

A NEW YEAR for Retail *Sales*

By Bryan Durocher

Retail is the largest profit center for a medical aesthetic practice and it is an essential part of your business development. In essence, the goal should be for your service offerings to drive your product sales. Many patients will become loyal to the products they can purchase at your medical spa, and will want to duplicate the service they receive from you and extend their service experience at home.

With the current business environment and dealing with the pandemic, retail is changing to meet these extraordinary times.



Social Commerce

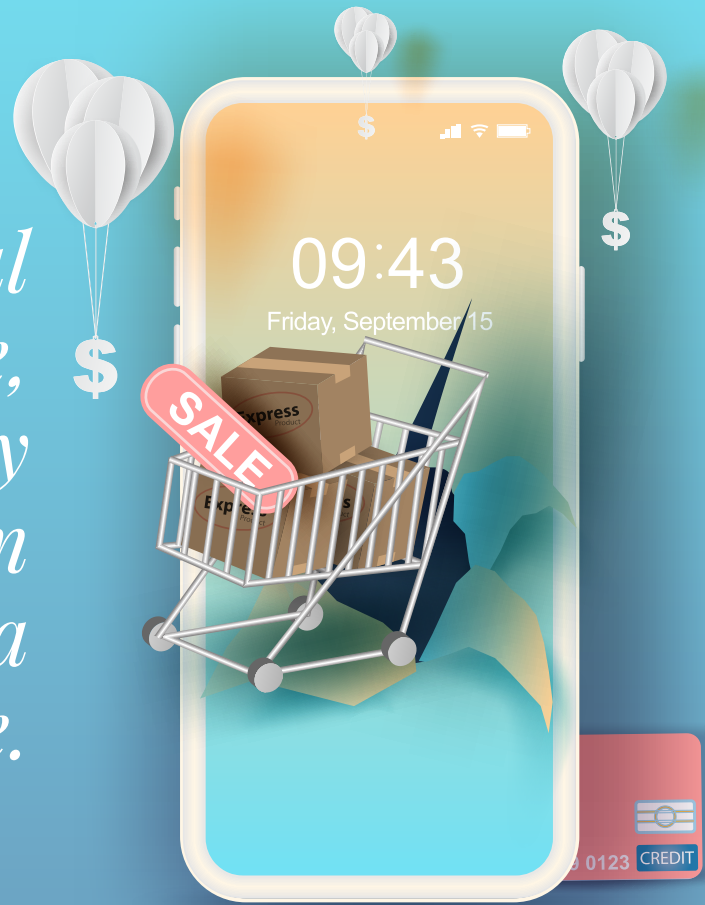
This year's surge in online shopping is here to stay, especially given the hurdles presented by the COVID-19 pandemic and the closure of brick-and-mortar stores. According to a survey conducted by Bazaarvoice Network during the early months of the pandemic, nearly 41% of customers said they were shopping online for things they would normally buy in-store.

Social commerce is one among the newest innovations in online retail. Rather than making

purchases on a website, users can buy directly from a social media app or site. This trend is on the rise; in 2020 alone, a partnership between TikTok and Shopify took place, an expansion of Snapchat's Native Stores for brands was launched, and Facebook Shops was introduced.

Facebook Shops are custom storefronts for businesses on Instagram and Facebook. Sellers can create collections of featured products, as well as modify the look of their shop with banners, images, colors, and buttons. The same shop can be accessed from both Facebook and Instagram, so

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once it's set up, sellers have the potential to reach a wide global audience on two platforms.

With Shops, Facebook is catering more directly to brands than it has in the past. "The idea here is that a user will eventually be able to do all their shopping within Facebook or Instagram, limiting any requirements for direct site traffic. In a way, it'll be like brands trying to sell their products on Amazon by reaching a huge user base and making it easier for them to follow through on a purchase," says Avi Ben-Zvi, group director of paid social at Tinuiti.

Forget just shops online and offline: Purchases made directly from manufacturers through influencers, advertising and even TV shows are likely to become increasingly prominent parts of the retail landscape throughout 2021.

Retailers have long encouraged bloggers and

influencers to earn money by sharing affiliate links and advertise via product placement. Increasingly, brands are able to cut out the middleman and sell directly to the consumers who follow and engage with these online tastemakers. The trend started with celebrities such as Kim Kardashian, but has increasingly trickled down into niche markets served by micro-influencers, including the medical aesthetic market, which has a huge influencer base. This has largely been facilitated by tech-driven supply chain innovations, enabling "drop-shipping"—direct delivery from manufacturers to customers via a sales agent, such as an influencer or popular website, that can run a retail business without the hassle of buying stock or fulfilling orders. Brands, including Body Shop, have successfully co-opted the direct sales model,

creating networks of micro-influencers who often sell to friends and family.

Target Lookalike audiences on Facebook are essentially users on Facebook who share characteristics and behaviors to customers in your database. To use this functionality, you'll upload your data to Facebook, which then cross-references its own data (and information from third-party data brokers) to create matches based on the criteria you specify.

Personal Shopping at Scale

Upscale shoppers are used to receiving personal attention when shopping at high-end stores and personalizing their high-value purchases, such as cars, bespoke clothing and jewelry. However, technology is now ushering in a new age of mass-personalization, allowing this personalization to be carried out at scale across a growing range of goods and services.

Recommendation engines are used in e-commerce to point users toward products they are most likely to want or need. The same technology is now being rolled out in retail outlets, arming shop assistants (or possibly robotic ones) with information about who you are and your past purchases. Beauty product retailer, Sephora, collects information about customer preferences via an app as customers explore and rate products online. This information is then made available to sales staff when that customer visits a store in person. According to analysts at McKinsey, initiatives like this typically reduce marketing costs by approximately 20%.

Businesses that have recently added online purchase options will likely not be able to revert to operating models that don't include e-commerce once the pandemic is under control, as consumers will continue to expect these options to be available.

E-COMMERCE TIPS

If you're new to the world of e-commerce, keep these tips in mind when conducting business online:

- Be honest in your sales copy.
- Get more ad clicks with ad extensions (additional pieces of information you can add to your digital campaigns).
- Show off customer testimonials and trust signals (assurances of your company's transparency and dependability, such as contact information and payment certifications).
- Create a sense of urgency.
- Offer a bulletproof money-back guarantee.
- Offer fewer choices.
- Offer numerous payment options
- Add an opt-in pop-up offer (such as a free tchotchke or retail product) to push them over the edge.

Right to My Door, Please

Delivery services have become all the rage. The likes of Uber Eats, GrubHub and Instacart have fundamentally changed the way people get restaurant food and receive grocery store deliveries. But why stop there? FedEx, UPS and Amazon are straining to meet demand during the pandemic. As a result, partnerships with last-mile delivery companies increasingly make sense as retailers seek to leverage their physical stores to fulfill locally placed online orders. It also complements curbside pickup by giving customers more options.

Brands are pivoting away from the traditional concept of aisles and fully stocked shelves. The physical store should no longer be considered the final destination in the purchase journey.

Combining the strengths of both online and physical stores makes it possible to introduce a more compelling hybrid model that transforms a retail space into an experience center.

This might mean offering sales appointments so clients can experience and try products, and then order online, thus eliminating high-pressure in-spa store sales. Augmented reality and virtual reality are also making their mark.

Video calls have already gone mainstream in the business world. People see each other, share screens and exchange information. Retailers are also beginning to recognize the value of video chat as a consultation and sales tool. Whether a consumer is buying a car, furniture or upscale clothing, why not offer an option of connecting to a sales associate or product expert whenever it's convenient? This can be after work, on the weekend and even late at night.

Besides the convenience factor, online consultations make it possible to share product videos, review technical specs, walk consumers through features and functions in a demo, and boost trust via face-to-face interaction. Today, most car buyers already know what they want when they arrive at a dealership because efficacious online tools have removed the need to kick tires. Retailers are beginning to realize that this same sales model can work wonders for many other products and services, including medical aesthetics.

Merchandising

Take time to look at your retail area. Take advantage of cross-merchandising strategies and impulse sale opportunities. Think about small products that clients can purchase spontaneously

to add on to gift card sales. Pre-constructed medical spa gift boxes are a great way to create no-fuss upselling that can assist with the branding of your medical spa. Keep them at low impulse prices of \$25 – \$75 dollars. Use lighting techniques and creative displays to attract patients. Play videos for product education, services provided, and any other upsell or promotional tie-in. Many of the major product lines have promotional videos they can provide to you at little or no cost. Focus on creating a space that is shopper-friendly. Decide what additional merchandise the medical spa will be selling, ensuring that all new products are properly inventoried. Plan exit strategies for merchandise that does not sell. Remember, the goal of successful merchandising is creating an environment that is sales-driven, yet comfortable and accessible for clients, so they enjoy the shopping experience.

Whether it's traditional brick-and-mortar or online sales, technology and social platforms are going to drive retail sales in 2021 and far beyond. 



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