A photograph of a woman standing on a wet, reflective street during a rainstorm. She is wearing a dark jacket, a white skirt, and dark shoes, and is holding a large white umbrella. The background shows a city street with buildings and other people, all reflected in the wet pavement. The overall color palette is a monochromatic teal/cyan.

Reducing the 'No-Show' Rate at Your Organization

The Important Role of Appointment
and Reservation Reminders and the
Cost Effectiveness of Automated
Messages

Contents

Introduction

Appointment and reservation reminders of any kind can significantly reduce the “no-show” rate at businesses and organizations of all sizes, allowing them to operate more efficiently and profitably. However, the manner in which these reminders are sent can have a significant impact on overall operations. An automated reminder system found in online scheduling software is the perfect solution.

The Overall Impact of “No Shows”

“No shows” who miss their scheduled appointment or reservation times are more than just a minor inconvenience or annoyance. Their actions can result in lost revenue, changes in employees’ schedules and increased expenses.

Today’s Appointment and Reservation Reminders

Businesses and organizations continue to rely on several different types of reminders, all with varying degrees of effectiveness. Depending on the preference of their customers, clients, students or patients, common reminders include phone, e-mail, text message and postcard.

The Burden and Expense of Manual Appointment/Reservation Reminders

Regardless of the type of reminder relied upon, they can be a time-consuming and pricey burden when managed and sent manually. All forms of manual reminders also have drawbacks that businesses and organizations should consider.

Automate the Entire Process with an Online Scheduling System

An online scheduling system that automates the booking process can also automate the reminder process, making this tedious task an afterthought. E-mail and/or text message reminders can be sent through the system automatically without any additional staff actions required.

Conclusion

Introduction

Appointment and reservation reminders have long been an important task for all-sized organizations that rely on scheduled dates and times from customers, clients, students, patients and employees. Their value is mutual: the organization benefits by reducing the number of “no-shows” that fail to make their scheduled appointment or reservation time, thereby operating more profitably and efficiently; and the booked individual benefits by receiving notice of their upcoming appointment or reservation, an especially valuable perk in today’s fast-paced society where it’s difficult to keep track of all commitments in one’s life.

Studies have shown that appointment reminders of any kind—phone, e-mail, text message or mailed postcard—can have an immediate and positive impact on the number of successful appointments or reservations completed at an organizations. With this knowledge, it would seem like a “no-brainer” that all organizations, businesses, facilities and institutions that rely on booked appointments and reservations—regardless of their size or scope—would implement a process of reminding booked individuals prior to their scheduled date and time.

However, despite the value of reminders, many organizations either do not have a reminder process in place or have ceased to continue with one. And for others that do, the manner in which they create and distribute reminders is costly, tedious and time-consuming.

The fact is, creating and sending appointment and reservation reminders using more traditional means can be burdensome, despite the apparent value in keeping appointment and reservation slots full. Whether it’s a receptionist making reminder phone calls, an assistant creating and mailing postcard reminders, or a staffer maintaining and sending individual e-mail messages, the manual process of reminding individuals of their upcoming appointments and reservations is reason enough for many organizations to simply abandon this important task.

For many others, however, they’ve found the solution right in their online scheduling software: automated e-mail and text message reminders.

Studies have shown that appointment reminders of any kind—phone, e-mail, text message or mailed postcard—can have an immediate and positive impact on the number of successful appointments

The Overall Impact of “No Shows”

Any executive, administrator, owner or staffer of an organization or business that relies on accurate appointment- and reservation-scheduling is familiar with the bane of “no-show” customers, clientele, students, patients and employees who fail to make their scheduled times. On the surface—and to those unfamiliar with operating processes—these “no-shows” may appear as only a slight inconvenience. This is almost certainly never the case, as these individuals can have a negative impact in how successfully an organization, business or institution operates.

Lost revenue. The most apparent impact of “no-shows” is lost revenue, as that scheduled service will no longer occur. Unlike other operations, such as retail or merchandising, service-based organizations and processes involve one person providing a service to another or group of people. This is how a transaction and accompanying payment happens. When an individual misses his or her scheduled time, both the establishment and, if paid by commission, the employee does not receive payment for that held time slot.

Even a small no-show percentage can have a tremendous impact on operations. Let’s take, for example, a regional wellness group with 12 locations and an average per-patient service cost of \$120 per visit. All of the locations in this group average 160 weekly appointments per site, with an average no-show rate of 5 percent. This equates to a total of 96 missed appointments weekly appointments for the group, with \$11,520 in lost revenue.

“No-shows”... can have a negative impact in how successfully an organization, business or institution operates.

Change in employee work assignments/schedules. Missed appointments can also force an organizations to quickly change an employees work schedule or assignment for that time slot. For those organizations and businesses that permit walk-ins that can quickly fill a slot, this may create as big an issue. However, for those that don’t or that do not have anyone waiting when a “no-show” occurs, that staffer’s focus must be directed at another assignment or task, especially if he or she is a salaried or hourly worker.

This reaction can be even more dramatic on enterprise-level and larger operations, such as inbound facilities that receive deliveries and shipments. Carriers and drivers that fail to arrive

during a specified timeframe create a significant burden to dock supervisors and managers, as they must now modify their workers current and future schedules to accommodate this yet-to-arrive shipment. In fact, just the notion (and presumption) of late or missing deliveries can make future scheduling of worker shifts difficult, without knowing when and if a shipment will arrive on schedule.

Increased expenses. In some instances, “no-shows” can also equate into increased expenses. An obvious example is money spent on an employee or staffer’s salary for work that wasn’t performed or diverted to a task or area outside his or her primary responsibilities. Organizations and business oftentimes offset this expense by charging the individual who missed his or her appointment or reservation a fee. However, not all operations do, and many that have such a policy in place typically don’t charge the person for the full price of the service.

(Additionally, organizations that charge a late fee may be viewed negatively in the eyes of some of their customers and clients; some of these individuals make look elsewhere for service after incurring a no-show fee.)



Other expenses that could be incurred include special products or items selected or ordered specifically for that service or other staffers or professionals brought in.

Another expense common at inbound facilities is overtime pay for dock workers. As mentioned above, missed or late delivery times can cause dock supervisors and manager to scramble and quickly reassign and change their workers

schedules. Depending on the circumstances, they may require their dock staff to work past their scheduled shift, resulting in overtime pay. This can be a huge expense, especially if it occurs frequently.

Today’s Appointment and Reservation Reminders

Study after study has shown that appointment and reservation reminders are effective in helping individuals make their scheduled times and help organizations keep their calendar slots full. And

their effectiveness is not limited to one manner or way of conducting them. The following are common methods of communicating reminders to scheduled individuals and their effectiveness.

Telephone reminders. The most common type of appointment and reservation reminder for decades—and still a popular method employed today—is the telephone reminder. The rise in the number of household telephones through the years made this manner of reminding individuals about their upcoming appointments and reservations the most effective. In today’s society, mobile phones have become universal among all ages and demographics. Research conducted by The United Nations reveals over 5 billion mobile phone subscribers worldwide at the beginning of 2011. This number will continue to increase, making telephone reminders a continued option for reaching people.

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Some organizations and businesses continue to prefer telephone reminders over other methods, as having a live person conversing on the other end may resonate better with their specific clientele. Additionally, the individual can immediately confirm his or her appointment or reservation while on the line, when prompted. It’s a more proactive approach in getting the reminder message across to the booked individual.

E-mail reminders. As the popularity of e-mail soared over the past 15 years, so too has the process of sending appointment and reservation reminders electronically. Today’s Internet-connected society has made this a more viable option for most organizations. According to Internet World Statistics, almost 2.1 billion people worldwide are Internet users. This is a 480-percent increase since 2000. And e-mail is no longer limited to an individual desktop or computer in someone’s home or office. The increasing popularity of smartphones, iPads, tablets and other Internet-connected devices means more and more people have access to their e-mail at all times, not just when a landline-connected computer is nearby.

E-mail reminders can be a better option for many organizations and businesses, depending on the makeup of their clientele, customers and patients. Communication through Web-connected

services like e-mail is the preferred method to receiving and sending information for a growing number of individuals. They're more apt to viewing new e-mail messages than to picking up the phone or checking left voice messages; many open their e-mail messages shortly after receiving them.

Text message reminders. As stated in the first bullet item, the number of mobile phone users has skyrocketed to over 5 billion worldwide. These individuals are not just using their mobile phones to make and receive phone calls. They're using them to send and receive text messages, which, in turn, creates another effective avenue for transmitting appointment and reservation reminders. In fact, statistics show that Americans text twice as much as they talk on the phone.

Just like e-mail reminders, a rapidly-rising segment of the population is more likely to open, read and respond to these than they are to incoming phone calls.

Numerous studies illustrate the increasingly important role text message reminders are having in the appointment and reservation reminder process at many organizations:



- An analysis featured in *Health Services Research* found that **text message reminders increased appointment attendance by nearly 50 percent.**
- Statistics from the Pew Foundation show that 83 percent of text messages are opened and read within the first hour of receipt. Additionally, a study conducted by Morgan Stanley shows that **91 percent of Americans have their mobile phone within arm's reach 24 hours a day.**
- A Kaiser Permanente study reveals that a clinic conducting an experimental text messaging pilot program experienced 1,873 fewer no-shows; with a \$150 savings per appointment, this equated into a **total cost savings of \$275,000.**

Postcard reminders. Not as common as they once were, postcard reminders sent through the mail are still utilized by some organizations and businesses. Their effectiveness depends on the demographics and personal preferences of those receiving them, as is the case with any mailed messages. They are less intrusive and more visual than other reminders, which may be more conducive to certain individuals.

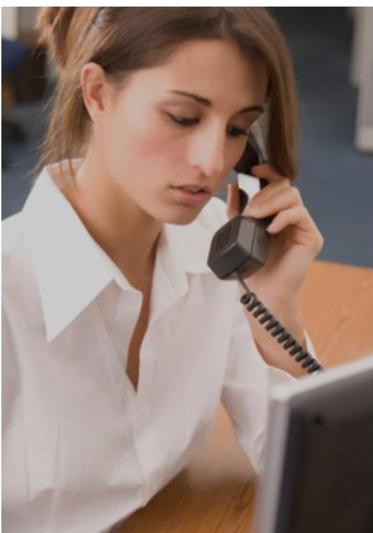
As you can see from the above list, there are several methods organizations and businesses use to remind individuals of their scheduled appointment and reservations. All can be effective.

However, they also come with a price tag when done manually, both in terms of actual monetary expense, staff commitments and time requirements.

The Burden and Expense of Manual Appointment/Reservation Reminders

Although appointment and reservation reminders have come a long way over the years, they still remain a burdensome task when conducted and managed manually. The staff resources, time and monetary expenses needed for a successful reminder program play a big role in how and if an organization or business proceeds. The benefits of appointment and reservation reminders are apparent. What isn't apparent are the requisites and negatives attributed to each one of these.

The Cons of Telephone Reminders



Time and staff requirements. The most obvious disadvantage of utilizing telephone reminders are the staff resources needed to properly and consistently inform individuals of their upcoming appointments and reservations. Depending on the number scheduled per day, this could easily fill the entire day's schedule of one or more staff members, especially if these individuals are also booking appointments and reservations during this time. Since some organizations may require confirmation of the appointment as part of the reminder call, one reminder could stretch into multiple back-and-forth phone calls with the scheduling individual, in instances where the individuals could not be reached or a voice message left for him or her.

The length of these phone calls could also stretch, in instances where the individual has additional questions or comments triggered by the reminder call. Additionally, the quantity of these calls could also expand considerably if the organization or business conducts a daily-deal campaign, such as those offered through Groupon, Living Social and others.

To put it into perspective, let's examine a salon company that operates a dozen stores across three states. Each site employs a receptionist, who manages appointments and assists with other administrative tasks at an hourly salary of \$15 per hour. Each site averages 25 reminder phone calls daily, with an average per-call length of four minutes. This equates into 100 minutes per day—or the equivalent of one full working day. That's a lot of time and resources to be spent on one seemingly simple task.

...the quantity of these calls could also expand considerably if the organization or business conducts a daily-deal campaign, such as those offered through Groupon, Living Social and others.

Inability to reach some people quickly. This wasn't always the case, as a phone call at one time was the best form of communication for reaching people quickly and instantly. As mentioned earlier, a growing number of people check simply do not pick up their phones when receiving a call nor check their voice messages as consistently and frequently as they do e-mail or text messages. Others simply turn their personal phones off during the workday or ignore incoming calls when busy or engaged in other activities.

A left voice message may suffice if a verbal confirmation is not required. If it is, a few more phone calls may be in order as the scheduled individual calls back to confirm or the staff member follows up a second or third time to reach the person. All of these scenarios add up to additional time spent on the phone.

Phone charges for the organization and its customers, clients, patients or students.

Telephone packages for businesses and organizations have may this less an expense that it previously was. Nonetheless, a high volume of inbound and outbound calls could require the operation to purchase a pricier package or upgrade to a higher tier. It could also force the business or organization to invest in new phone hardware for its employees to better handle large number of phone calls.

Customers, clients, patients and students could also experience telephone charges from these appointment reminders, especially those that have very basic mobile and landline packages with a limited number of allotted monthly call usage. This is especially true for mobile phone users, who oftentimes go over their monthly usage and must now pay for additional calls they make and receive.

The Cons of Manual E-Mail Reminders

Time and staff resources needed to manually compose and send e-mail reminders. Like telephone reminders, a significant amount of time and staff resources could be necessary to manually send e-mail reminders, especially at larger-scale operations. This is especially true if each e-mail message is individually composed, addressed and sent. Even if the same message text with an updated appointment time is used, it still could take several minutes to create and send out. For example, let's say that an office worker uses a standard template and generic text copy in each reminder e-mail. It

takes the individual approximately 1.5 minutes to fill in the specific appointment date and time, address it, and then send it. If that location sends out 50 appointment reminders per day, it's using up 75 minutes of time each day that could be used more productively.

Some organizations may opt for an e-mail software application that automatically populates the message with pre-set text and pulls customer and appointment/reservation information from a database, spreadsheet or other file. While this process is much more efficient than individual e-mail addresses, it still requires manual management of the mailing lists, which can be an especially burdensome task for larger-scale operations. The



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software itself might also be too pricey for some organizations, given its limited and very specific functionality.

Time and staff resources needed to manage e-mail mailing list. Unless part of an organization's CRM or other internal program, a staff member would typically be responsible for creating, maintaining and updating a mailing list file, such as one housed in an Excel, Access or similar spreadsheet or database. This requires manpower for it to remain updated and accurate.

Strain on in-office and on-site servers and networks. Depending on the number of e-mail reminder messages sent out locally and the file size of each one, distributing these from on-site could bog down a local server or network, thereby creating performance issues in other departments and tasks. This is especially true if the e-mails are sent in bulk at the same time.

A survey conducted by marketing firm Digital Rocket showed that 40 percent of customers at an automobile service business said they'd prefer to receive e-mail or text message reminders instead of mailed. postcard reminders.

from internal databases and providing files to the mail house or graphic design shop responsible for printing and mailing the postcards.

Design, printing and postage expenses. These are expenses that organizations and businesses must budget for monthly.

The Cons of Mailed Postcard Reminders

Staff time and resources needed to create and manage postcard reminders. This could include the initial design and wording of the postcard, periodically updating the look, feel and wording, and working with the graphic design shop or printer (if applicable). Businesses and organizations that include timely information such as discounts, promotions and deals on their mailed postcards can expect even greater staff time devoted to updating the cards.

Staff time and resources needed to manage mailing addresses. Mailing addresses won't update themselves, especially when housed in an individually-managed mailing list. Time must also be allocated to extracting mailing lists and information



They can add up quickly, especially given increased paper and postage costs that all operations must plan for.

Delivery speed. A mailed reminder postcard can take days to reach its intended target, whereas other reminder methods are instantaneous. This requires staff members to compose and send out the postcard reminder well in advance of the scheduled appointment or reservation date.

Lost or discarded postcards. There's always the slight possibility that a postcard reminder will become lost while being mailed. There's also a greater chance of the postcard becoming discarded as junk mail, especially among those individuals not actively monitoring their delivered mail for appointment reminder postcards. They can also be lost among advertisement flyers, booklets and other large mail items, given their smaller size.

Lack of interest in receiving mailed postcard reminders. More and more people prefer not to receive mailed postcard reminders. A survey conducted by marketing firm Digital Rocket showed that 40 percent of customers at an automobile service business said they'd prefer to receive e-mail or text message reminders instead of mailed postcard reminders.

Automate the Entire Process With an Online Scheduling System



Organizations and businesses that utilize an online scheduling system to manage their appointments and reservations are quick to point out the many benefits of this increasingly popular technology. From Fortune 500 companies and enterprise-level organizations, to colleges, government agencies and businesses of all sizes, online scheduling software can instantly transform the manner in which appointments and reservations are scheduled and managed. The functionality and features of most systems, such as online self-scheduling, whereby an individual books his or her appointment or reservation online and his or her own convenience, can completely automate and streamline the scheduling process.

In addition to online self-scheduling, recordkeeping capabilities and other functionality, some online schedulers like Appointment-Plus also come standard with automated e-mail and text message reminders, a feature that simplifies and improves this burdensome task, resulting in

fewer “no-shows” and a more efficient operation. And in most instances, setting up this and using this beneficial feature is quick and effortless.

The process is seamless and requires no action from staff: Once an individual books an appointment or reservation online through the scheduler or is manually entered into the system by a staff member, the online scheduling application will automatically send the booking individual an e-mail or text message reminder prior to his or her schedule day and time. The organization typically has the ability to specify when the reminder is sent—such as one day or three days before the scheduled appointment or reservation—as well as the option of customizing the message text.

The process is seamless and requires no action from staff.

In some instances, the message receiver may have the option to confirm, cancel or rescheduled the scheduled appointment or reservation through action links in the text. This can be especially beneficial to the organization, as the likely of a “no-show” has been decreased even more.

Additionally, using an online scheduling system to manage and send appointment reminders helps save time managing an organization’s mailing list, as all information entered in the system

is securely and safely maintained in one easy-to-access location. This eliminates the need to create and continuously update spreadsheets, files, folders and other documents that hold this data.

Automated e-mail and text message reminders save a tremendous amount of staff time and resources...

It also helps ensure that the e-mail and contact information is accurate and current, as individuals are more likely to update this information when booking their appointments and reservations online. The result is more people receiving their reminders and fewer undeliverable messages.

Automated e-mail and text message reminders save a tremendous amount of staff time and resources that otherwise would have been spent manually contacting customers, clients, patients and students over the phone, through individually-composed e-mail messages, and by mailed postcards. Organizations that previously were unable to send appointment and reservation reminders can now do so instantly, without having to reshuffle

their staff responsibilities and assignments or hire a new employee. The result is a more efficient operation with fewer “no shows” and significantly-lower operating expenses.

Conclusion

Composing and sending an appointment and reservation reminder is not rocket science. It can, however, be a tedious, time-consuming and pricey task. For this reason, it’s one that some organizations have abandoned to save money and staff resources. Nonetheless, their importance cannot be overstated, as they help keeps appointment slots filled, staff members busy, and organizations running efficiently. Many types of reminders exist, each with both pros and cons. Given the technological advancements in online software, this one-time burdensome process is now simplified through an online scheduling system.

**To learn more about online scheduling software
and how it can improve your booking processes, visit**

www.appointment-plus.com.

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