Beauty and the beasts

In the first of a major new series for Independent Practitioner Today, Pam Underdown (right) warns that unless you can set yourself apart, either by offering something your competition doesn’t, or knowing you can provide something better, then it will take a long-term investment of time, money and patience before you can build your reputation and start attracting enough high-spend patients.

This is a highly competitive and demanding industry and just having great clinical skills certainly does not guarantee success.

A decade ago, aesthetic professionals really didn’t have to try too hard to fill up their appointment book with high-spend patients. They opened their doors and the patients really did come flood ing in. Credit was readily available, consumers were spending and increased curiosity about the celebrity lifestyle and reality TV made it possible for everyone to believe that they could have a new life with cosmetic enhancement.

Having been involved in the medical aesthetics business for a decade, I have seen first-hand how the marketplace has evolved. When I opened my first aesthetic business in 2005, things were very different. Prospective patients attended demonstration evenings, bought their friends and booked in immediately. It was exciting and new and if you were good at it, your business quickly grew.

Today, it is certainly not easy. Business-owners are frequently contending with increased public scrutiny and changing consumer behaviours.

Competition abounds

Competition is everywhere, legislation is minimal and too many discounts flood the high street. A growing number of business-owners feel as if their business is running them, instead of the other way around.

Despite this, there continues to be a growing number of health professionals quitting their day job and setting up their dream anti-ageing business. And who can blame them?

For many, the appeal of the aesthetics industry can be glamorous and far more exciting than shift work, sickness and death. Health professionals can combine their keen judgement with their clinical skills and creative eye.

All they need to do is attend a day-long course in facial aesthetics, practise on a few friends and they are ready for business – right? Well, actually, no; it is not that easy.

This is a highly competitive and demanding industry and just having great clinical skills certainly does not guarantee success.

So is the ‘dream’ a good enough reason to risk everything and start again as you hope to claim your slice of the aesthetics pie?

In order to grow a profitable medical aesthetic company today, business-owners must have a wealth of skills and knowledge in all areas:

- Marketing;
- Social media;
- Customer service;
- Astute financial skills;
- Fundamental business skills;
- Exceptional clinical skills.

Which is quite a challenge for anyone managing the fine balance of working in their business, treating patients, dealing with day-to-day operations, staffing issues and finding the time to work on their business, marketing it and keeping up to date with the latest techniques, while strategically planning for growth.

Overwhelming pressure

The pressure can often feel overwhelming as the growing realisation of having what it takes to build a business successfully can shatter many dreams and bring reality crashing down.

I hear instances of many new business-owners who simply did not realise the level of upfront costs they needed to invest.

Many start with pound signs in their eyes, believing that, by charging £300 or more per treatment, it won’t be long before they are making a profit. However, after the initial investment in training, a website, a logo and stock, they can be thousands of pounds out of pocket before they have even started.
Many do not take into account that they will need to build their confidence and experience with low-cost or even free treatments first.

The most switched-on practitioners do keep their day job to ensure they can pay the bills, and build their business on a part-time basis.

They practise on friends and family establish themselves as a mobile practitioner, either converting a room at home, building the treatment into their current practice or renting a room in a salon that already has a stream of potential patients coming through the door.

Regrettably, I know of instances where individuals are spending tens, or sometimes even hundreds of thousands of pounds, setting up a new clinic, paying for building, fancy interiors, expensive couches, the latest high-tech equipment and that gorgeous new desk and chair that they ‘must’ have.

Seriously overspent

However, it doesn’t take long for the excitement to die down when they realise they have seriously overspent on the refurbishment and have none left over for the serious business of finding and attracting some patients – the marketing.

If you stop and think about it, your survival as a business-owner is solely dependent on your ability to find and keep customers.

For brand-new aesthetic businesses, it is even harder to find enough patients.

Many are contending with a huge amount of competition, practitioners who have years of aesthetic experience already operate in their area. Their competition offers a wide range of treatments and not just the ‘bog standard’ Botox and fillers that they are able to offer in their early days.

Aesthetics is a very personal and emotional experience. If you have built a connection with your existing patient, you won’t jump ship just because someone new has opened their doors. So, instead, the newbie is faced with trying to attract brand new patients, which takes time, education, marketing, money and full market understanding.

Unless you can set yourself apart, either by offering something that your competition doesn’t or knowing you can provide something better than your competition – then, in reality, it’s going to be a long-term investment of time, money and patience to build your reputation and start attracting enough high-spending patients.

If it isn’t happening as fast as you would like in the early days, then panic can set in, resulting in many practitioners continuing with heavy discounting and building themselves a reputation as a discount provider.

They often set up deals with the large online discount sites that can bring in volume, but offer little or any profit.

At first, it’s great, they take ‘the hit’, as they are busy building their experience and confidence. However, they soon start to realise those patients are just one-off bargain hunters, who rarely come back for a second treatment.

If you do have the money to invest in marketing your business, then you need to ensure that what you are investing in produces a return.

Unfortunately, I have spoken to a number of people who have outsourced their marketing, website or social media, paid a lot of money, but had little results. So, why is this?

There can be many reasons: perhaps the designers have not been given clear guidelines, expectations, branding information, ideal patient profile, unique selling proposition or any other useful information, so they end up second-guessing the requirements and not really understanding the individual business needs or the aesthetic marketplace.

Marketing challenges

Perhaps they didn’t grasp the business vision, so they could not get the messaging right. Or perhaps the business-owner found it difficult to explain what they were looking for and assumed the expert would come up with something wonderfully creative that would solve all of their marketing challenges.

In reality, it is usually a lack of clear communications, expectations and detailed marketing knowledge – all of which are the responsibility of the business-owner.

As the global economy continues to improve, the business of aesthetics continues to flourish, with no end in sight. Cosmetic intervention is fast becoming a cultural norm.

So, do you think you have what it takes to be a leader in this fast-paced market? Start off with a rigorously-honest self-assessment and ask yourself: Do you have the stamina to run a business? Do you have resilience? An optimistic mind-set?

Do you have support from family and friends? Is funding in place or has it at least been identified to help you through the start-up phase and any tough times? Are you willing to learn, stretch and push yourself out of your comfort zone?

How will you cope when it’s six months down the line, you are facing daily challenges and you haven’t broken even? Will you give up or will you learn from your mistakes – and those of others – and light even harder to succeed? And most importantly: are you really trying to change the lives of others greater than your desire to line your own pockets?

If not, is your desire to improve the lives of others greater than your desire to line your own pockets? If so, you are considering the wrong game.

Running a business, any business, is not easy. Those who succeed will be those who prepare well, have the right business and marketing strategies in place, those who listen and respond to their patients’ needs and those who constantly strive to be the best.

So, are you ready to join this exciting and highly competitive marketplace, then follow our series each month as we delve deeper into what it takes to run a business of aesthetics.

Pam Undom is chief executive at Aesthetic Business Transformations

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Record turn-out at aesthetics conference

Growing doctor interest in the aesthetics business was reflected in the turnout for last month’s Aesthetics Conference and Exhibition 2015 in London.

Organisers said the record attendance of 1,800 visitors included nearly 600 cosmetic doctors, surgeons, dermatologists and GPs.

The two-day event, with 61 clinical and business sessions delivered by 71 speakers and 100 exhibitors, showcased an array of innovations, treatments and techniques presented by doctor specialists.

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