

Dentistry: Inc Impact of COVID-19 - UK - July 2020

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This report looks at the following areas:

- The impact of COVID-19 on dentistry and how providers and patients will react to the new market conditions.
- How the dentistry market will adapt to the post-COVID-19 environment.
- The value of individual segments in the market in 2019.
- Consumer opinion and interest in dentistry services.

Almost half of consumers (46%) have never had a dental appointment with a private dentist. This has occurred despite the rising trend of consumers seeking the 'perfect smile' that is largely influenced by celebrities and social media campaigns.

Those in the industry believe that it is not inconceivable that 'regular' dental services in the UK will not resume before Q3 2020 at the very earliest, providing the aerosol issue can be dealt with, but dental services will not return to pre-COVID-19 levels by year-end or indeed entering into 2021.

The COVID-19 outbreak has caused widespread anxiety among patients and members of staff, and many, especially those who already feel nervous about going to the dentist, will be reluctant to make an appointment.

Equipment and product manufacturers and suppliers are building upon, and further developing, their extremely close relationship with the dental profession in order to develop and implement new approaches, products and techniques to protect patients and clinicians – with the overall focus being a return to a more widespread provision of dentistry.

Products covered in this Report:

For the purposes of this Report, our definition of the UK dentistry market includes the following sectors:

The NHS Primary General Dental Service

– This includes revenue from patient fees and government payments to practices under dental contracts.

The Private Sector

– This includes patient fees paid on a per-treatment basis to dentists and revenues from dental plans. The private sector is segmented into primary general dental services – the same treatments available under the NHS.

Private Cosmetic Dental Services

– This includes additional treatments where there is no defined patient need.

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

“The industry has been hit hard by the pandemic and with disruption expected to continue over the next year to 18 months, innovative developments will be required for the profession to remain financially viable. An important consideration for dentists going forward will be pricing. With the rising cost of PPE, attracting patients and keeping prices at an affordable level will pose a major challenge.”

– Lewis Cone, Senior B2B Analyst

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Hospital, community and personal dental services are excluded from this report.

The terms 'dental care professionals' and 'dental specialists' are used to refer to those employees qualified to support dentists, such as dental technicians, nurses, therapists and hygienists.

Corporate dentistry groups are defined as incorporated companies operating three or more dental practices.

The companies profiled in this report include a range of operators in the corporate dental industry (companies operating three or more dental practices) and dental insurance industry. They are selected as being representative of a cross-sample of types of operator rather than necessarily the largest industry participants.

All values quoted in this report are at current prices unless otherwise specified.

The term billion is used to represent one thousand million.

Some totals in tables do not add exactly due to rounding methods.

COVID-19: Market context

This 2020.

The first COVID-19 cases were confirmed in the UK at the end of January 2020 with a small number of cases in February. The government focused on the 'contain' stage of its strategy, with the country continuing to operate much as normal. As the case level rose significantly, the government ordered the closure of non-essential stores on 20 March 2020.

A wider lockdown requiring people to stay at home except for essential shopping, exercise and work 'if absolutely necessary' followed on 23 March. Initially, a three-week timeframe was put on the measures, which was extended in mid-April for another three weeks.

On 10 May 2020, the Prime Minister announced revised guidance, recommending that people who could not work from home should return to the workplace, and giving people more scope to spend time out of the home. Further relaxations to lockdown rules were announced in the week of 23 May, including gradual re-opening of non-essential retailers, and increased opportunities for social interaction across households. Hospitality businesses were allowed to reopen in England on 4 July. However, "close proximity" businesses, such as nightclubs, indoor gyms, swimming pools and spas, will need to remain closed for now.

Economic and other assumptions

Our economic assumptions are based on the illustrative scenario included in the Bank of England's Monetary Policy Report, released on 7th May 2020. The scenario suggests that UK GDP could fall by 14% in 2020, recovering by 15% in 2021, and that unemployment will reach 8% by the end of the year, easing slightly to 7% by the end of 2021. The current uncertainty means that there is wide variation on the range of forecasts, however, and the numbers presented in the BoE's illustrative scenario are at the more pessimistic end of the spectrum.

We are working on the assumption that a vaccine will be available by mid-2021, but that there will be continued disruption to both domestic and global markets for some time after that.

As long as there is not a second wave of infections, social distancing measures should be gradually relaxed over the course of 2020, but we don't expect industries such as hospitality, travel and live entertainment to return to any kind of normality until a vaccine is introduced.

Update on the impact that COVID-19 is having on the dentistry industry was prepared on 9 July.

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Mydentist launches 'affordable' private dental service

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