

What is a SWOT Analysis, and How Can It Help Your Dental Practice?

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As a dental practice owner or manager, you have many marketing tools at your disposal. One of the most effective is the SWOT analysis, a simple technique that can help guide goal setting and planning.

What is SWOT?

The word is an acronym for strengths, weaknesses, opportunities, and threats. Identifying these elements is a beneficial technique that can be applied to various marketing strategies and campaigns. A [SWOT analysis](#) can also be helpful in other areas of practice management and business planning.

Strengths and weaknesses

The first two factors are internal. They refer to aspects of your dental practice or current marketing strategy, which present distinct advantages and disadvantages. Every practice is unique. You may have particularly strong or weak points in areas such as:

- In-office technology
- Variety of services offered
- Patient attrition rates
- Effectiveness of marketing activities
- Skills and training of your team

Opportunities and threats

The following two categories we consider are external. They generally arise from competition, market conditions, and other factors beyond your influence. Your dental practice may face threats or opportunities due to factors such as:

- The performance of competitors' marketing activities
- The density of competition in your location
- Local regulations and policy
- Consumer trends

- Economic conditions

Introducing TOWS – the next step in your analysis

SWOT is essentially four short lists or factors that impact your marketing strategy and practice growth potential. As mentioned above, two of them are internal, and two are external. We can divide SWOT in another way, which is positive and negative. When the data is displayed in a grid, it is sometimes referred to as a 2X2 matrix, which looks something like this:

Row 1 (internal): Strengths (positive), then Weaknesses (negative)

Row 2 (external): Opportunities (positive), then Threats (negative)

The power of the 2X2 matrix lies in another technique known as TOWS. Technically, TOWS is an acronym for the same four words: Threats, Opportunities, Weaknesses, and Strengths. However, despite what the name might imply, TOWS is not some sort of reverse SWOT. Instead, it is an advanced analysis method using combinations of internal and external factors.

The basis for TOWS lies in the concept that it has more influence over internal factors. This means it is possible to leverage your strengths and reduce your weakness. The TOWS analysis asks how you can use those things to make the most of opportunities and protect your marketing strategy from threats.

Putting it all together

The SWOT, and subsequent TOWS, analysis will yield four external/internal data pairings. Let's look at how they can be helpful in practical application, using examples from a fictional dental practice.

Let's say Smile City has the following:

- **Strength:** A world-renowned 'celebrity' cosmetic dentist on their team
- **Weakness:** An outdated website that is not up to Google's latest standards

- **Threat:** A competitor who has a high-ranking website, including cosmetic search terms
- **Opportunity:** The beginning of an economic upswing

The four pairings evaluated in TOWS would be:

Strengths/Opportunities – What strengths can you leverage to maximize opportunities, and how can you leverage them?

- Example – Leverage the strength of the “celebrity” dentist’s unique skillset to market high-end procedures, thus taking advantage of the opportunity presented by economic conditions.

Strengths/Threats – What strengths can help mitigate the risk posed by the threats you identified, and how can you leverage them?

- Example – Since reputation and authoritativeness are factors in Google search ranking, the marketing team can utilize the strength of the “celebrity dentist” to improve rankings and mitigate the threat of the competitor’s website.

Weaknesses/Opportunities – What weaknesses are preventing you from taking full advantage of opportunities, and how can you address them?

- Example – An outdated website is unlikely to rank well, limiting the ability of this practice to reach a broad audience and take advantage of the current economy. A new or upgraded website can help them eliminate this weakness and maximize the opportunity.

Weaknesses/Threats – What weaknesses leave you vulnerable to threats, and how can you address them?

- Example – The outdated website leaves this practice especially vulnerable to the threat posed by their competitor’s high rankings. A new website would eliminate this weakness and mitigate the

threat.

Clearly, the dental practice in this example would benefit from building a new website focusing on high-end cosmetic procedures and highlighting the credentials of their well-known dentist. Additionally, marketing campaigns promoting cosmetic procedures targeting the population segment with rising incomes would be beneficial. This helps make decisions regarding marketing objectives and budget allocation.

Conclusion

Once you understand the concept, SWOT and TOWS analysis are relatively simple, and they provide useful insight into your practice and marketing strategy. However, it is important to keep in mind that these techniques are subjective. They should be used as an adjunct to your data-based marketing strategy, not in place of it.

About the Author:



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