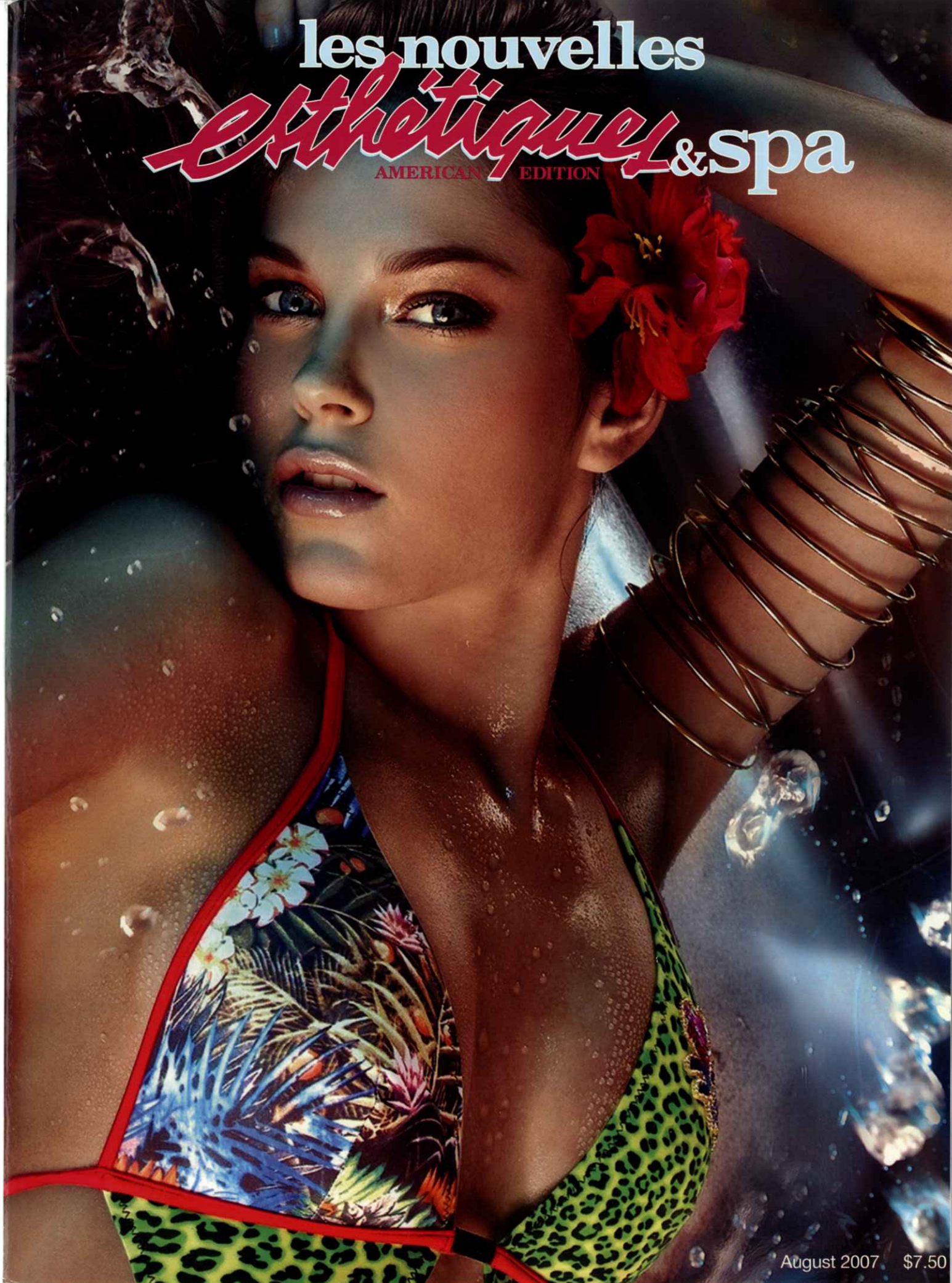


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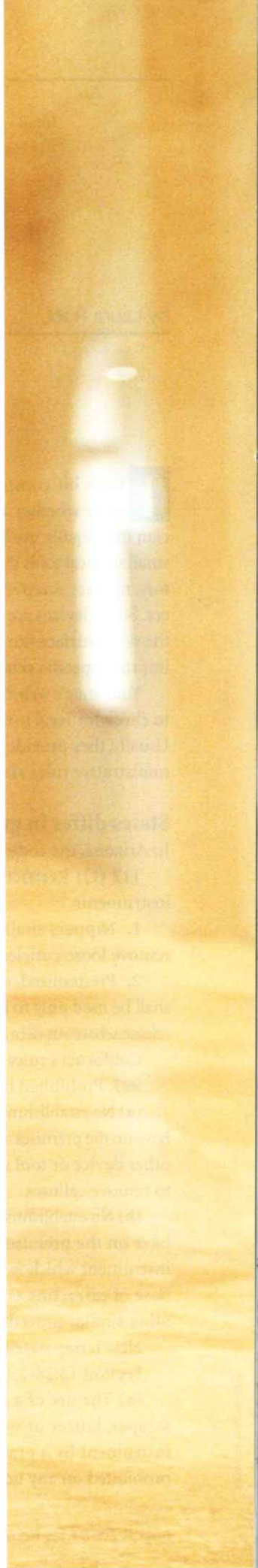
you have decided to **GO MEDI-SPA,** now what?

Here are some suggestions for making the spa transition

LAST MONTH we featured the article, "From Spa to Medi-Spa", where we addressed the decision-making process of taking the leap to offer medical spa services. Here, we talk about what to do once you have made the decision to incorporate a different level of services into your repertoire.

A medi-spa can be very successful, provided it has been properly planned in detailed, defined action steps. The plan must then be meticulously executed. Conversely, as in any business, the venture can be a dismal failure, even dragging down your successful day spa, if its development has not been carefully and completely thought out and implemented. Therefore, after you have conducted your initial investigation and have made the decision to move forward, you must define a lead person for planning and carrying out the long process ahead. Will it be you? One of your employees? A family member? A friend? If you are wise, you will choose none of the above. ➔

by Carol and Rob Trow





An experienced medi-spa consultant will have developed business plans and action steps numerous times.

Truth be told, few successful spa owners have the time or expertise to make the transformation into a medi-spa while still operating a successful business. The distraction caused by the investigation and planning of a medi-spa could doom the existing business. You must not take your eye off of your current business, as it is the foundation for moving forward. We recommend that the person who helps you transition into a medi-spa be an experienced medi-spa consultant.

Knowledgeable consultants in the medi-spa transitions field will have performed all the work and addressed the myriad of issues you will confront. They can, quickly, after discussions concerning your goals and vision, help

focus and define your needs, outline the steps needed in your plan, determine the required time and money and share with you case studies of successful transitions from spa to medi-spa, as well as failures. Then, if you both agree, meticulously move forward in executing a plan as problem solving partners.

Start off well

Finding a medi-spa consultant is not easy, and doing so requires detective work. The task is similar to the one involved in finding a spouse. You must interact and mesh with them on a personal, emotional and financial level. They must be great listeners and extraordinary communicators. You both have to genuinely like each other from the start. We can assure you, as you go down the road, problems will develop. If you do not like each other from the start and do not have a bond of trust and respect, the relationship will be doomed, as will your project.

Find a seasoned medi-spa consultant in your area or state, as the person should have valuable experience with state officials and local regulations. Ideally, he or she ought to be familiar with local authorities and contacts that must be utilized during the planning and building of the facility. If you must choose between a local consultant with no experience and an out-of-state consultant with a track record and referrals, choose the out-of-state consultant. He or she should have the resources to learn about your state's rules and regulations, and the added expenses will save you the time and many thousands of dollars in mistakes that will need to be corrected.

Also, contact professional associations in the field of medi-spas for their recommended list of consultants. While contacting references is important, it is equally vital to learn not only about the consultant's successes, but also about his or her failures, and what contributed to each. No one is perfect.

Plan for success

Your business plan will become your map towards a successful opening day and ongoing business. The more detailed, the better. Each topic in the plan must reflect your vision and steps to be followed to achieve a successful final result. Topics in a business plan will include philosophy, goals, objectives, competitive analysis, statement of need, demographics, total cost, capital needed,

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During the interview, be clear about your performance expectations, such as selling add-on services and retail products.



source of capital, operating and capital budgets, cash flow, staffing, space needs, etc.

An experienced medi-spa consultant will have developed business plans and action steps numerous times. Read some previous business plans he or she was involved in creating. If they object to providing you with the information stating that it is confidential, tell them to block out the names and particulars.

Below you will read about some recommended sections to include in your medi-spa business plan in addition to the traditional ones.

Building design and décor

If your current facility is beautiful and appropriate for your new concept, you will probably be either building on or remodeling, according to the regulations in your state and available space. Whatever your situation, you must secure a qualified architect, preferably one who is experienced in building medi-spas. We have seen some serious and expensive mistakes made by architects who said they could do what they couldn't, later causing huge problems with the build out. Ask your medi-spa consultant to suggest experienced architects and interview candidates with you.

The medi-spa's décor needs to be chosen along with the design of the facility. It is wise to have a decorator involved early in the planning

process. All your collateral materials, menus and business cards should present the same image.

If you are looking for a new location, your consultant should be able to provide you with area demographics, neighboring competition and other factors that will affect your business flow.

Menu of services

You, your physician associate and your medi-spa consultant must now define the services to be offered at your medi-spa, usually pivoting around the base services most patients expect in medi-spas. These services will drive space, equipment and personnel needs.

Hiring qualified staff

Your investigation of state regulations will determine the type of staff you will need to operate your medi-spa. You will be choosing among physicians, physician assistants, nurses or nurse practitioners and licensed estheticians, accordingly with your menu of services and related legal requirements. You must be aware of what compensation is needed to attract and maintain your new staff, i.e. base salaries, benefits, incentives, commissions, etc.

When interviewing and hiring staff, we recommend you consider how well each person clicks with you rather than make the decision

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Computer systems are essential in medi-spas. Be sure to have one that contains a photography feature, an essential component of esthetic services.

based on experience alone. Do not hire anyone you do not want or like, or someone you would not want to perform services on your loved ones. Be clear about your performance expectations, such as selling add-on services and retail products. Remember, 40 percent of your revenue should come from retail sales. Also, know that you are hiring a team, so look for people who can work well together.

Purchasing equipment

Once your services are defined, the corresponding machines follow. Take your time in researching and purchasing the equipment, but plan well in advance to enable your architect to plan for appropriate space requirements.

We are continually bombarded with information on the newest and most wonderful skin care and spa devices out there, but those who have bought speedily have storage rooms full of expensive, little used equipment that does not meet the manufacturers' claims. Work closely with your consultant on researching equipment and, along with the physician, play a key role in deciding what, how and when to buy or lease. Choose vendors that provide continuing, extensive training and marketing support.

Training and certification

Staff training and certification programs are extremely important, as stricter requirements and regulations have surfaced due to poorly conducted medical cosmetics procedures performed by untrained staff. Medi-spa practitioners should take their continued education very seriously to ensure patient safety, as well as to carry out procedures successfully. A beautiful facility and great marketing can do little if negative press and word of mouth counter their effects. Remember to call on your product line suppliers to fully and regularly train your professionals.

Consult with your attorney and insurance agent to adequately provide for malpractice and liability coverage for you, your staff and the facility.

Choosing product lines

Your product lines have the capacity to lead you to success. They must meet your clients' needs and provide desired results. The wise medi-spa owner will not carry a product line that can be purchased by the general public, such as at department stores, beauty store outlets, through catalogues or via the Internet. An effective medical skin care line is formulated according to rigid product requirements. Professional skin care product manufacturers train employees on product features and benefits. They also show skin care professionals how to carry out proper skin analyses and recommend skin-type specific products and professional treatment protocols. A word to the wise: purchase few products when you first open—do not get caught up with large opening order requirements. Once you have some experience and know what sells and how fast, then boost your inventory. If the only way a company will do business with you is if you start with a large, over \$5,000 order, find another vendor.

Many spa products are formulated as “law-suit free”, meaning that the greatest skin change *continues*

The wise medi-spa owner will choose an experienced public relations firm to develop an appropriate marketing plan, and will do so at about the same time an architect is selected.

the product will produce is to increase its moisture. The formulation is designed to protect the company from potentially inappropriate changes that may occur in the skin. Conversely, medical level product lines are formulated with high percentages of active ingredients that produce more significant results. A suitable medical grade line is education oriented, providing skin care professionals with a solid training program, at your facilities or theirs. Ask your potential suppliers questions about their educational programs and existing clientele. Seek out referrals to check their integrity. Get references on a skin care line as if you were hiring an employee. The right line will pay you dividends for years to come.

Selecting a computer system

Computer systems are essential in medi-spas and are designed to perform all basic data procedures, such as storing electronic medical records, scheduling, payroll, structuring management reports, supporting marketing and much, much more. An effective computer system also contains a photography feature, an essential component of esthetic services. Patients appreciate a photographic diary of their progress, and medi-spas benefit because images show results-oriented effects. There are many computer systems from which to choose—your spa consultant will be able to help you decide.

The marketing component

The wise medi-spa owner will choose an experienced public relations firm to develop an appropriate marketing plan, and will do so at about the same time an architect is selected. Many times finding a suitable firm to market your business is your consultant's responsibility. The key to having appointments when the doors to your medi-spa facility open is to market it to your existing clientele and to your community

well in advance of the grand opening. We suggest you and your spa consultant spend a great deal of time finding this company. Then, work with them on developing and executing a strong marketing campaign that includes public relations, advertising, branding, image creation and community involvement. You will be glad you did when the phones don't stop ringing!

The grand opening

Your official grand opening is your opportunity to fast track toward success. Your spa consultant will spend a large amount of time on opening events, as will your marketing team. A grand opening is designed to show the world who you are, what you do and for whom.

If you have performed your investigation thoroughly, properly executed your business plan and made and carried out sound decisions, you are ready to move into the daily operations of your new facility. No doubt you are tired, excited and nervous. Know that this new, major challenge is formidable and exciting. Have confidence that you have developed strong relationships and a great staff that will move everything forward and into the profit margins quickly. The key to achieving your goals will highly depend on your team and how well they support each other. Plan well, and all will go well for you. ■

Rob and Carol Trow, his wife, own DermaConcepts USA, the eastern US (excluding metro NYC) distributors for Environ Skin Care. Rob's background includes two decades in higher education as a faculty member, administrator and business consultant. He has been in the skin care field for over 10 years. Prior to her involvement with Environ, Carol served as an RN, director of marketing for Professional Service Business Development and operated her own consulting firm focusing on practice development. Rob is an authority in the business of skin care. He is an article author and speaks frequently on current and emerging topics of interest to medical spas, estheticians and physicians.

