optician shouldn't be a daunting task," Rienzo continued. "Look for someone with a strong retail background, preferably with prior experience managing an optical dispensary."

Before deciding on compensation for an optician, Rienzo suggests contacting colleagues who have dispensaries. Also, he noted that pharmaceutical representatives can help in finding information sources.

"Handing patients a satisfaction survey form at the conclusion of the visit tells them you want to know about their experience," Rienzo said. "It essentially asks patients, 'How did we do? How can we improve? What didn't we have or do that you would have wanted?' Patients appreciate that you want to know what they think."

One of the best ways to market a practice is through internal marketing. Rienzo said that one of the most important requirements of successful internal marketing is to make sure all staff is on the same wavelength.

"Everyone in the office needs to believe genuinely how wonderful the practice's optical shop really is," he said. "To attain this, they must have first-hand experience, rather than just being told.

"Consider doing periodic in-service training for the staff, particularly those who work the front desk or telephones and typically know little about optical. Take them into the optical shop and educate them on the process," he said. "Another tip: consider supplying your staff with fashion

frames at low cost. Staff members wearing the latest designer frames can be walking advertisements for your optical materials. Let them feel part of the process."

Inventory management Rienzo said that frames on the board are like cash. If they are not being sold, they are just sitting there doing nothing.

"Frames are inventory that you own and are hoping to sell," he said. "The average optical shop displays between 500 and 800 frames. I don't think more are needed, at least to start off. The old school of thought was for every frame displayed there should be one to back it up. That's a great deal of inventory just sitting.

"The trend now is to sell the frame that is on the board," he said. "Within 24 to 36 hours, most vendors will replace it. Doing it this way keeps inventory costs down and frame styles up to date."

According to Rienzo, more and more ophthalmologists are coming to the realization that dispensing should be an integral part of their practice, with about 80% of ophthalmologists now offering optical services. Concern about losing referrals from optometrists and opticians hasn't really panned out and is becoming less of an issue. The fact that most ophthalmologists will send patients back to the referral source to get their glasses is helping to ameliorate the problem.

"Setting up a dispensary needn't be an overwhelming process," he said. "Pick the brains of colleagues who have done it successfully, or consider using a consultant. If you hire a good managing optician early on in the process, he or she can be of tremendous help in setting up a dispensary.

"Whatever you do, a strong commitment is necessary," Rienzo concluded. "A dispensary can become a significant revenue center for your practice and provide a great service to your patients."