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The Power of Packages

How developing promotions and unique service packages will result in **patient retention and higher profits.**

To ensure that your aesthetic practice survives and prospers in these difficult times, it's crucial to develop a plan that increases client retention, provides effective procedure results and produces profits. But with cosmetic procedures down as much as 50 percent in bookings and revenue¹ and many physician-directed medical spas closing, how do you survive, let alone develop an even stronger presence?

You can start by considering the following business facts and suggestions:

1. Today, patients want cosmetic treatments and skin care regimens that offer material, measurable and sustainable results.
2. In cosmetic practices, the importance of retention and return visits is undeniable. It's more effective to retain a patient than recruit a new one. Your best source of future business is current patients; the second best is referrals from those patients.
3. Accordingly, revenue will increase if you have satisfied patients returning for more services and recommending your practice to their friends.

One way to enhance your practice, therefore, is to create a simple initiative that addresses these three points: Demonstrate improved results, offer cost savings and increase patient visits and referrals to your practice. After all, the more often a patient comes to your office, the more beneficial it is for all.

Options Abound

Offering treatment packages or bundled services at discounted rates can be an



attractive way to reward patients and attract new ones. Another option is to include no cost add-ons to create a value-added series of benefits. Some of these promotions might include, for example, a free of charge at-home skin care regimen, free facial, transportation to and from the office, nutritional consultation and even a free fitness training session(s).

Leonard Miller, MD, a highly respected board-certified plastic surgeon,² cautions, however, that packages and add-ons can be a double-edged sword and can cheapen the image of a practice. If you charge a fair price and offer outstanding services, he

notes, patients will not only be attracted to the practice but recommend it to others.

Interestingly, the Healthcare Marketing Group³ surveyed a potential cosmetic patient population and found two significant factors:

- Even in the current economic environment, patients are willing to purchase a myriad of cosmetic services provided they feel there is value and results.
- Patients want an opportunity to experience a new service, product or procedure at little or no cost.



» **CAROL TROW, BSC, RN**, began her career as a nurse and later transitioned into the field of professional service marketing as the director of marketing for a Fortune 1,000 company. She went on to start a marketing firm that specializes in practice enhancement for plastic surgeons, cosmetic dermatologists, lawyers and CPAs. Ms. Trow has 20 years of experience in the medical skin care field. » **ROB TROW** is an acknowledged authority on skin care. He has published over 100 articles on skin care,

covering both the science of serious skin care and practical business solutions for operating a professional skin care practice. Rob Trow speaks frequently on current and emerging topics of interest at national and international meetings, as well as to medical spas, estheticians and physicians. He holds a bachelor's degree, several masters' degrees and did doctoral studies at Harvard University.

Benefits of Packages

Cheryl Whitman, CEO of Beautiful Forever Aesthetic Business Consulting,⁴ identifies seven reasons why one should consider offering incentives (Table). Whitman has helped to build hundreds of cosmetic practices using a rationale for offering packages and promotional opportunities.⁴

Promotional packages are an integral element of treatment offerings, Whitman asserts. Patients enter your facility with a relatively clear idea about which services they wish to experience. Choose results-oriented treatments that already have exposure and combine them with other services that will complement the effectiveness of the treatment.

Include home care products in the promotional packages. This allows the patient to experience your products, while increasing the potential results.

Consider offering the patient savings in one of two ways: Either discount the total price of the package by a set percentage or enhance the value of the package by including free treatments or products, then promote the savings with a dollar value. Once a patient sees the results, he or she will be a walking advertisement for your business.

Occasional, Seasonal Packages

Frame your promotions as a series of treatments at a discount, seasonal incentives or an add-on to services or gifts.

Some individuals appreciate change and something new. Whether you communicate with them through your Web site, HTML emails, postcard mailers or by way of flyers

in your medical spa, they like to learn about new treatments, read new articles and new promotions. Capitalize on the numerous celebrations throughout the year; you may even find it effective to create an annual calendar of monthly promotions such as Valentine's Day, "Swing into Summer," Mother's Day and Breast Cancer Awareness Month. Create packages specific to those events, and have some fun with them. Even if only 5 percent participate, the return is well worth the investment. These promotions also keep your practice in the forefront of your patients' minds.

Series Sales

Series sales are designed for those services requiring multiple treatments to see optimal results, although it can apply to any treatment where selling in advance is advantageous. For example, for laser hair removal where at least four to five treatments are recommended, you could offer the patient a 10 percent to 15 percent discount for purchasing all treatments on the first visit. This provides several benefits:

- guaranteed upfront working capital,
- advance bookings for higher productivity and
- better value perception by patients.

Surgical, Nonsurgical Packages

When cosmetic surgery is to be performed, add-on treatments before or after the surgery help the patient obtain optimal results. If the patient has hyperpigmentation or telangiectasias, for instance, you could offer a series of photofacials and chemical or laser peels to get the skin in the best

possible condition before surgery. For less severe cases you could offer a skin care consultation with a facial. After surgery, you could offer services to assist in the healing process. Value-added services and products help to maximize and maintain the benefits of procedures.

Additional Tips

While packages and promotional programs are an ideal way to attract and retain patients, they must be accompanied by a commitment to quality outcomes and outstanding patient service. Your staff must be charged with learning about all of your practice's procedures, products and treatments, and educated in how best to market these packages through consultations with patients.

Catherine Martin, president of The Healthcare Marketing Group, recommends that when offering packages or promotions, factor in the number of treatments required to see material results. If one needs a series of five treatments, ensure the promotion is based on that number. Says Martin, "A primary goal in the economic environment is for you, your fellow physicians and all service providers in your practice to stay busy, keep patients coming back in order to build long-term relationships and enhance practice revenue."

As well, most physicians and med spa owners are not marketing gurus. We have entered our respective cosmetic professions with the goal of helping patients in multiple ways. The business aspects of running a practice are not our natural strong suite. Therefore, when considering service packages and promotional programs, think about seeking expert guidance. Cosmetic practice development is a specific expertise and many physicians and med spas have dealt with (or are dealing with) similar issues on how best to continue to offer the finest services and treatments, stay competitive, profitable and keep staff busy.

REFERENCES

1. Cavanaugh M, Heilbrunn. *Cosmetic Surgery and Safety* KPBS July 30, 2009.
2. Leonard Miller, MD; www.leonardmillermd.com
3. The HealthCare Marketing Group; Catherine Martin, President; www.thehcmg.com
4. Beautiful Forever Aesthetic Business Consulting; Cheryl Whitman, CEO; www.medicalspaconsultant.com

» 7 REASONS TO OFFER INCENTIVES

1. They are beneficial for clients/patients overwhelmed by the many aesthetic service options.
2. They allow facilities to cluster complementing cultural or signature treatments focusing on specific techniques.
3. They allow facilities to provide complementing treatments and products that focus on specific concerns.
4. Incentives increase facilities' use of less popularly booked treatments as well as introduce clients to a variety of aesthetic service offerings.
5. They help guarantee all practitioners have bookings.
6. Series sales enable you to have income up front for working capital.
7. Incentives increase up-selling to clients on additional visits.

Information/courtesy Cheryl Whitman, CEO of Beautiful Forever Aesthetic Business Consulting