3 Steps to Increasing Capture Rate
3 Steps to Increasing Capture Rate

1. Increase your selection. Manage your costs.

Marchon® and Altair® representatives can offer you special programs to get the right products on your frame board and then help to manage that inventory to free-up financial and board space resources.

Marchon has an extensive portfolio of some of the world’s most prestigious fashion and sport brands: Calvin Klein, Fendi, Nike, and others, while Altair provides you with best-selling board samples from Tommy Bahama®, Joseph Abboud®, Revlon®, and more.

2. Train your staff.

Use a lifestyle questionnaire to better understand the needs of your patients and point them to the right products. The included Patient Lifestyle Questionnaire and Needs-based Dispensing Continuing Education (CE) Course will help you increase sales and patient satisfaction.

3. Capture the sale.

Tracking your capture rate is an important step to increasing your frame and sunglass sales. How are you tracking? Use the included Sample Capture Rate Form to keep a record of how many exams included a frame or sunglass purchase. Altair can help you create a strategy to help you increase your capture rate and increase profits in your dispensary.

Creating a Win-Win for Patients and Practices

Patient Lifestyle Questionnaire

Sample Capture Rate Form
American Express® (AmEx) recently ran an ad campaign featuring the slogan, “My Life. My Card.” The AmEx ads center on high-wattage celebrities, such as Tiger Woods, Ellen DeGeneres, Kate Winslet, and Robert De Niro. Each celebrity was asked a series of questions about their life including, “When you were a child, what did you want to be when you grew up?” Responses included all of the childhood standards: teacher, mom, fireman, veterinarian, doctor, etc. As children, we tend to favor helping professions. You never hear a child say they want to be in sales when they grow up. You also don’t hear very many eyecare professionals wanting to be associated with selling.

Sales has developed a very negative connotation thanks to stereotypic sales people. Perhaps you’ve worked with one of them as a consumer. You’ve learned that you can’t trust them. They don’t care about what you need or want. They don’t listen. They don’t ask questions. At the end of the day, they will trick you or push you into something you don’t want. The last thing you want to be is one of them.

As an eyecare professional, you are in a helping profession, which like it or not, includes the art of consultative selling. The average dispensary is responsible for 50%-60% of practice revenue. Practices enjoying the highest levels of profitability understand the value of maximizing their dispensaries through needs-based dispensing. They’ve mastered the ability to sell and to help patients at the same time because, in reality, these terms are synonymous when done properly.
Learning Objectives

Upon completion of this program, the participant should be able to:

1. Complete the patient experience by understanding and satisfying needs in the dispensary.
2. Understand the basic principles of the consultative sales process.
3. Provide insights to best practices to maximize dispensary profitability.

Faculty/Editorial Board

Stephanie Turk, Director of Marketing & Business Development for Altair Eyewear, directs their strategic and marketing initiatives. She has more than 20 years experience in brand and personnel development and expertise in a variety of ophthalmic areas.

Credit Statement

This course is approved for 1 hour of CE credit by the American Board of Opticianry (ABO), course# SWJMI003-1. This CE credit is also available online at 2020mag.com. Please check with your state licensing board to see if this approval counts toward your CE requirement for relicensure.
Consultative selling in our profession may best be described as satisfying patient eyecare needs. A professional exam is only one part of the equation in satisfying patient needs. The other part happens in the dispensary when you take the time to build trust, understand patient needs, and educate and provide solutions to satisfy those needs. If patient needs go unmet after visiting your office, they may seek to have those needs met elsewhere.

Figure 1 (below) shows the results of consumer exam and eyewear-purchasing patterns as reported by VisionWatch, a Jobson and Vision Council program. The research shows 66% of consumers had eye exams in a private practice but purchased only 41% of their eyewear in the same office. The opposite trend is true at retail chains.

This is an alarming trend. It tells us that patients prefer the quality of the exam through independent channels but their experience in the dispensary is lacking. Retail chains capitalize on patients bringing in their prescriptions from the private-practice sector of the market.

The financial impact of this trend is staggering. Based on the current patient population and average cost of goods, we estimate that private practice as a whole is losing up to $3.5 billion annually to chains and other businesses when patients leave. Individual practices are losing as much as $150,000 annually (about $3.5 billion/25,000 locations).

Changing this trend may be as simple as changing your mind about what selling is all about. If you embrace the concept that helping patients goes beyond satisfying their needs in the exam room to include the dispensary, you will create a win-win for your patients and your practice.

So how is your practice doing when it comes to satisfying patient needs in your dispensary? Only your patients can truly answer that question. The answer lies in your capture rate. It is your report card to track your progress in needs-based dispensing.
Needs-based Dispensing

Capture Rate

Capture rate is defined as the number of patients that get their eyes examined in your office and purchase their eyewear from you. Simply divide the purchase number by the exam number. For example, last month you conducted 100 eye exams and 75 of those patients purchased a complete set of eyewear from you. Your capture rate is 75%. Is your capture rate up or down from last year? How does this November compare to last November? Is it getting better? Is it getting worse? How do you measure it? How often do you measure it?

In a VSP® Vision Care survey, less than half of offices surveyed currently track capture rates. Yet most offices would say they have a very high capture rate. You may have a great day and say you have a good capture rate. It might have been a good week or a good month. However, an office really needs to look at its capture rate over a sustainable period of time to best understand how effectively you’re satisfying patient needs. We would suggest that high capture rates are equivalent to better meeting patient’s needs. In order to truly calculate where your office stands, track the capture rate daily and create monthly and annual reports.

A good capture rate targets 70%-80% or better. This number will never be 100% because you will have patients without prescriptions or there will be contact lens patients who already have adequate back-up glasses. There will be patients that have no prescription change. The goal is not to focus on the number and “100% of patients who come in” but to satisfy all potential buyers’ varying eyewear needs.

On average, many private practices that we see have a capture rate of roughly 50%-60%. This means nearly half of the patients are leaving the office after their eye exam without purchasing eyewear, plano sunglasses, or optical products. Clearly, from the data, the largest optical retail chains have the best chance of capturing the majority of these lost sales. One of the primary disconnects is tracking. Most offices don’t track capture rate at all. By simply tracking your capture rate, the focus on the process can improve it by at least 5%. We’ve included a Sample Capture Rate Form for you to record and track your office’s capture rate.

Improving the capture rate takes time and perseverance. The balance of this article provides strategic needs-based dispensing techniques to use with individual patients. It will also help you look at your dispensary with a critical eye to make sure it’s set up to complement your needs-based dispensing efforts. As you embrace and apply the principles of needs-based dispensing, capture rate and sales per patient will increase.
Needs-based Dispensing

Needs Assessment

There are two challenges to a needs-based approach. One is time. The other is accumulating information and then doing nothing with it. If your practice is like most, you have the desire to get to know your patients, but rarely the time. This poses an interesting dilemma. Patients gravitate to private practice for the thoroughness of the exam and the personal attention they receive. They’ve come to expect a level of customized service. You can gather the information you need to customize their experience without consuming a large amount of time.

How do you know what your patients need?

Every good consultative sale begins with a needs assessment. Every good assessment begins with asking the right questions.

• How does the patient typically use their eyes?
• What do they do for a living?
• What hobbies do they enjoy?
• What sports do they play?
• How do they protect their eyes from harmful UV rays?
• How much time do they spend behind the computer?
• How often do they drive at night?

By collecting and discussing pertinent information with your patients, you will be able to recommend custom solutions that meet their specific visual needs.

Have patients complete a lifestyle questionnaire online before their office visit or in the reception area at the time of their visit. Make sure the entire staff is well trained in what to look for when viewing the questionnaire. We’ve included a sample questionnaire at the end of this document for your reference.

For example, a patient is a 50-year-old working professional. He is myopic and presbyopic and prefers to wear glasses. He’s a lawyer that spends a considerable amount of time in front of a computer doing research. When he’s not in front of his computer, he’s in front of a jury as a trial lawyer. On the weekends, he enjoys motorcycle riding and golfing. Based on this patient’s occupation and weekend activities, what eyewear options would you recommend?
Without a thorough understanding of your patient's lifestyle, you may be inclined to believe you've satisfied their needs based on their primary occupation and/or contact lens preference. Implementing a lifestyle questionnaire provides a starting point to begin to understand the patient's needs to better satisfy them. In this case, the patient could benefit from a pair of glasses with photochromic in polycarbonate or Trivex® lenses when motorcycle riding. Glasses will reduce dryness and the photochromic lens will add an element of convenience as the level of light changes throughout their ride. He'll also need a good pair of computer glasses. Amber, copper, or green tinted sunglasses could improve his golf game. With more patient insight, you may discover multiple needs exist that you can satisfy.

It's critical to emphasize that the questionnaire is only a starting point to uncovering patient needs. It's important to never “assume” a need based on a questionnaire response. Ask additional questions to uncover patient needs. Questionnaire responses by design should trigger your desire to take your patient interaction to the next level.
Needs-based Dispensing

Responsive Listening

The first step in this interaction is responsive listening. Responsive listening is an outward indication that you have heard what has been communicated through the questionnaire and expresses a genuine interest in what's been shared. There are two key aspects to responsive listening. The first part is letting the patient know that you've heard them. This is as simple as “playing back” what's been communicated. For example, “I see that you enjoy motorcycle riding. That's something I'm interested in as well.” The second part of responsive listening is to show genuine interest by asking a layering question, “How long have you been riding?” Responsive listening acknowledges what's been communicated and seeks additional understanding.

After acknowledging you've heard your patient through responsive listening, understand whether or not motorcycle riding creates additional visual needs for this particular patient. Uncover those needs by asking one good open-ended question. An open-ended question will begin with “what, why, or how.” For example, “How satisfied are you with your contact lens performance while motorcycle riding?” You may find out this patient has severe dryness problems as a result of his hobby.

It's important to avoid closed-ended questions because they limit the amount of information you'll receive. A closed-ended question will begin with “is, do, and are.” If you were to ask, “Do you have any issues with your contacts while motorcycle riding?”, you have a 50% chance of hearing “no” even if an actual need exists. You may have to ask five closed-ended questions to get the same amount of information that one good open-ended question provides.

Ask a few questions that aren't on the survey. Two of the most critical open-ended questions to ask that will help with frame selection are, “What did you like most about your last pair of glasses?” and “What did you like least?” Layering questions and best/least questions demonstrate a genuine interest and give you critical insights to your patient's needs.
What should the doctor’s involvement be in needs-based dispensing?

The doctor plays a very important role in the process because the doctor holds the highest level of trust in the eyes of the patient. Generally speaking, a doctor’s recommendations are taken very seriously. The doctor and the staff should work in tandem to reference the lifestyle questionnaire, probe for patient needs, and provide needs-based recommendations.

Upon completion of the exam, it’s important the doctor facilitates a transition of trust. The doctor should escort the patient from the exam room to the dispensary. It’s important for the doctor to review patient recommendations with the dispenser or optician in the presence of the patient. When done properly, the dispenser or optician’s recommendation will be trustworthy because it originated with the doctor. As a side note, even if the patient isn’t a candidate for new frames, it’s a good idea for them to visit the dispensary for a complimentary adjustment or cleaning because it adds visibility to your dispensary.

Solution-based Recommendations

The final step in needs-based dispensing is to make solution-based recommendations rather than product-based recommendations. You’ve uncovered a need—possibly multiple needs. Now the primary job is to help the patient by providing solutions. Let’s assume you’ve gone through the process of selecting a new frame for this patient (with a prescription in mind). Your frame recommendation accommodates their need for a progressive lens and the style is perfect for their face shape and skin tone. Now it’s time to make sure they understand the various options and additional pairs they need to satisfy their lifestyle. Selling solutions might sound like this: “Based on Dr. Smith’s recommendation and what I see noted in your chart, you spend a fair amount of time out on the golf course so you will need sunglasses with UV protection for your eyes and a tint color that will help your golf game. Is that right? Based on that I’d recommend…”

Notice that price is not part of the discussion. Needs-based dispensing always focuses on the need and the solution. Address pricing only after all needs have been addressed and solutions have been clearly described. You’ll be surprised to discover what patients will spend to address their needs. The result is much different when you lead with price or what insurance will cover.
Complete the patient experience in your practice with follow-up.

The willingness to reach out to patients after they’ve left your office conveys a genuine interest in making sure their visual needs have been met. We recommend you make contact within one week of your patient receiving their frames and/or contacts. Place a phone call or send an e-mail or postcard. Some offices shy away from this step for fear it may create problems by suggesting something may be wrong. The benefits of follow-up far outweigh the potential risks. You’ll find very few patients will have complaints. For those that do, it’s better to address them as soon as you can after their visit.

Once you embrace these needs-based dispensing techniques, you’ll have a better understanding of your patient’s needs, established greater trust and rapport and ultimately move closer in the direction of satisfying their total eyecare needs. There’s only one thing standing in the way—the dispensary. Does the frame-board help or hinder needs-based selling efforts? How many frames should you have on your board? What styles should you have on your board? Some frame board management methodologies advocate calculating the number of frames you need by your current capture rate. If you have a lower capture rate (private-practice average is 50%-60%) you could perpetuate a low capture rate by not having a sufficient selection. To create a better experience for your patients and your practice, calculate the number of frames you need by your desired capture rate. Let’s say you’re shooting for a 70% capture rate. Do the math as follows:

- Determine your desired capture rate.
  
  \[
  \frac{10 \text{ (exams per day)}}{7 \text{ (frame selects per day)}} = 70\%
  \]

- Multiply your frame selects per day by the number of days per week eye exams are provided.
  
  \[
  7 \text{ (frames per day)} \times 5 \text{ (days per week)} = 35 \text{ (frame selects per week)}
  \]

- Multiply the number of frame selects per week by 52 weeks per year.
  
  \[
  52 \text{ (weeks per year)} \times 35 \text{ (frame selects per week)} = 1,820 \text{ (frame selects per year)}
  \]

- Divide the total number of frame selects by your desired turn rate. (An industry average of 3 inventory turns per year is a good starting point.)
  
  \[
  \frac{1,820 \text{ (frame selects per year)}}{3 \text{ (industry standard inventory turns per year)}} = 607 \text{ (desired yearly frame selects)}
  \]
So about 600 frames will support the sales of 7 per day or 70% capture rate, allow 3 times replacement annually and conserve cash, but require good style and color consideration. This example is from the article “Managing Your Profit Center: Take the Guesswork Out Of Frame Inventory Management,” by Mary Schmidt, which appeared in the November 2004 issue of Vision Monday.

What if you have a 40% capture rate even though you have enough frames for a 70% desired capture rate? You have too many of the wrong frames on your board! Unfortunately, purchasing errors are common and costly. We tend to buy based on personal preferences. Frames we like. Frames we don’t like. Representatives we like. Representatives we don’t like. The results are a board with slow-moving frames that can cost the practice a considerable amount of money. There are tangible costs of an exchange, which can add up to $15 per frame when staff time and shipping costs are factored in. The intangible costs of missed opportunities in patients taking their prescriptions elsewhere can add up to 20% loss of all jobs. To promote better cash flow and reduce costs, work with vendors that can supply data to support objective purchasing decisions, no-cost inventories, and no-questions-asked exchanges.

Remember, the frame board exists to satisfy patient needs. You can’t satisfy their needs if your best sellers are missing from the board. It’s imperative to keep best sellers on the board at all times so evaluate how you order.

An optimal situation would be to work with a vendor that offers centralized inventory. If the vendor has a centralized lab based inventory that stocks your best sellers, sample frames never have to leave your board. There is a saving on shipping costs and patients can get their completed prescription in less time without the delays of “frame to come.”

Conclusion

Needs-based dispensing provides the tools needed to take a practice and dispensary to the next level in satisfying patient eyecare needs. Adjusting an office’s approach will take time and training; however, don’t get frustrated. Adopt the steps in phases and you can anticipate new levels of patient satisfaction.
1. What's the average practice's optical-dispensary revenue contribution?
   a. 10% - 15%
   b. 20% - 30%
   c. 50% - 60%
   d. 75% - 85%

2. Define consultative selling as it applies to the optical industry.
   a. Selling products to patients whether they think they need them or not
   b. Satisfying your patient's eyecare needs
   c. Offering suggestions based on personal preference
   d. Offering suggestions based on fashion trends

3. The private-practice community loses about revenue to retail each year.
   a. $250,000
   b. $1 million
   c. $3.5 billion
   d. $100,000

4. Each independent practice loses about how much in revenue to retail annually?
   a. Not losing anything to retail
   b. As much as $150,000
   c. Independents are gaining market share
   d. About $10,000 a year

5. What is “capture rate”?
   a. The number of exams performed within the office each day
   b. The number of patients who purchased a form of vision correction products at the time of their exam
   c. The number of return patients seen annually
   d. The number of new patients seen each year

6. What is the average independent dispensary capture rate?
   a. 25% - 30%
   b. 90% - 95%
   c. 100%
   d. 50% - 60%

7. What is considered a good capture rate in a typical independent dispensary?
   a. 60%
   b. 25%
   c. 70%
   d. 55%

8. How can you increase your capture rate?
   a. Offer more products.
   b. Advertise more.
   c. Track your capture rate each day.
   d. Sell budget eyewear.

9. To better understand your patient's vision needs:
   a. Have them complete a lifestyle questionnaire prior to their exam.
   b. Practice responsive listening.
   c. Ask open-ended questions like, “What did you like about your last pair of glasses?”.
   d. All of the above.

10. Lifestyle questionnaires do which of the following?
    a. Help understand patient's vision care needs based on lifestyle.
    b. Help offer the most appropriate eyewear solutions.
    c. Ensure the highest quality of care.
    d. All of the above.

11. A good example of a strong open-ended question is:
    a. Did you like your last pair of glasses?
    b. What did you like least about your last pair of contacts?
    c. Are you happy with your current lenses?
    d. Do you like wearing glasses?

12. After completing the exam, the doctor should do which of the following?
    a. Escort the patient to the dispensary and review and make recommendations to the dispenser in the presence of the patient.
    b. Give the patient their card and point them to the dispensary.
    c. Ask the patient to complete an evaluation of their visit.
    d. Offer the patient a special discount.

13. Always consider when helping patients select eyewear.
    a. Face shape and skin tone
    b. Personal style
    c. Patient's prescription
    d. All of the above

14. All patients benefit from which of the following?
    a. Contact lenses
    b. Progressive lenses
    c. UV protective sunglasses
    d. Plano frames

15. When should you discuss price?
    a. As soon as the patient arrives at the exam
    b. During the exam with the doctor
    c. After all needs and solutions have been addressed
    d. When the patient pays for their eyewear

16. To calculate the number of frames to stock, do which of the following?
    a. Calculate the number of frames needed by the desired capture rate.
    b. Offer 20 pairs per patient per day.
    c. Calculate the number of frames needed by current capture rate.
    d. Offer one pair for each square foot of practice space.

17. To best select frames for your dispensary
    a. Buy from your favorite representative.
    b. Pick styles that reflect your personal style.
    c. Purchase only designer collections.
    d. Work with vendors that can supply you with data to support objective purchasing decisions.

18. How can you keep your best sellers available for all of your patients all of the time?
    a. Buy at least 10 pairs to keep as back stock.
    b. Use frame pictures for out-of-stock styles.
    c. Use labs that stock frames so best sellers are kept on the board at all times.
    d. Ask patients to return when restocked.

19. To minimize frame inventory financial risk, work with vendors that do which of the following?
    a. Offer no-cost frame inventory.
    b. Offer a flexible exchange policy.
    c. Have centralized inventories at optical labs throughout the nation.
    d. All of the above.

20. After the patient picks up their glasses, do which of the following?
    a. Call the patient a few days later to make sure they are satisfied with their service and eyewear.
    b. Do nothing.
    c. Send them flowers to thank them for their business.
    d. Ask them for the names and phone numbers of any prospective patients.
Earn 1 hour of CE credit by the American Board of Opticianry—valid for credit through February 28, 2013. This exam can be taken online at 2020mag.com. Upon passing the exam, you can view your results immediately. You can also view your test history at any time from the Web site.

Needs-based Dispensing: Creating a Win-Win Situation for Patients and Practices

Directions: Select one answer for each question in the exam and completely darken the appropriate circle. A minimum score of 80% is required to obtain a certificate. Mail to: Jobson OptSC, PO Box 488, Canal Street Station, New York, NY 10013. This program is supported by an unrestricted educational grant from Altair Eyewear.

1. A  B  C  D
2. A  B  C  D
3. A  B  C  D
4. A  B  C  D
5. A  B  C  D
6. A  B  C  D
7. A  B  C  D
8. A  B  C  D
9. A  B  C  D
10. A  B  C  D

11. A  B  C  D
12. A  B  C  D
13. A  B  C  D
14. A  B  C  D
15. A  B  C  D
16. A  B  C  D
17. A  B  C  D
18. A  B  C  D
19. A  B  C  D
20. A  B  C  D

1 = Excellent   2 = Very Good   3 = Good   4 = Fair   5 = Poor

Rate the effectiveness of how well the activity achieved the following:

21. Met the stated learning objectives
22. Related to your practice needs
23. Will help you improve patient care
24. Avoided commercial bias/influence
25. How would you rate the overall quality of the material presented?

Course Comments

Future Topics

Please retain a copy for your records. Please print clearly.

You must choose and complete one of the following three identifier types:

1. SSN
2. Last 4 digits of your SSN and date of birth
3. State Code and License #: (Example: NY12345678)

First Name

Last Name

E-mail

Circle One  Home Address  Business Address

Business Name

Address

City   State   ZIP

Telephone   Fax

Profession  Optician  Contact Lens  Fitter  Other

By submitting this answer sheet, I certify that I have read the lesson in its entirety and personally completed the self-assessment exam based on the material presented. I have not obtained the answers to this exam by any fraudulent or improper means.

Signature ___________________________ Date ___________________________

Lesson Number: 105718
Sample Capture Rate Form

Today’s Date ________________

1. Total number of exams performed today. __________________________
2. Number of patients who purchased eyewear. ________________________
   Subtract 2 from 1. __________________________

3. Daily Capture Rate %
   (Divide the number of patients who purchased eyewear by the total number of exams.) __________________________
Thank you for taking a few minutes to complete this questionnaire. The information you provide will help us to better understand your vision care needs.

**What is your professional environment?** (Check all that apply.)

- [ ] I work in a professional business office.
- [ ] My job requires travel (driving/flying/both).
- [ ] I work from home.
- [ ] I work outside most of the time.

**How much time do you spend each day at a computer?**

- [ ] 0-1 Hour
- [ ] 1-3 Hours
- [ ] 3-5 Hours
- [ ] 5+ Hours

**How much time do you spend driving at night?** (hours/minutes)

**What type of outdoor activities do you participate in?** (Check all that apply.)

- [ ] Golfing
- [ ] Gardening
- [ ] Skiing
- [ ] Hiking
- [ ] Jogging/Walking
- [ ] Boating
- [ ] Biking
- [ ] Team Sports
- [ ] Other

**What are your indoor hobbies?**

- [ ] Reading
- [ ] Arts/Crafts
- [ ] Sewing/Knitting
- [ ] Other

Please list any skin allergies.

Are you concerned about protecting your eyes from harmful UV rays?  

- [ ] Yes
- [ ] No

What do you currently use for sunwear?

What did you like about your last pair of glasses?

What would you change?

What did you like about your last pair of sunglasses?

What would you change?