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# Retailicine, Somewhere Between Retail and Medicine

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## KEYWORDS

- Practice management • Aesthetic practice management
- Aesthetic practice marketing
- Aesthetic practice in weak economy

The economy is weak, and many businesses, including aesthetic practices, will not weather the crisis. Unfortunately, this bad economy is global, affecting all countries and classes. Those who have heard the stories from frugal elder relatives who lived through the 1930s may be shocked to hear themselves referencing these same stories as they advise their children and staff to curb indulgences; perhaps a look back is not such a bad idea.

## WHO DID WELL IN THE GREAT DEPRESSION AND WHY SHOULD WE CARE?

Many of the businesses that prospered in the Depression were known as *Sin Industries*, referring to alcohol, candy, and cigarettes. Prohibition was repealed in 1933 after crime and consumption of alcohol both soared, and America learned that prohibition of two mutually beneficial exchanges is doomed to failure. Two other goods that did well during the Sin Industries were chocolate and cigarettes. Hershey's prospered after they introduced Mr. Goodbar and Hershey's Syrup, and Camel emerged as the leader in cigarette sales when the economy eventually returned. Interestingly, in addition to the Sin Industries, another realm that did well was the cosmetic industry. L'Oréal and Revlon both expanded, and Estée Lauder is reported to have remarked that "...after

a woman feeds her kids and husband, she would rather buy lipstick than eat herself." Is this still true today?

## WHAT DO ALL THE SIN INDUSTRIES HAVE IN COMMON?

The Sin Industries allow a temporary escape from reality, an ability to satisfy a guilty pleasure, with the key factor that gratification is immediate. If the key is a quick fix, right behind that is "inexpensive." Affordable pricing is essential to achieving maximum gratification and repeat business.

Many can relate to the feeling of euphoria after buying an item such as a new article of clothing, a new watch, or a new car. However, how much better is it when that new item is affordable and immediate? If it is expensive or has a long lag time until the benefit is achieved, there is a risk for buyer's remorse and, even worse, negative ill will toward the place from which it was purchased. When finances are limited, consumers are less likely to purchase any luxury that does not provide an immediate benefit, especially if the price must be justified. Retail businesses that prospered during the Great Depression sold quick-returning pleasures at an affordable price.

However, in the world of retail, the bottom line is frequently determined by the dollar, and a business's success is measured in financial

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statements. Although a little retail flair seems to be a necessary component to a successful aesthetic practice, medicine is not a retail business. Aesthetic medicine is also not a general medical business in that aesthetic physicians are selling an expensive pay-for-service luxury, not a necessity for health. However, aesthetic medicine is still, first and foremost, medicine, and physicians have taken a very prominent oath. Beyond any other profession or business, physicians have an enormous fiduciary responsibility to always do what is in the best interest of someone other than themselves. No other profession is granted this great a responsibility or holds its members to such a high standard. This truism guides aesthetic physicians, with success measured by the patients' well-being, not the dollar.

So herein lies a dilemma. The core principles in medicine and business are sometimes contradictory. Aesthetic medicine is uniquely positioned between a general medical practice and retail. Aesthetic physicians do not really fit into any one category. If the business principles used in a general medical practice are applied, a compromise may need to be made regarding the customer service flair essential to selling a luxury item. However, if retail principles are stressed, such as up-selling and increasing profits per customer (patient) visits, aesthetic physicians risk violating basic tenets inherent to medicine. So what business models can be referenced that prioritize the consumer's well-being above that of financial return, yet allows enough room to stay financially solvent in an economic environment with less consumer spending? The field of aesthetic medicine is essentially a new type of model; it is in between retail service and general medicine. The authors call it *Retailicine*.

In *Retailicine*, aesthetic physicians not only have a responsibility to treat the patient using the most responsible and appropriate treatments but also have to frame it with the luxuries of retail to stay profitable and keep consumeristic patients happy. How can physicians practice *Retailicine* in a down economy and still thrive?

Certainly, a fortunate few are recognized as the best at what they do and are able to maintain a busy schedule regardless of the economic conditions. However, for most physicians, seeing a contraction of their practices means they must act fast to ensure their practice thrives.

The Sin Industries prospered in a down economy. Can the aesthetic physician's services parallel this prosperity, yet still stay within the moral boundaries of the granted profession? Yes, today they can, because at their disposal are products and services such as neurotoxins,

fillers, facials, and laser treatments that provide quick results and an immediate improvement in mood. For the most part, these products and services have been proven successful and valid in the marketplace and fall within the fiduciary core to provide responsible treatments. For patients more surgically focused, the demands are for a quicker result. No longer is a 2- to 6-week postoperative recovery period well tolerated. Cosmetically interested consumers still expect great results, but with the most minimal sacrifice of their busy schedules. Patients will often choose a provider that can meet this demand.

Price matters now more than ever. It is no surprise that the Walmarts and Aldi Superstores are expanding, whereas many high-end luxury stores are faltering. If a consumer has limited funds and wants a glass of wine, they may be more likely to choose "Two Buck Chuck" (Charles Shaw) over the expensive Silver Oak. If the product is a commodity, then the store offering a lower price is likely to gain the business unless a consumer is willing to pay more for convenience or experience.

However, aesthetic medicine is not a commodity, and discounting a hard-earned skill and well-respected services is probably not the answer for long-term prosperity. The irreversible knee jerk response of lowering price to become instantly more competitive risks turning an aesthetic practice's service into nothing more than commodity that can be attained at the local CVS. Of course, all strategies are predicated on the product being good, and, in aesthetic medicine, that means the physician. If the physician is not good, then regardless of strategies and tactics, the business (practice) is doomed. A qualified aesthetic physician wanting a higher-end clientele must find a reason to bring value to their product to charge a greater price. Usually this means more convenience or a better experience. Starbucks follows this same principle. By offering a better experience and more locations (convenience), they are able to charge twice the price as Dunkin Donuts for a cup of coffee. An aesthetic physician wanting to charge a higher price for services may validate this by providing better customer service or hours that are more convenient.

On the other end of the spectrum are practices such as "medspas" that frequently work on a high-volume, low-priced model. However, many medspas are currently failing financially. One might think that the affordable pricing and convenience of medspas fulfill the criteria of a business that would do well in a down economy, but price alone is only one component. This area is

one in which the high-volume discounted retail business model fails with aesthetic medicine. Cosmetic medical procedures are still medical procedures, and a person exposes vulnerability when undergoing the procedure. They may want a little assurance and are willing to spend more money at a doctor's office for the perception of quality.

Additionally, medspas as a volume business may struggle with maintaining customer service because often they are believed to be an expensive, non—revenue-generating investment. This assumption couldn't be farther from the truth. With the ensuing economy, going above and beyond with customer service will be critical to maintaining and growing market share. Improving customer service can be done inexpensively. Whether they have a high-end luxury practice or a high-volume, lower-priced practice, practitioners must think like mice, not rats: *mice always get the cheese, rats get exterminated*.

At the center of the Retailicine model is the MICE formula. The MICE formula is a simple, easy-to-remember mnemonic device stressing the basic principles of success. Through dissecting each one of these four components, straightforward solutions for meeting the challenges of the economy are identified.

MICE stands for

- Messaging
- Information,
- Customer service
- Efficiency

The full details of these formulas are beyond the scope of this article, and the authors instead refer interested readers to the book *Thrive, Pearls to Prosper in any Economy*.<sup>1</sup> To summarize, “M” for messaging is intended to strengthen and narrow the brand, perhaps focusing on fewer procedures that have the highest consumer demand, and becoming more credentialed in these procedures. “I” is for getting important information to the consumer at a very affordable price. “C” for customer service is self-explanatory and not difficult to raise a notch or two. Lastly, in a less flexible economy, “E” for efficiencies should be monitored closer.

Of the four acronym letters in the MICE formula, “C” (customer service) may be the most important because the only outcome that matters in cosmetic medicine is making people happy. Cosmetic physicians do not make people look better, they make people feel better. Conventional wisdom brands aesthetic physicians as purveyors of beauty, but perhaps this is an oversight. At times, aesthetic physicians act more as

psychologists than proceduralists. If people feel better about themselves, then physicians have done their job. Facial plastic surgeons may have many tools for achieving this goal: sometimes it is Botox, a filler, a face-lift, or a laser procedure, or perhaps nothing at all. Occasionally, a person is only seeking reassurance, in which case they do not need anything! Rarely is the patient who is not operated on regretted, but the converse is not true.

At a time when consumers have limited funds and many areas to spend their money, plastic surgeons must make the service they provide worth the effort and expense. However, the promises these physicians make must be genuine or the patient will see right through them. Customer service and attention to the patient's best interests are the guiding principles of a successful practice.

Although not hard to amplify, superior customer service requires a selflessness that is not innate. Physicians must ask themselves several questions: What is the patient thinking? What would make them more comfortable? What would make their life easier at this moment, and what does it take to help them achieve that? Surprisingly, answering these questions is not expensive or difficult. The investment is so minimal and the return so great that not addressing these concerns seems nonsensical.

The core to customer service is the WIFM principle. WIFM stands for “What's In It for Me?” This is the primary concern of the patient seeking aesthetic procedures. The aesthetic practice's best strategy is to look at all communications and marketing efforts from the perspective of the patients. What value will they get out of it? Choosing to go to the provider that offers them the best value for their investment sometimes may mean paying a lower price, but more often it means being provided a better or more assured experience. If an aesthetic physician is going to charge a higher price, then the experience offered should cater to the targeted market with the patients' best interests in mind, not the physicians'. Walking in the footsteps of a patient, parking where they park, entering the waiting room during office hours, or evaluating staff appearance from the reception area can quickly define if the office projects an image of a five-star hotel or a no-frills roadside motel.

## CONCIERGE MEDICINE

The term *concierge medicine* has been used loosely over the past decade to describe everything from 24-hour access medicine to a Ritz-Carlton—style atmosphere. Concierge

medicine turns a patient's appointment into a valuable and pleasurable experience. In aesthetic medicine, if patients are not happy with the experience provided, the type of facility, or the breadth of services offered, they will be quick to find a practice that will work a little harder for their consent. Although this is perhaps a blunt way to describe the relationship with a patient, it actually represents an opportunity for growth in a practice. The acquisition of a greater percentage of the viable market share can be as easy as implementing a few low-cost amenities to help make an office visit a pleasurable experience as opposed to a burdensome chore.

Too often, an overzealous physician or a "credit card happy" practice manager will spend thousands of dollars decorating a waiting room or drop a small fortune turning a doctor's office into what resembles a posh new club. Drunken spending is not necessary. For less than what it takes to fill up an SUV with gas, significant improvements can be made in the appearance of the waiting room. Very little work and even less maintenance is needed to implement inexpensive and impacting luxuries. The most basic biologic needs can easily be met through teasing or engaging each of the five senses. Providing patients with something to see, touch, taste, smell, and hear not only makes them more comfortable but also helps create a stronger memory of the experience.

## WAITING ROOM TRANSFORMATION

### *Comfortable Seating*

Obviously, providing comfortable seating may have constraints based on budget or even shared space, but simple decorative pillows can greatly enhance the look and feel of cheap, dated, or uncomfortable seats. It is important to ensure adequate seating is available to accommodate the typical number of patients waiting at one time. Additionally, because some patients are particularly sensitive about their privacy, it is important to have adequate spacing between the seats. Although a couch can be a nice decorative touch, it can lead to inefficient and uncomfortable seating in a crowded waiting room.

### *Music*

A silent room can create tension, apprehension, and fear. Simple soothing background music is a nice way to create ambience and make patients feel comfortable. Consumer studies on the effects of sound on shopping habits have shown that if fast-paced music is played while consumers are shopping, they will spend less time at a retail

site. Although Muzak is cliché and may put patients to sleep, it is less offensive than overstimulating music that may make patients anxious to leave the office.

### *Paint*

One of the quickest ways to transform the feel and tone of an office is avoid having cold and sterile white clinic walls. Colors can help brand a practice, create a mood, and, some even believe, elicit emotion. One color that should be used with caution in a medical office is red, because it often draws an apparent connection to blood, and some who study the affect of color on behavior believe it may also evoke hostility.

### *Water*

Although this seems basic to mention, having water available for patients to drink can be easily overlooked. Adding two to three pieces of fruit, whether sliced lemon, orange, strawberries, or cucumber, to a pitcher of water not only adds a refreshing hint of flavor but also creates an elegant display.

### *Coffee Maker*

Whether making it available for patients to serve themselves or offering it to them, coffee can be a simple way to brighten someone's day. The one-cup coffee machines are a favorite for a busy practice because they require little maintenance throughout the day. The individual cups can be a little pricey, but patients enjoy and remember having the fresh cup of flavored coffee.

### *Glasses*

Disposable Styrofoam cups are not consistent with an aesthetic practice. Purchasing a set of 12 water glasses or matching coffee mugs does not cost much.

### *Spice it Up*

Cinnamon, cocoa, or vanilla powder can all be purchased by the pound for flavoring coffee, and a year's supply of each usually costs around \$10. Other inexpensive options to transform coffee into a gourmet "knock-off" are sugar rock candy stir sticks, flavored coffee stirrers, or flavored oils that are sold in ready-to-use bottles.

### *Flowers/Plant*

Flowers are nice touches that are greatly appreciated by many patients. Having flower arrangements displayed really is one of those subtle



niceties that is not recognized until it is gone. Some flowers are known to last longer than others do, and this may make more economic sense.

### **Candles**

If permissible, having a candle emanating a pleasant aroma, as opposed to rubbing alcohol or antiseptic, not only decorates a dreary space and lights up a room but also sends a subtle signal regarding attention to detail.

### **DOES SOMEONE GREET PATIENTS PROMPTLY AND WITH A SMILE?**

A simple smile or friendly personalized hello can make a world of difference for anyone, especially a first-time apprehensive cosmetic patient. The more staff members the patient knows, the more likely they are to be invested into the practice. Creating as many various outreaches as possible to encourage meaningful and genuine relationships between staff and patients is a valuable tactic.

### **STEALING FROM MICKEY MOUSE: NAME TAGS**

Arguably one of the most effective and influential places to experience marketing at its finest is Disney World. From the time visitors enter the park to when they leave with an empty wallet and a full bag of souvenirs, they are invited to experience the wonders so strategically created many years ago. Throughout the park, the “cast members” who are eager to help with a warm, friendly smile are also wearing nametags that also include what part of the world they are from, such as “Mark Nebo, Missouri” or “Molly Maloney, Dublin, Ireland.” The idea behind this is to create a personal connection between the visitor and the chipper Mouseketeer. “You’re from, Missouri, so are we!” This personal touch is one among thousands of little measures that are designed to make a visit to the park a magical experience. For the price of \$6, this concept can be tastefully duplicated in an aesthetic physician’s office, with small factoids about the staff included on the nametag. Staff members must be willing to participate in this practice and think of it as a fun icebreaker for new patients who may already be a little timid about visiting a plastic surgeon.

### **“KATIE’S FAVORITE INDULGENCE”**

An unglamorous tray of cookies set out for patients in the waiting room may often be overlooked. Swapping the cookies with a more engaging snack can be used to create a personal connection, such

as each month having a staff member’s favorite treat profiled. For example, Katie’s Favorite Indulgence: chocolate covered raisins. Placing the treats on a decorative tray with a sign reading “Katie’s favorite snack” is more likely to be enjoyed, but even more significant is how effective the treat can be as an icebreaker when Katie first comes out to greet patients.

### **EVERYBODY LOVES A GIFT**

One of the best ways to build loyalty is to provide random gifts or gestures that reinforce care. When an aesthetic physician remembers to send a card plus a small gift in honor of a birthday or anniversary, many patients are pleasantly surprised. A birthday card plus a \$50 gift certificate toward aesthetic services is well remembered. Cards that are hand-signed by each staff member further increases the value of the gesture.

Every December, themed holiday cards featuring a photo of the staff and a \$50 gift certificate are also greatly appreciated, and are another way to keep the practice in patients’ minds and to spread some holiday cheer.

Beyond teasing the senses, the true goal of the waiting room is also to educate patients on the physician and services offered. Therefore, providing multiple materials to read and listen to regarding available surgical and esthetic services is a valuable communication tool. However, nonrelevant magazines in the waiting room may be a distraction from the message and branding efforts. If a magazine is on the table with catchy headlines about the latest celebrity love affair or how to improve one’s sex life, patients will usually pick that up first. However, if the magazine is only available by request, they are more likely to pick up the educational materials offered.

### **PATIENT EDUCATION CORNER**

An “Education Corner” detailing information about the offered procedures and recent lectures attended or, even better, given by the physician, provides further information and credentials to reassure patients.

### **EDUCATIONAL DVD**

Educational videos detailing the practice, physician, and procedures, accompanied by satisfied patient testimonials, provide a visual aid to give prospective patients a better understanding or feeling for the practice. These videos can be recorded onto a DVD and sent in the mail before a visit, placed on a Web site, or offered for viewing in the waiting room on portable individual DVD

players just before meeting the doctor. The video can be developed in the office for very little expense. It can consist of the physician being interviewed about practice philosophy and favorite procedures, along with interviews of happy patients relating their experiences. Professional editing can be performed rather inexpensively, especially by film students. The DVD, strategically divided into articles detailing the procedures or services the practice most prefers to provide, not only allows prospective patients to select their desired treatment but also subtly introduces them to learn more about other treatments offered, or perhaps share the video with a friend.

### USE NUMBERS!

What procedures does the physician most enjoy to do and frequently perform? The patients should know. Tallied up numbers of rhinoplasties, Botox injections, filler treatments, laser procedures, or whatever is to be emphasized can be compared with the national averages each year. (Average number of cosmetic procedures done per year, per physician can be viewed at [www.surgery.org](http://www.surgery.org).) The numbers can be put into a chart and displayed on the Web site, business cards, or a poster hung on the back of a clinic room door.

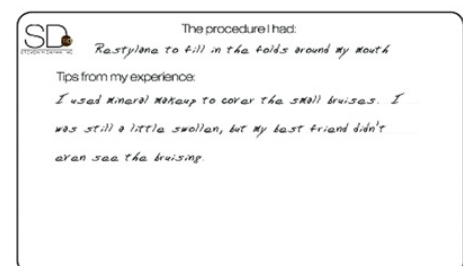
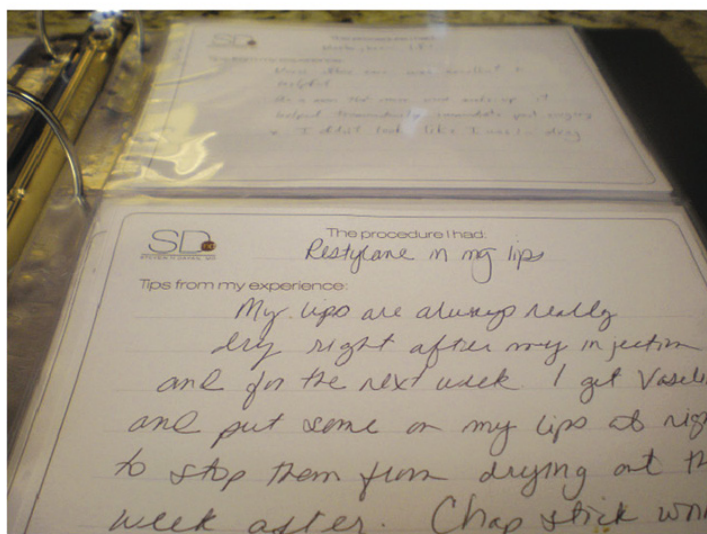
### PHOTO ALBUMS

Attractive albums in the waiting room are an effective way to showcase before and after photos in a classy manner. A nice option is to develop a custom binder very inexpensively through Avery

([www.avery.com](http://www.avery.com)). This company offers the option to upload pictures, logos, or written messages and have them professionally printed for approximately \$20. Customization can be taken to the next level with one of the hundreds of online companies that allow the ability to create a photo book. Most of the cost is in the time needed to customize the book, but it is well worth it. Further customization can be achieved by adding descriptions of the procedures and testimonials. The finished project is often an incredibly professional-looking book. The book's pricing is based on page number, the cover, and size, but generally ranges from \$29 to \$59 a book.

### PATIENT TIP CARDS/BINDER: USE YOUR PATIENTS' WORDS

Peer-to-peer recommendations have a weight and credibility that cannot be duplicated by even the savviest marketers. A satisfied patient advocate speaking to an interested prospective patient has tremendous credibility and significance. This communication helps alleviate inquiring patient's concerns by having them hear another describe how they have been safely down the same road, and perceive that the experience was so great that it must be shared. A patient tip card can be a piece of paper, an index card, or anything easily read and displayed (**Fig. 1**), and creates a controllable and inexpensive forum for patients to communicate and educate one another. Because it can be intrusive and sometimes challenging to quickly find a satisfied patient who is available to



**Fig. 1.** Tip cards are an effective way to allow satisfied patients to share their experiences with prospective patients.

speak with new consults, this book creates a similar connection between patients without having to violate professional etiquette. Additionally, as it grows, it reinforces the vast amount of experience achieved. Having the cards handwritten further validates the cards, showing that they are real, complete with spelling errors and scratch-outs. These cards can be a very valuable educational tool.

## SUSHI-STYLE, WHILE-YOU-WAIT MENUS

An elongated list resembling a sushi menu of all office procedures offered provides a quick reference for prospective patients in the waiting room (Fig. 2). These menus provide information in a manner that will appeal to someone in a hurry or who prefers not to read a larger consult book. While they are waiting to be seen, they can check

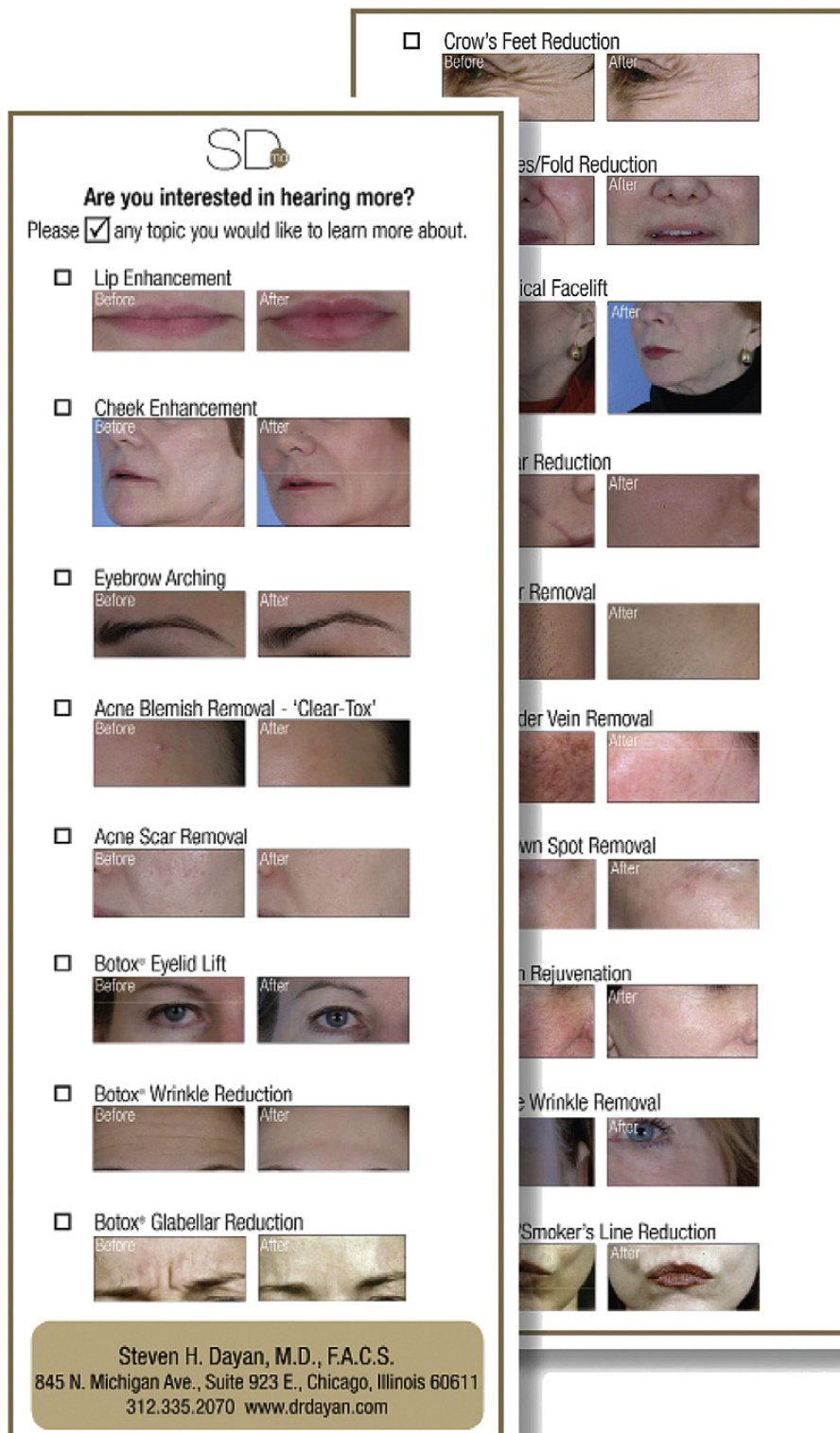
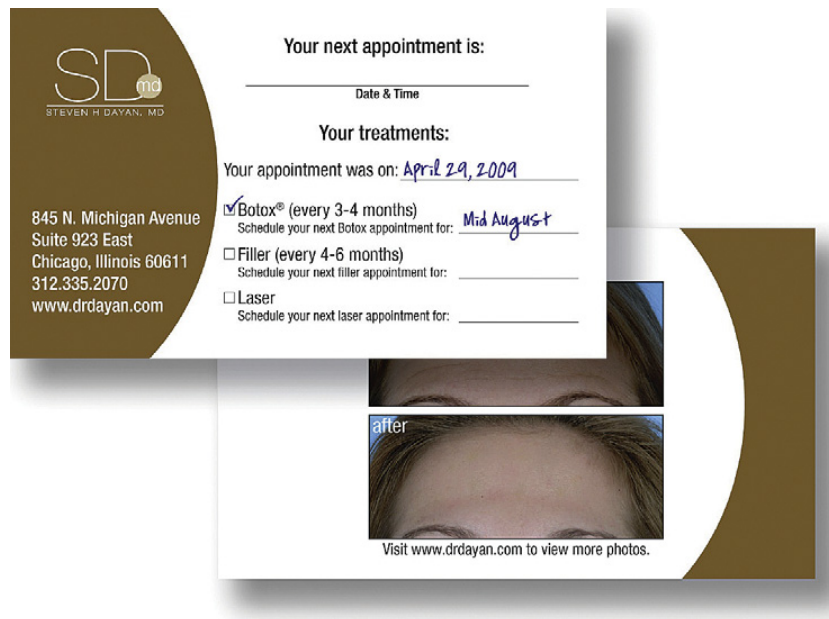


Fig. 2. Sushi-style menus provide the patient with a quick overview of services offered.





**Fig. 3.** Appointment cards showcasing photos reinforce the treatment benefits and further assist in retention efforts.

off what they are interested in and can then bring the menu into the room during their consultation.

### NEGATIVE WITH A POSITIVE

While patients are paying their bill at checkout, giving them a little “take away” gift, whether it is Hershey’s Kisses or custom-flavored lip balm featuring the practice logo and phone number, serves to “partner something positive with something negative.”

### NEXT APPOINTMENT CARDS: MAKING SURE THEY RETURN

With the advent of BlackBerrys, iPhones, and reminder calls from the physician’s office, patients really do not need a card to remind them of their next appointment. An “upgraded” appointment card is truly valuable for the patient who chooses not to book the next appointment (**Fig. 3**). Checking the box of the procedure patients have undergone and setting a date for when they are due for follow-up places an expiration date on the treatment and gives patients a reminder of when they should return to the office. Printing these business

card-sized documents with before and after photographs on them not only reminds patients of when they will be coming back but also reinforces the benefits achieved from their visit.

### SUMMARY

Aesthetic medicine is an evolving field in both the medical and business arena. Commonly referenced business strategies and tactics used in retail and the health care industry may not fit as well into the aesthetic medical world. Aesthetic physicians must navigate trying to run a successful business that meets consumer demands while honoring the promise to always provide the best and most appropriate treatment to their patients. Using an approach that embraces the luxuries of retail, while never compromising the primary responsibility of doing the right thing medically for patients, is the field of Retailicine.

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