



RETAILING STRATEGIES

By Jillian Fraser

High-volume retail sales are imperative for profitability and long-term success in a medical aesthetics business. In today's competitive market, owners must invest not only in the products stocked on the shelves but also in properly training staff members in how to move them off the shelves and into their patients' hands. Developing staff members who understand and can execute effective retail sales is the best and, perhaps, the most underexposed and underutilized investment a medspa owner can make. This article, a follow-up to "Visual Merchandising" in the May/June issue of *Medesthetics*, discusses some proven retail strategies for ensuring profitability and continued growth in your medical aesthetics business.

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Developing protocols, not only for treatments but also for how your spa handles retail sales, should leave nothing to chance. As a business owner, it is wise to create this written structure to orient new staff members and to help experienced staff stay focused on selling retail products. Smart service business owners recognize that success in retailing improves the bottom line in two ways: It substantially increases revenue without appreciably increasing overhead costs and builds patient loyalty, retention and return visits. Consumer behavior studies show that when a client leaves a service business with one product, the chance for client retention increases by 30%. If she purchases three or more products, it is 60% more likely that she will return for additional services and products. This illustrates how important it is that your staff members consistently recommend appropriate home-care products.

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First, acknowledge that many medical professionals and estheticians harbor fears about retailing and are hesitant when managers encourage sales. Support your staff in overcoming these fears by simply changing the language you use. Instead of encouraging sales, teach them the importance of prescribing or recommending appropriate home-care products. Remind practitioners that patients are consulting them to address challenges they are having with their skin and body. The products available through your medical spa are superior to those patients might buy in department stores. If skincare professionals don't recommend appropriate products

for home use, patients are going to buy them elsewhere and are likely to choose products that are ineffective or that can even undo the improvements medical spa procedures have made to their skin.

Consultative Selling

The "extraordinary patient experience" from the retail perspective begins with the consultation. Every patient, old or new, must have a consultation prior to treatment. The practitioner should review the patient's history and be aware of any concerns that have been addressed in the past. Every new procedure, however, should be approached with a fresh outlook. During the consultation, the practitioner should spend 90% of his time listening. Asking open-ended questions about the patient's concerns and desires is likely to provide all of the information needed to help the practitioner suggest appropriate proce-

dures and home treatment regimens. In essence, the patient proposes her own retail purchases when the consultation is properly executed.

At the beginning of the treatment, have practitioners describe the treatment and introduce the products they are going to use, briefly explaining their features and benefits. Hand products to the patient, allowing her to read the labels and to take ownership. During the treatment, as different products are applied, instruct practitioners to quietly restate the product name and why it was selected. Follow up with engaging comments about the product, such as the wonderful aroma of the mask or the



smoothness of the serum, asking the patient if she agrees. This brief exchange will help the practitioner close the sale.

At the end of the service, the practitioner should walk the patient to the retail area where the recommended products are shelved. Now is the time for the one-minute recap of the products' benefits and the importance of daily skin care in the success of their ultimate results. Have the practitioner close the sale by saying, "These are the products I recommend. Which will you be taking home today?"

One of the biggest challenges med-spa owners face is the propensity of practitioners to "mind their patients' wallets." They are often fearful they are asking them to spend too much money. Train employees that it is their job to identify which products the patient needs to achieve the results they desire. They need to allow patients to decide which products they can afford. Research shows that the more space you provide for consumers to decide for themselves, the more products they will purchase. If two products are placed on the counter, the patient may take one, but the number selected will rise with more choices.

Retail Education

To ensure that staff members are comfortable with all aspects of the

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recommendation process, it is in every medical spa owner's best interest to budget adequate resources for retail education and development. Begin by meeting with your vendor representatives to find out how to maximize the educational opportunities these companies offer. Set up an ongoing educational schedule for the year. Include product knowledge training sessions as well as hands-on training sessions. Product education tied to actual service training significantly increases knowledge retention. By scheduling the entire year in advance, you will know how much additional time you will need to invest when there is a staff addition or change. One-on-one training takes more time and resources than group training.

Between scheduled vendor education events, create an ongoing schedule of role-playing sessions with and between the practitioners. Regularly designate time when practitioners can trade off "playing the patient." This will provide a comfortable atmosphere in which staff can practice dealing with different types of patients. Recommending retail products using language that resonates with the personality type of the patient increases the likelihood of closing the sale. For example, "pioneer" personality types will be interested in bottom-line results and how products will directly benefit them. "Influencer" personality types will best respond to language like "exciting, new, cutting edge" and "makes you feel great." "Diplomat" personality types will be concerned with the value of the product and whether others have used and benefited from it, while "fact finders" will be concerned

with ingredients and how the product performs for them. (For more on personality types, visit www.durocherenterprises.com and check out "The Success Circle Workbook.")

Patient education is another outstanding way to increase retail sales. Consider this: Your existing patients offer the best, most cost-effective advertisement opportunity available to your business. When your staff properly educates patients, they are able to maintain their service results at home. This ensures their satisfaction and creates en-

thusiasm to spread the word about their experiences.

about the services your medical spa provides. By creating as many opportunities as possible for education, your business will be guaranteed increased patient retention and, in turn, greater retail sales.

Incentive Programs

Healthy competition is another simple way to increase a medical spa's retail sales. Get staff members excited about retailing by creating motivational games and contests. Short-term contests—daily, weekly or monthly—work best to keep the focus on consistently recommending products to every patient who enters the medspa. Longer programs tend to lose momentum. If you set up an incentive program that is structured as a game and is simple, clear, fun and engaging, practitioners will be motivated to make a difference in their retail recommendations.

One example of a weekly incentive program correlates actual retail sales dollars with medical spa dollars practitioners can spend on products for personal use. A \$20 retail sale would net the practitioner

one spa dollar. A practitioner who sells \$1,000 of retail during the week would receive \$50 to spend on personal retail products. (If practitioners are already given an employee discount, take that into account when structuring the incentive program.)

An example of a monthly incentive program would be to reward the highest percentage of retail sales to service dollars with a gift certificate for medspa services or a weekend getaway at an



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One way to maximize patient education is by creating a "Right to Know Program." Simply create informational handouts and posters, and strategically place them throughout the medspa, explaining your dedication to educating the public about every aspect of skin and bodycare. This public declaration creates opportunities for your staff to talk freely with anyone interested in learning more

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area bed-and-breakfast. By making the winner of this monthly incentive the individual with the highest percentage of retail sales to service dollars, you resolve the issue of part-time versus full-time employees. It is a win-win situation for everyone who participates.



SELECTING INCENTIVES

To determine incentives, set a budget and create a list of options that fit within the budget. Ask your staff which are most exciting to them. For example, if your staff is rife with coffee drinkers, offer gift certificates to a local coffee house for the highest retail sales on any particular day. Reward the largest retail sales percentage increase in one week with two complementary tickets to the local theater. Set monthly retail goals and reward employees with paid time off. The ideas are endless. Think outside the box for what will work to motivate and inspire your practitioners. When choosing incentives from outside sources, consider trading services. The owner of a local upscale restaurant might be willing to offer a gift certificate for dinner for two in exchange for a gift certificate for a facial at your medspa. Trading gift certificates to be used as incentives helps inspire both teams and can keep costs down.

Don't forget to include patients in incentive programs. Plan a year's worth of retail promotions and share them with your staff well in advance. A monthly team meeting is imperative to ensure the staff is aware of the plan and what actions are needed for the promotion to succeed. Post the 12-month promotional plan in the break room so savvy practitioners can prepare their patients to take advantage of coming events. This creates an opportunity for them to build rapport with their patients and ask them to refer their friends to the medspa as well. Examples of successful monthly promotions include:

- Explore basic ideas such as buy two products and get one of equal or lesser value free or at half price.
- Tie in with seasonal events. Offer a back-to-school special on travel size products. During holiday seasons, offer beautiful gift boxes for spa gift certificates and complimentary gift wrapping. In March, create an Easter egg promotion. When patients check out, have

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them select a plastic egg from a basket. Inside the egg are different offers, ranging from an upgraded service for their next visit to a percentage off their retail purchase that same day.

- Generate some off-season excitement based around the poker game, Texas Hold 'Em. Every time a patient checks out, she draws one card from multiple decks of cards. Assign a percentage off to different cards, such as 10% off one product for any card between 2 and 10. Take 15% off for a Jack, Queen or King



and 20% off for an Ace. Give the card the patient drew to the practitioner who provides her service. At the end of the day, the practitioner who has the best poker hand wins a prize as well. It is a fun way to create a buzz about the medspa. You will be amazed how many patients later inquire if their practitioner won the poker game.

The important thing to remember is that whatever the promotion, plan ahead and plan thoroughly. Keep track as the year goes along as to which promotions were most successful and which ones you will need to modify to create a greater return next year. Successful retail sales entail more than just putting products on a shelf. Sales

training programs, creative incentive programs and the "extraordinary patient experience" will ensure consistency and profitability for your medical spa long into the future. ■■

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