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The 2026 Dental Practice Review

Key themes and pressures affecting practices today and what to do about it.



Drawing on a survey of Australian dental practice owners and managers, two national practice-technology surveys, and independently sourced Australian Government and regulator data.

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dental4windows

This is the inaugural edition of a report that will be published annually, giving Australian practice owners and managers a clear, evidence-based read on the forces shaping the sector and, from next year onward, a consistent baseline to measure how those forces are shifting.

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Summary

Australian dental practices are not in crisis, but they are being squeezed from three directions at once. Performance is dispersed rather than declining, roughly as many practices are growing as are struggling, and the deciding factor is overwhelmingly workforce capacity, not the economy or a shortage of patients.

Layered on top of that is a real affordability squeeze that shows up in hospital admissions rather than just sentiment, a patient journey that starts online more than practices' booking systems currently allow for, and a cautious but genuine appetite for AI that hasn't yet translated into how most practices actually invest their money. The four key findings below capture where things stand. What they add up to and what practices should do about it is where this report ends up.

Practice performance, past 12 months

47% improved

53% held steady or declined

Mean AI adoption stage

2/4 practices

At early stage and focused on admin first.

Experience outpaces retention

72% vs 45%

Rate the patient experience high, but far fewer rate recall and activation as effective.

Requested improvements vs. daily friction

34% vs 39%

Workflow leads continuous requested improvements (34%), but patient communication is the top day-to-day friction point (39%)

About this Report

This report draws on three evidence layers that are integrated throughout rather than treated as equivalent or mathematically pooled.

- A Primary Industry Survey of Australian dental practice owners, principals, managers and clinicians: 87 raw responses, with valid question-level samples ranging from 65 to 87. Most respondents represented private practices, so findings describe this cohort rather than larger enterprise organisations.

- Two supplementary practice-technology surveys: 310 responses from 303 Australian practices in Supplementary A, and 345 responses from 338 Australian practices in Supplementary B. These are used selectively for workflow, capability, implementation and future-priority evidence, not as national prevalence estimates.

- Publicly available Australian government and regulator evidence, principally from AIHW, ABS, Ahpra, Jobs and Skills Australia, Services Australia and OAIC, selected through the Australian Dentistry Data Catalogue and used to establish objective market context.

- Each survey contains multiple questions and not every respondent answers all of them, open-text questions, in particular, which are optional. The valid n for any individual chart or figure is often therefore much smaller than the survey's topline response count. This is expected and does not indicate missing or discarded data; each figure simply reports the denominator for own question only.

- Every chart and figure in this report states its source and its valid n. Question-specific denominators are retained; differently worded questions are triangulated but not statistically pooled. Administrative fields, personal information, incentive fields and questions with no usable responses are excluded from reporting.

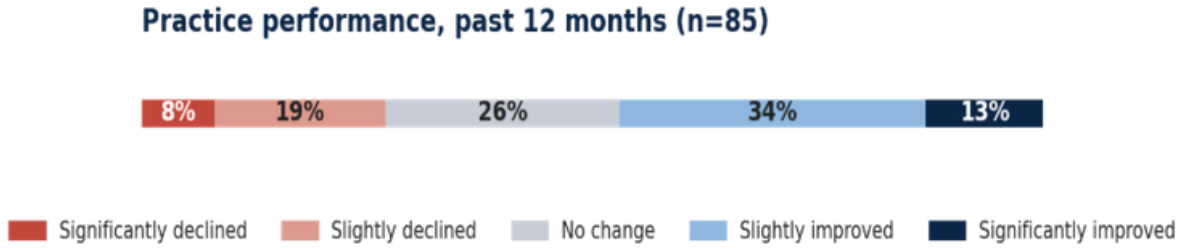
Conflict of Interest Statement
Centaur Software declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

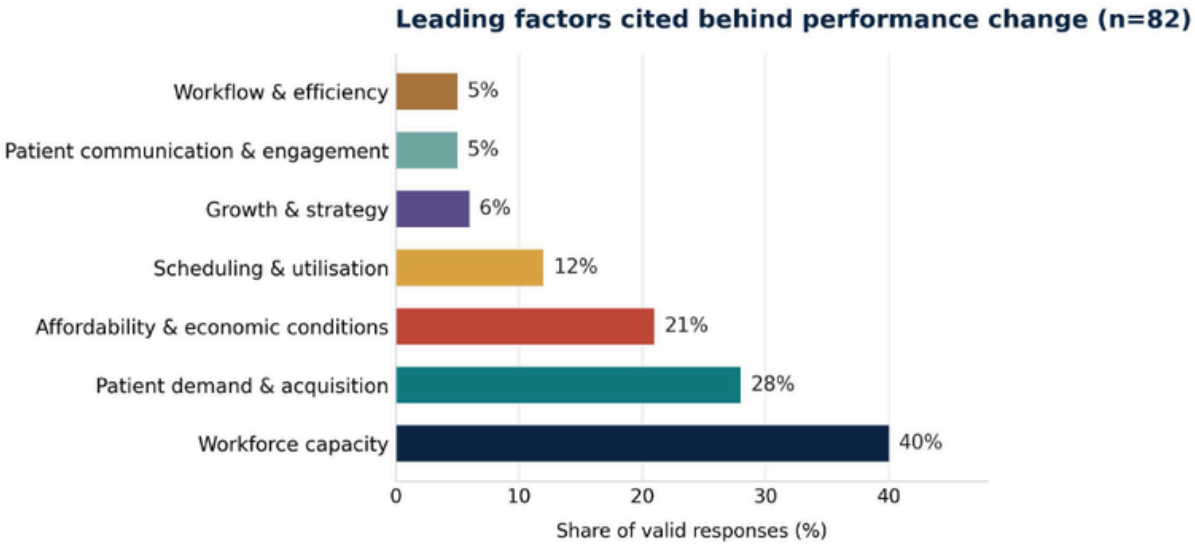


A Mixed Picture, Not a Downturn

The headline finding is not a decline; it is dispersion. Just under half of practices surveyed (47%) reported improved performance over the past year, while just over a quarter (27%) reported a decline, and the remaining 26% held steady. That is a meaningfully different story from a sector in uniform distress, and it changes the question worth asking: not "is dentistry struggling," but "which practices are struggling, and why?"

Among practices whose performance did shift, one factor dominates. Workforce capacity was cited by 40% of respondents as the leading driver, well ahead of patient demand and acquisition (28%) and affordability and economic conditions (21%). Staffing, in other words, explains more of the spread in outcomes than the state of the economy or the strength of patient pipelines.





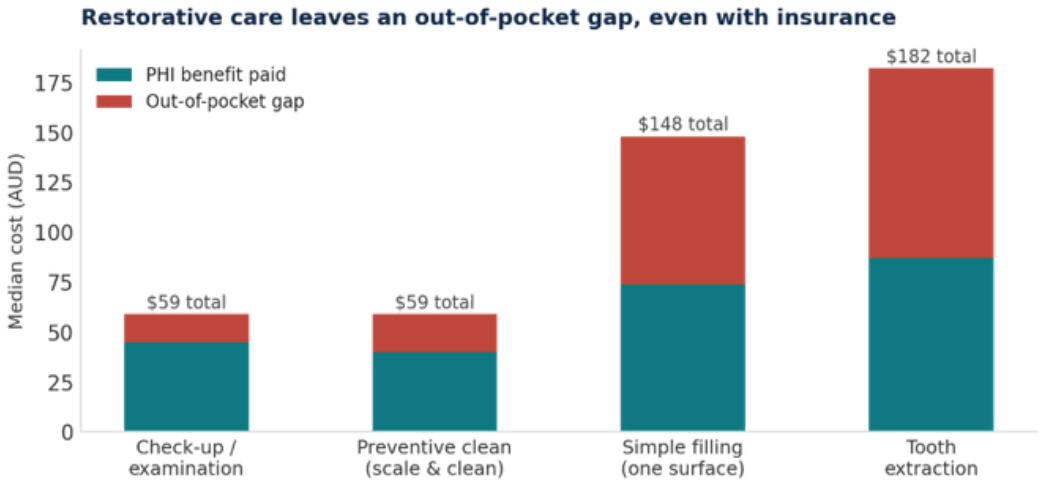
Practice performance over the past 12 months, and the leading factors cited behind performance change. Source: Practice survey, n=82.

The Affordability Gap Is Real, Even with Insurance

Affordability, while cited less often than workforce capacity, is not a minor undercurrent, it shows up in the national data with some force. Patients directly fund 61% of Australia's $12.5 billion annual dental spend, and even accounting for private health insurance, restorative care still leaves many patients with a real out-of-pocket gap. That gap is one of several drivers of a downstream measure that also reflects access, water fluoridation coverage, and oral health literacy: potentially preventable dental hospitalisations reached 88,600 in 2023–24. The ADA took AIHW data showing 65+ preventable dental hospitalisations rising from 10,495 in 2016–17 to 15,959 in 2022–23, applied the observed 7.24% annual growth rate, and forecast 22,630 by 2027–28 — a 42% increase (Australian Dental Association). That's seniors only, not the 88,600 total.

Government support exists to soften exactly this pressure, but it reachesonly part of its intended population. The Child Dental Benefits Schedule, worth $1,158 per eligible child, was used by roughly 54% of the 3.3 million children entitled to it in 2023–24, and that utilisation gap is not evenly distributed: 23% of eligible First Nations children accessed the scheme, compared with 36% of non-Indigenous children (AIHW, 2024).

Taken together, these figures suggest that much of the affordability pressure practices describe is not a perception problem. It is visible directly in national hospitalisation and benefit-utilisation data, and it lands hardest on children and on First Nations communities.

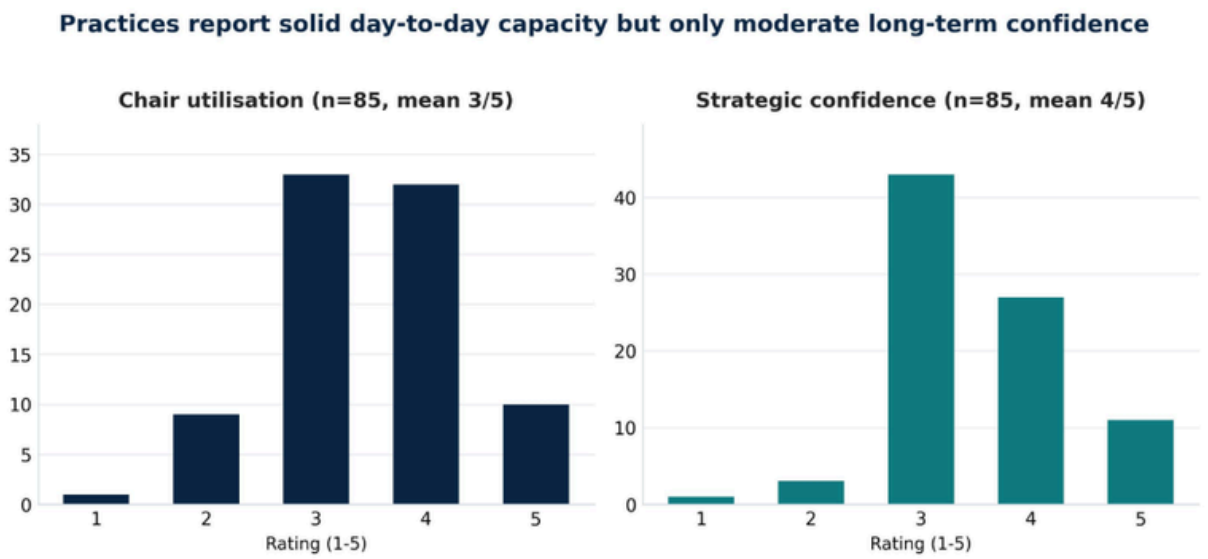


Source: Practice survey, n=85 (performance) and n=82 (leading factors); AIHW, General Treatment Dental data collection, 2021-22.

Workforce capacity, patient demand and affordability form a three-part pressure system. They rarely appear as isolated problems in practice; instead, they compound one another inside the same practice at the same time. Understanding your own mix of these three pressures is a more useful diagnostic than benchmarking against a single sector-wide number.

Strategic Posture and Confidence

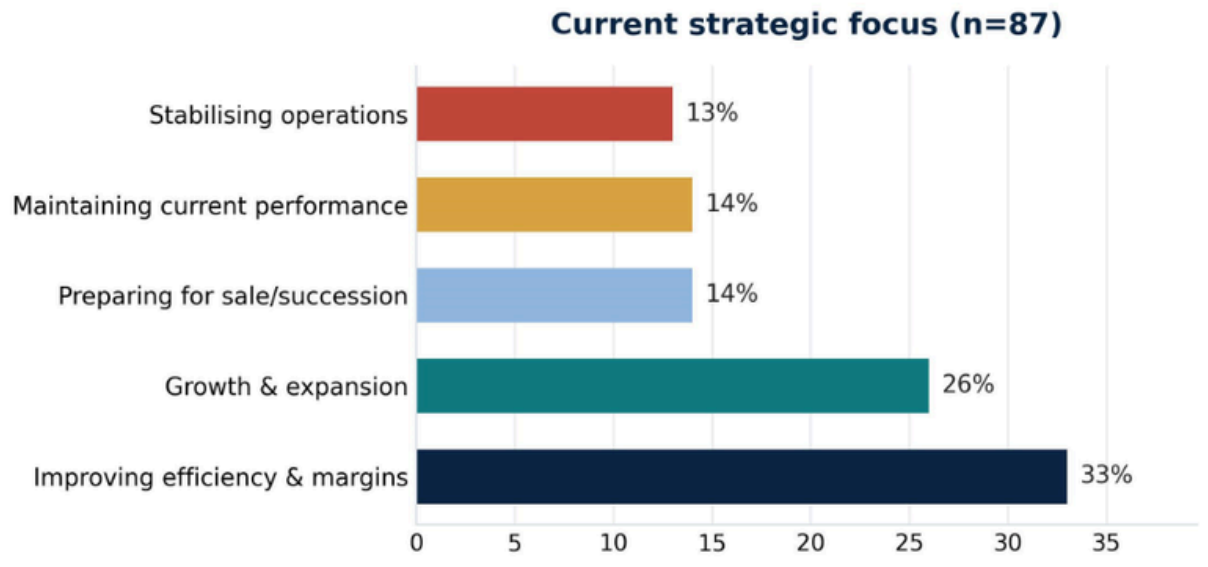
Chair utilisation sits comfortably above the midpoint, averaging 3 out of 5, suggesting most practices are not sitting on significant spare capacity day to day. Strategic confidence tells a different story: it averages 4 out of 5, but with a notably widespread, indicating that practices are busy without being uniformly confident about where they are headed. That gap between day-to-day capacity and forward confidence matters more than either figure on its own.



Solid day-to-day capacity, only moderate long-term confidence.
Source: Practice survey, n=85.

Strategy Varies Sharply by Posture

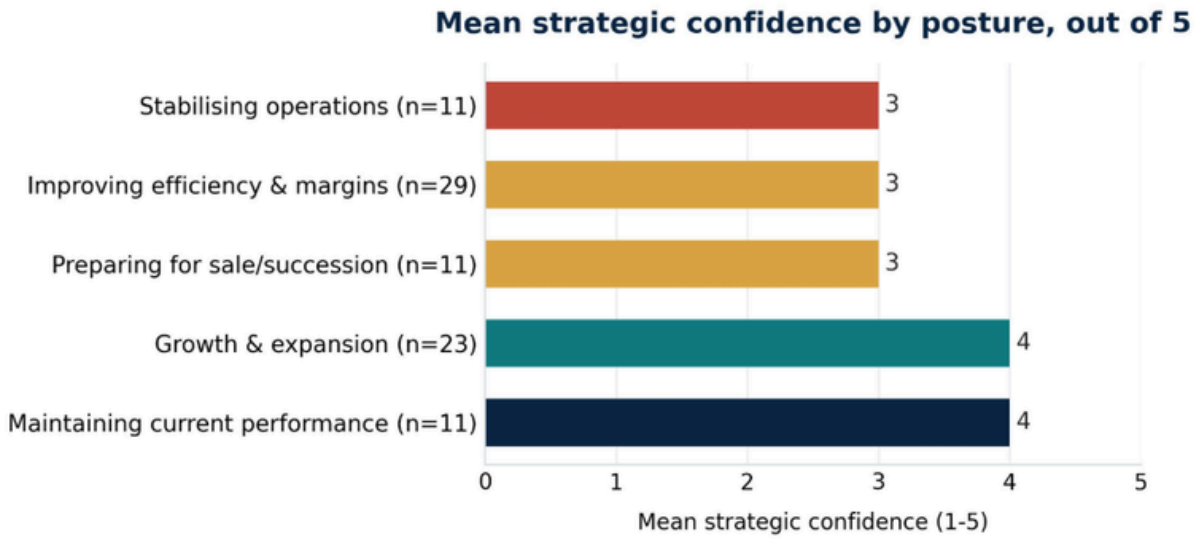
Practices fall into five broad strategic postures, and they are not evenly distributed. Improving efficiency and margins is the largest group at 33%, followed by growth and expansion at 26%. The remaining three are closely matched: 14% are preparing for sale or succession, another 14% are maintaining current performance, and 13% are focused on stabilising operations.



Efficiency and margins lead current strategic focus. Source: Practice survey, n=87.

Confidence and recent performance both track posture closely, and the pattern at the extremes is stark. Practices in "stabilising operations" mode report the lowest strategic confidence of any group, at 3 out of 5, and not one of them reported significant performance improvement over the past year.

At the other end, growth-focused and steady-performance practices report the highest confidence, with a mean score of 4 out of 5. The pattern is clear, but the modest sample sizes across postures mean it should be interpreted as directional.



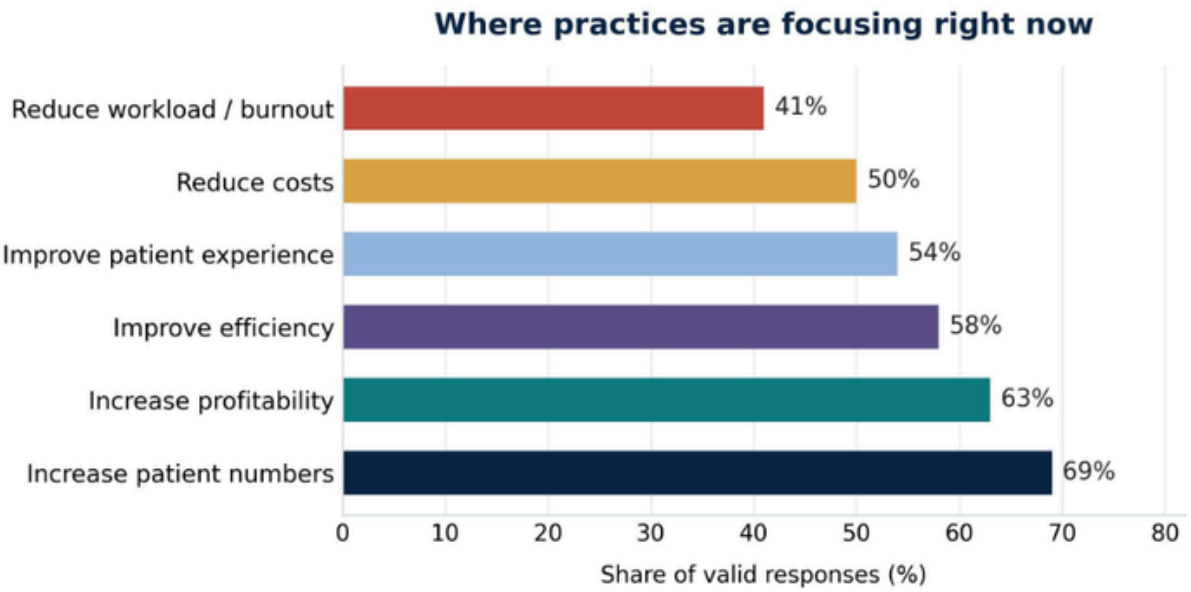
Stabilising and efficiency-focused practices report the lowest strategic confidence. Source: Practice survey, n=85.

Capacity is broadly healthy across the sector; but confidence and recent performance are not evenly distributed, and both track strategic posture closely. That is useful context for the chapters that follow - a practice's appetite for investing in technology, workforce or growth is likely shaped as much by which of these five postures it sits in as by the underlying pressures themselves.



Pressures Shaping Practice Viability

The pressures identified in the previous sections do not stay abstract, they translate directly into what practices report spending their time and attention on. This section examines how those pressures show up in day-to-day prioritisation, and cross-checks the workforce pressure against national data on recruitment shortages, to establish whether what practices describe matches what is happening at a sector level.



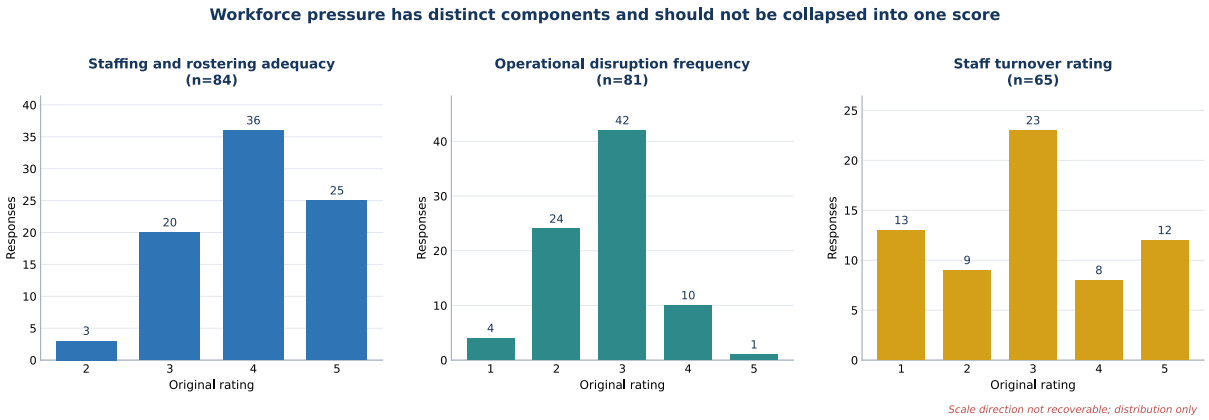
Where practices are focusing their attention right now. Source: Practice survey.



Patient numbers, profitability and cost pressure are the three areas practices report actively working on, and they are not being managed in isolation - they surface together, in the same practices, at the same time. That clustering is consistent with the earlier finding that workforce capacity, patient demand and affordability form a compounding pressure system rather than three unrelated challenges.

The workforce piece of that system is not just a practice-level perception. National data on recruitment shortages in dentistry corroborates what practices are reporting: dental-specific hiring difficulty is real and measurable, not simply a byproduct of a tight labour market more broadly.

Workforce pressure is not a single number. Staffing adequacy, operational disruption and staff turnover were asked as separate questions. Staffing adequacy sits above the midpoint (mean 4 of 5; n=84), while operational disruption most often sits at the middle of its original five-point scale (n=81).



Workforce resilience shown as three separate components, not one composite score
Practice survey, n=65-84

This pressure appears to be proving more persistent in dentistry than in the wider economy, the broader labour market is easing faster than dentistry specifically, which suggests the sector's staffing constraints have some dental-specific driver (scope-of-practice bottlenecks, training pipeline length, or geographic maldistribution of clinicians) rather than being purely a function of general economic conditions. That distinction matters for practices weighing whether to wait out a cyclical labour market or plan around a more structural shortage.

Patient numbers, profitability and cost pressure dominate what practices are actively working on right now, and the recruitment pressure they report is further supported by national data, even though the broader labour market is easing faster than dentistry specifically. Workforce, patient demand and affordability show up together consistently, not as three separate problems but as one interconnected set of conditions practices are managing simultaneously.

This has a practical implication for how the findings so far should be read. A practice that treats a staffing gap purely as a hiring problem, or a softening patient pipeline purely as a marketing problem, is likely solving only one face of a condition that has three. Because dentistry's workforce constraint looks structural rather than cyclical, practices should be cautious about assuming current recruitment difficulty will resolve on its own as broader labour markets loosen.

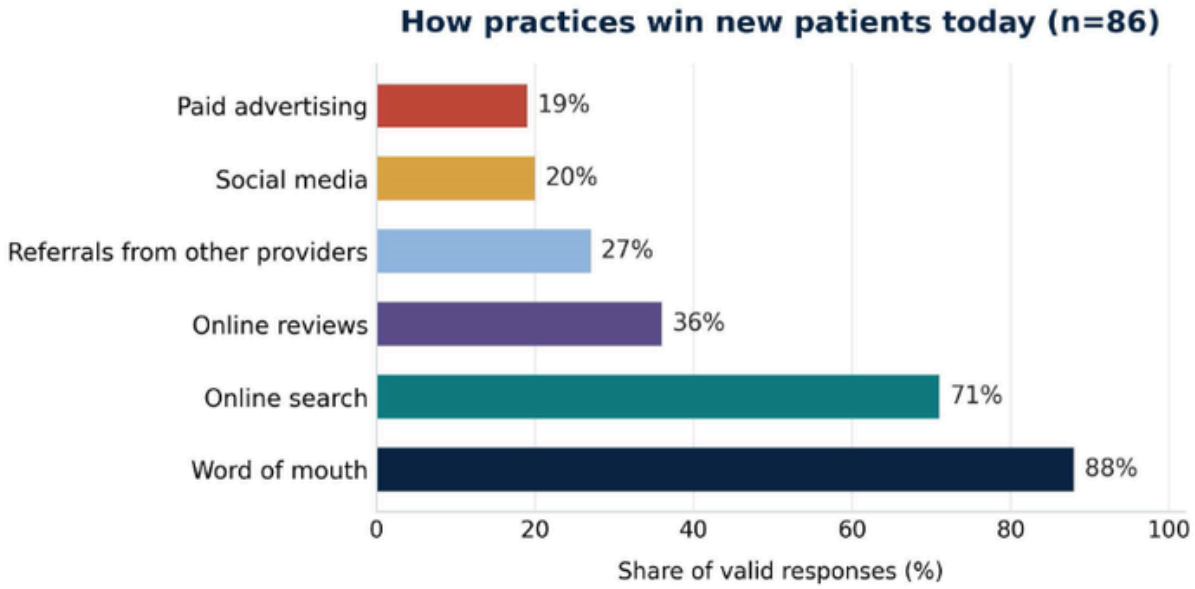
The strategic postures identified earlier, whether a practice is stabilising, growing, or optimising margins, will shape which of these three levers is most urgent to pull first, but the underlying pressure system itself is broadly shared across the sector.

Patient Demand Is Changing

"More patients" was the single most common near-term priority identified above. This chapter digs into that priority in more detail: where patients come from today, how much of that journey is happening online, and how much of demand softness sits inside a practice's control versus outside it.

How Practices Win Patients

Word of mouth remains by far the dominant acquisition channel, cited by 88% of practices, well ahead of online search (71%) and online reviews (36%). Referrals from other providers (27%), social media (20%) and paid advertising (19%) trail further behind. The valid denominator is 86, and respondents could select more than one channel.

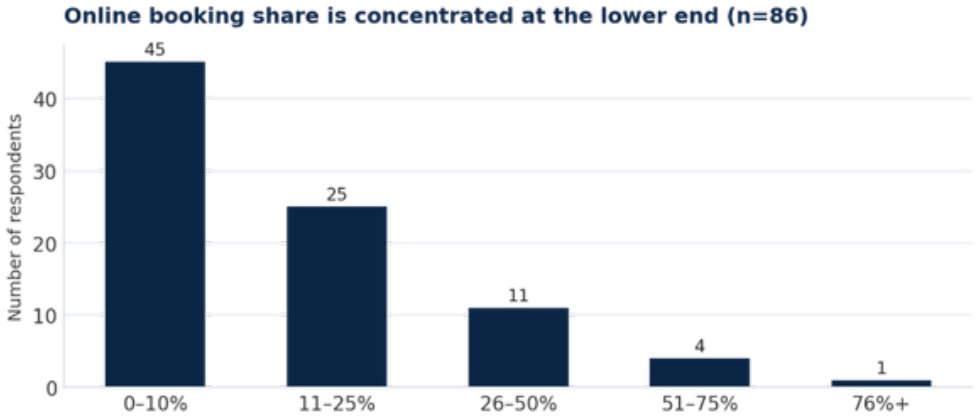


How practices win new patients today. Source: Practice survey, n=86.



The Online Conversion Gap

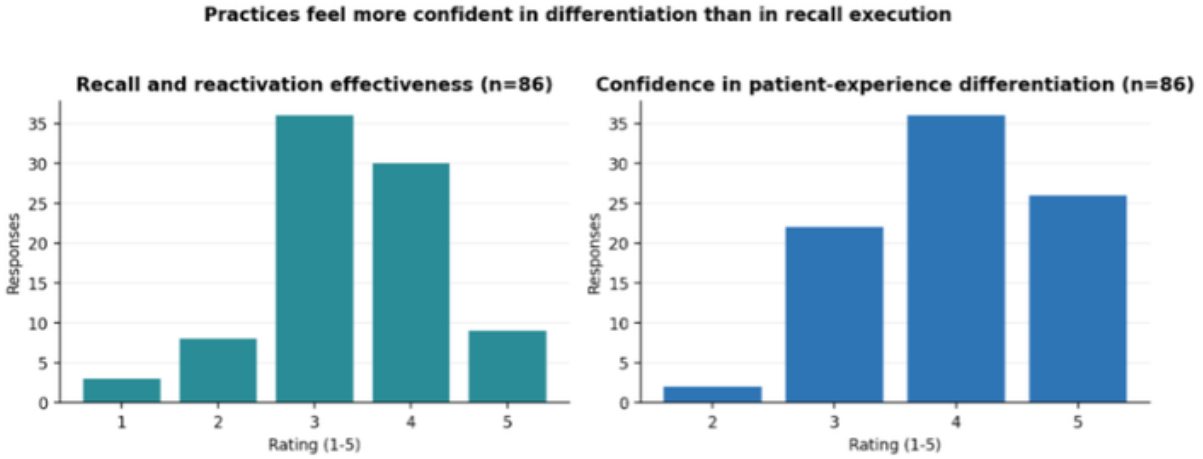
Word of mouth's dominance sits alongside a second, less intuitive finding: online search and reviews are already meaningful discovery channels, but that digital discovery is not converting into digital booking. Just over half of practices (52%) take 10% or less of their bookings online, and only 1% take more than three-quarters online. In other words, practices are already benefiting from patients finding them digitally, they are simply not yet capturing the booking step of that same journey online.



Online booking share is concentrated at the lower end for most practices.
Source: Practice survey, n=86.

Retention and Differentiation Are Not Equally Mature

Acquisition is only half the demand picture; what happens after a patient arrives matters just as much. Here, confidence is uneven. Practices are generally confident that their patient experience differentiates them, with 72% rating it 4 or 5 out of 5 and a mean of 4 (n=86). Recall and reactivation are less consistent, with only 45% rating effectiveness at 4 or 5 and a mean of 3 (n=86). That gap suggests a strong perceived patient experience does not automatically translate into systematic retention execution — practices may be winning patients on trust but quietly losing some of them afterward.



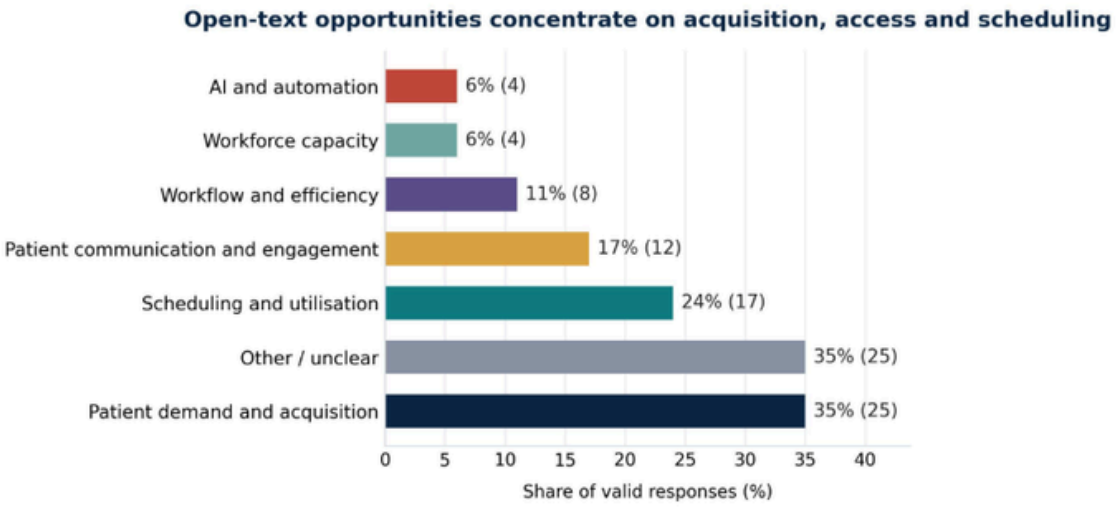
Perceived differentiation outpaces recall and reactivation effectiveness.
Source: Practice survey, question-specific n=86.

Demand Softness Has a National Dimension Too

Not all of this demand challenge is inside a practice's control. Nationally, only around 53% of Australians aged 15 and over saw a dental professional in the past 12 months, and roughly 28% of people who needed dental care delayed it or skipped it altogether, with cost the reason in the majority of those cases. That cost-delay effect is roughly twice as pronounced in disadvantaged and remote areas. Some of what looks like a marketing or conversion problem at the practice level is, in reality, a national affordability and access pattern simply showing up locally.

Where Practices See the Real Opportunity

When asked where the greatest opportunities lie, practices pointed well beyond marketing. Open-text coding identified patient demand and acquisition as the most common substantive theme (35%), followed by scheduling and utilisation (24%), patient communication and engagement (17%), and workflow efficiency (11%; n=72). A further 3% of responses were too broad or unclear to classify. Taken together, the findings suggest that the opportunity spans demand generation, access, and workflow improvement—not a single marketing channel.



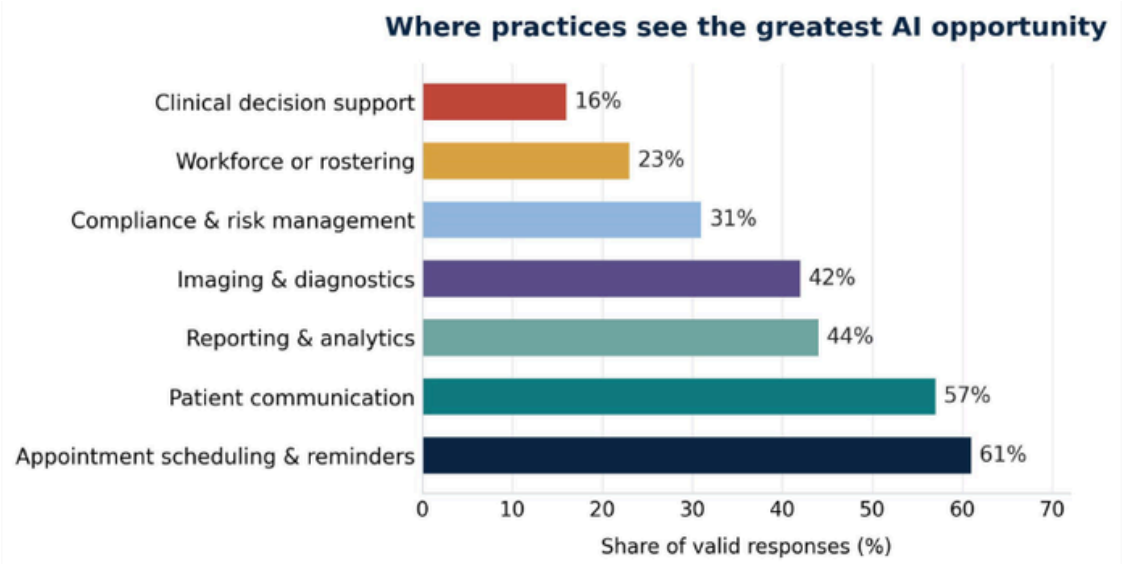
Open-text opportunities concentrate on acquisition, access and scheduling. Source: Practice survey, n=72, open-ended, coded to acquisition-action themes.

Patient acquisition continues to depend on trust and word of mouth, but the open-text evidence reveals a broader set of opportunities across demand generation, scheduling, patient communication and workflow. Online booking remains an addressable conversion gap, but the qualitative data does not support reducing the opportunity to paid media or website activity alone. A meaningful share of demand softness is also structural, tied to national affordability and access patterns rather than anything a practice can solve through marketing by itself.

Technology, AI and Trust

Interest in artificial intelligence is genuine among Australian dental practices, but adoption remains early and is focused more on administrative rather than clinical applications. The mean AI adoption stage sits at just 2 on a four-stage scale, indicating that most practices are still exploring AI rather than embedding AI into day-to-day operation.

Perceived opportunities are concentrated at the operational edges of the practices rather than its clinical core Appointment scheduling and reminders lead (61%) followed by patient communication (57%) ,reporting and analytics (44%), and imaging and diagnostics (42%). Compliance and risk management (31%), workforce or rostering (23%) and clinical decision support (16%) rank lower. Overall the pattern suggest that practices are testing AI first in lower-risk operational areas before extending its use into patient-facing or clinical applications.



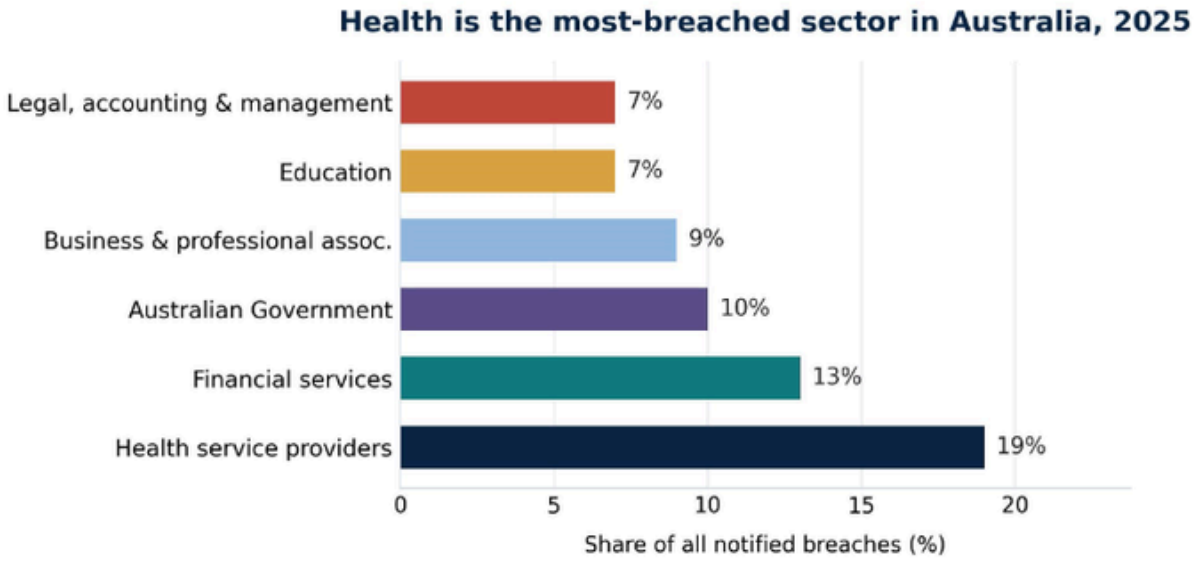
Where practices see the greatest AI opportunity. Source: Practice and technology surveys, n=77 to 87.



Trust Concerns Have an Objective Basis

That cautious pattern is not simply risk aversion, it has a clear objective basis. In 2025, Health service providers were the most commonly affected sector for data breach notifications accounting for 225 of 1,205 notifications nationally (19%), ahead of financial services (13%), the Australian Government (10%), business and professional associations (9%), and education and legal/accounting/management (7% each).

Most breaches nationally (59%) were the result of malicious or criminal attacks rather than human error. Practices raising security concerns about new technology are not being overly cautious; health is genuinely the most-targeted sector in the country's own breach statistics, by a wide margin over every other industry, and any technology proposition entering this space needs to reckon with that reality rather than dismiss it as reluctance.

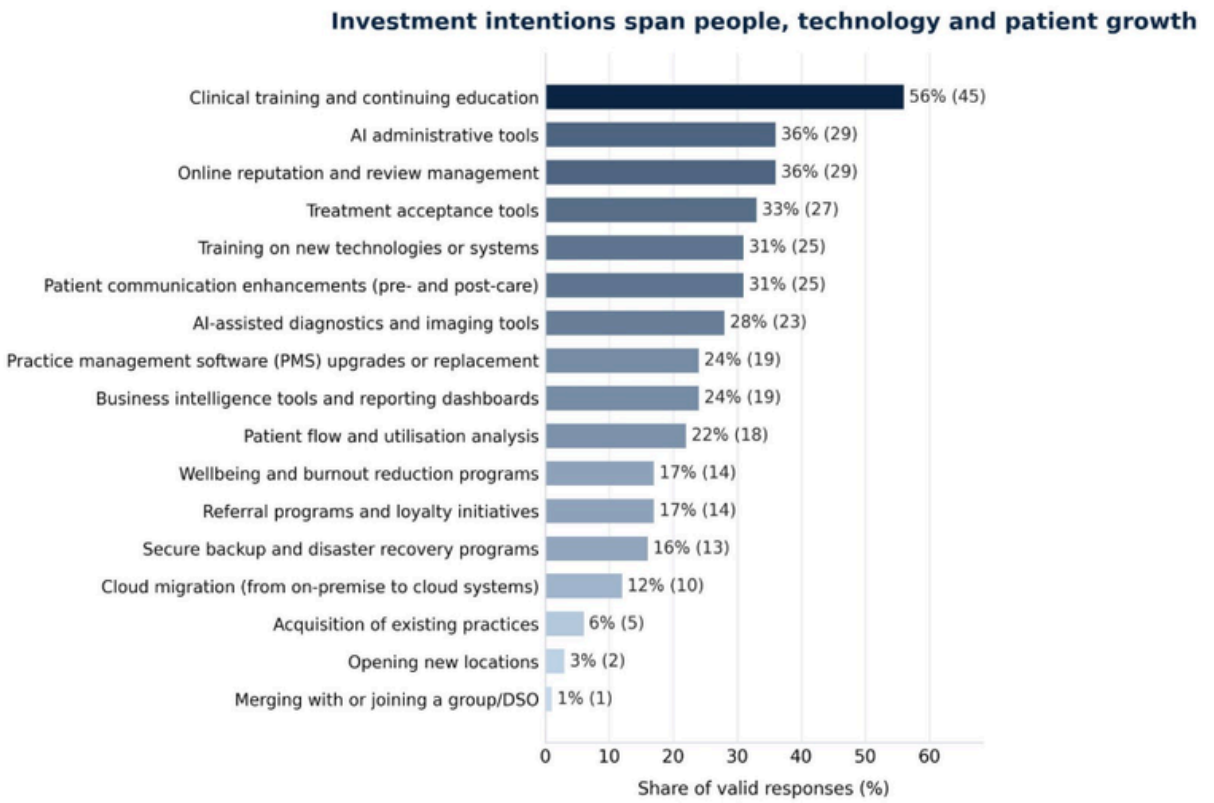


Health remains the most-breached sector in Australia. Source: OAIC, Notifiable Data Breaches Report, 2025.

What Practices Are Investing In

Investment intentions remain active despite this caution, spanning people and patient growth as much as technology. Clinical training and continuing education leads by a clear margin (56%), followed by AI-enabled administrative tools and online reputation and review management (36% each), treatment acceptance tools (33%), training on new technologies or systems and patient communication enhancements (31% each), and AI-assisted diagnostics and imaging tools (29%).

Practice management software upgrades and business intelligence or reporting dashboards follow at 24% each, with patient flow and utilisation analysis at 22%. Wellbeing and burnout reduction programs and referral or loyalty initiatives attract interest from 17% of practices, followed by secure backup and disaster recovery (16%) and cloud migration (12%). Inorganic growth ranks much lower: acquiring an existing practice (6%), opening a new location (3%), and merging with a group or DSO (1%). Overall, practices are prioritising organic improvement—strengthening their people, systems, and existing patient relationships—over expansion through acquisition or consolidation.



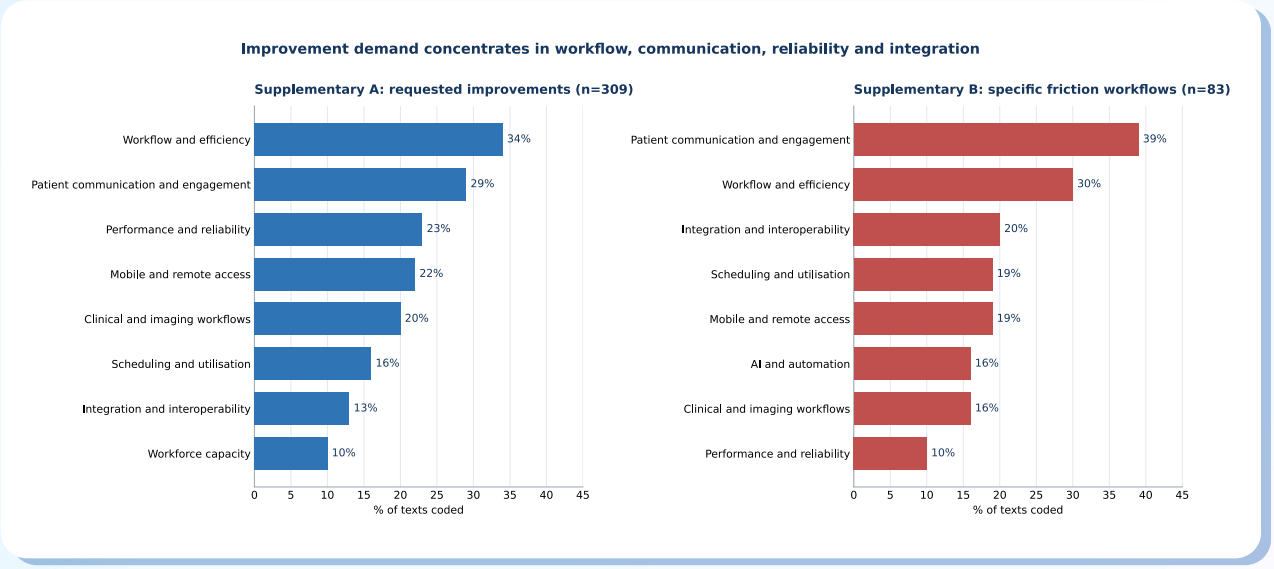
Source: Practice and technology surveys, n=87



What Practices Are Asking For

That same organic focus is reflected in what practices want from technology. Across the two supplementary surveys, the ranking of priorities changes with the framing of the question, but the same core themes dominate. When asked broadly what improvements they would like to see (Supplementary A, n=309), practices place workflow and efficiency first, closely followed by patient communication and engagement. Performance and reliability, mobile and remote access, and clinical and imaging workflows form the next tier.

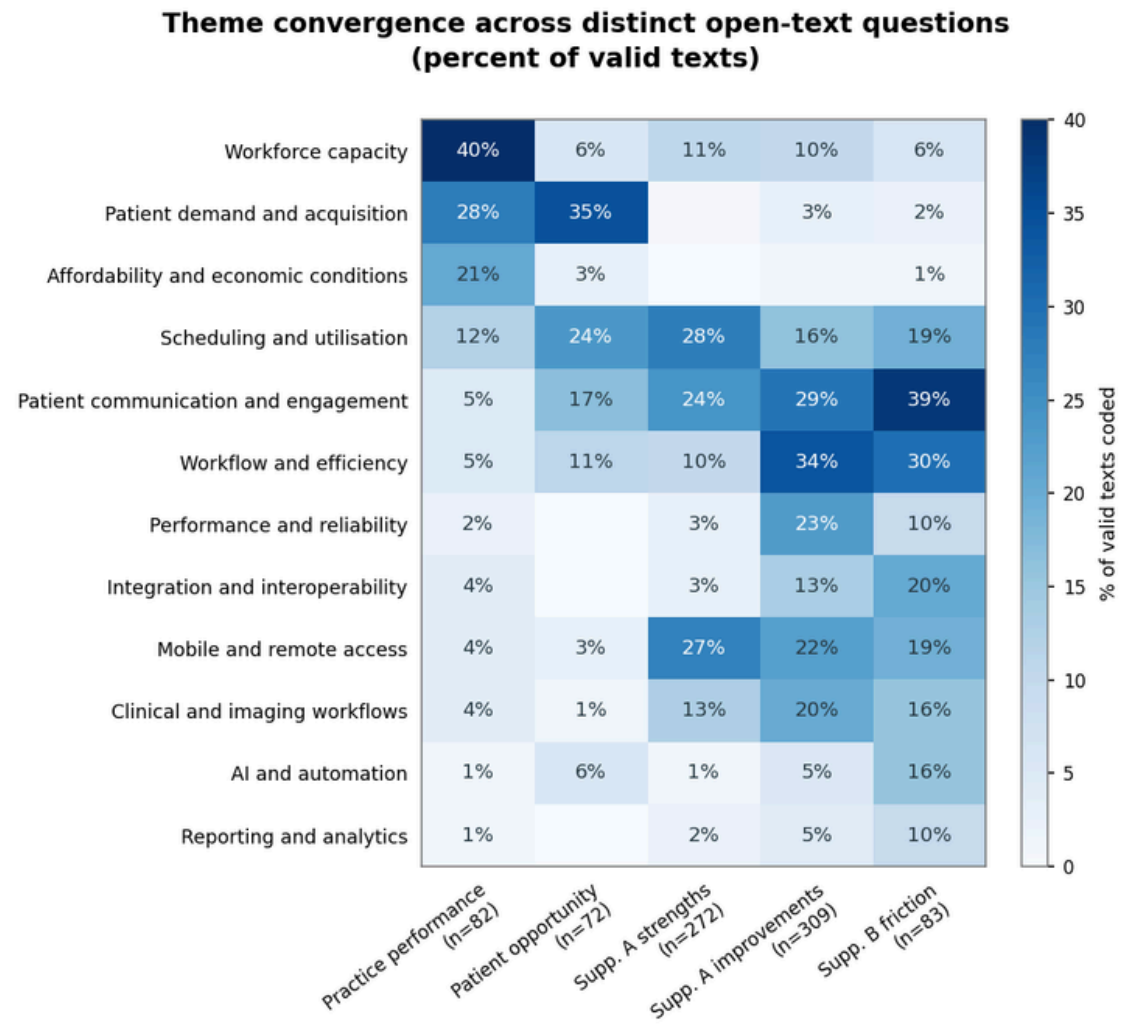
When asked instead to identify specific sources of day-to-day friction (Supplementary B, n=83), the order reverses. Patient communication and engagement becomes the most cited theme, narrowly ahead of workflow and efficiency, followed by integration and interoperability, scheduling and utilisation, and mobile and remote access. Taken together, the surveys reveal the same underlying tension from two perspectives: practices want smoother, more reliable workflows in principle, but in daily operations, patient communication is just as likely as the workflow itself to be the source of friction.



A theme-convergence analysis across five distinct open-text questions, panning practice performance commentary, patient opportunity commentary, and both supplementary surveys, confirms this pattern holds across the whole dataset, not just the technology-specific questions.

Workforce capacity dominates performance commentary (40%) far more than any other theme dominates its own column; patient demand and acquisition dominate opportunity commentary (35%); and workflow and efficiency, alongside patient communication and engagement, dominate both improvement-request columns (34% and 39% respectively).

Notably, AI and automation appears only lightly across every column (1–16%), reinforcing that practices are not, in their own words, asking for more AI. They are asking for existing workflows, communication, and integration to simply work better, with AI positioned as a smaller piece of that broader ask rather than the centrepiece of it.



Practices identify established strengths in patient records, appointment management, imaging, charting, mobile access and communication, while requesting more efficient, reliable and connected workflows on top of that foundation. A credible technology proposition for this sector must preserve the former while addressing the latter and must take practices' security concerns seriously rather than treating them as a barrier to be overcome.

Where the Sector Goes from Here

This report identifies three pressures that rarely occur in isolation: an unevenly distributed workforce, an affordability gap with tangible downstream consequences, and patient demand shifting faster than many practice systems can accommodate. These challenges are not new. What is changing is the extent to which practices' own decisions distinguish those moving ahead from those standing still. Growth-focused practices report stronger confidence and better recent performance than those in stabilising or defensive positions, despite operating under the same external conditions.

The technology findings reinforce this point. Practices are not under-investing; they are investing selectively. The data also exposes a potential blind spot: workflow improvement leads the general wish list, yet patient communication is the most acute source of day-to-day friction. Addressing the most visible problem while overlooking the one practices feel most directly is an easy mistake—and the findings suggest it is already occurring.

There is no single solution. Instead, the evidence points to four priorities:



01 **Close the gap between digital discovery and digital booking**. Patients are already finding practices online. The opportunity lies in converting that interest into booked appointments, not simply generating more traffic.

02 **Treat recall and reactivation as a system, not a byproduct of a positive patient experience.** Practices are confident in the experience they provide, but less consistent in bringing patients back. Closing that gap requires deliberate processes, not goodwill alone.

03 **Prioritise patient communication alongside workflow—not after it.** Workflow may dominate the general wish list, but communication is where practices experience the greatest day-to-day friction. The two should be treated as equally urgent and addressed in parallel.

04 **Adopt AI and connected technology deliberately, not defensively.** The opportunity is real, particularly in scheduling, communication and reporting. However, adoption must be matched by the security diligence warranted by the sector's breach exposure and should complement—not displace—the investment in clinical training that practices already prioritise.

None of these actions offers a quick fix, nor will they resolve the structural workforce and affordability pressures documented elsewhere in this report. They do, however, represent the areas where practices have the greatest agency and where their decisions are most likely to produce measurable progress before next year's review.

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Solutions Enabling Success

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