

PREPARING FOR WHAT'S NEXT

Where to invest now for future success



IF YOU DON'T HAVE A COSMETIC COORDINATOR, INVEST IN ONE NOW



A good coordinator offers trackable benefits and helps follow other metrics of success.

BY JOSH DEBLASIO

With the recent, unforeseen impact of COVID-19, the question, "If you had \$100,000 to spend right now, how would you invest it?" prompts deeper thoughts on strategic vision and enhanced execution than it may have perhaps six weeks ago. Most industries are being hit negatively by the recent pandemic and as we witnessed 12 years ago, aesthetic medicine is one of the first to be seriously impacted by a compromised economy.

The first thought that entered my mind was to search out what device would turn a profit most quickly. Factors to consider include cost of the device, price elasticity, patient demand, and labor cost, to name a few. Would it be best to spend \$100,000 on the latest body contouring device, injectables to gain economies of scale, or maybe a laser resurfacing device?

Perhaps it would be best to invest in an aggressive external marketing strategy to take advantage of lower prices and the hesitations of your competitors to advertise during this trying time. While all of these ideas originally seem to make sense on the surface, I knew there had to be a better answer to the question at hand.

I decided to closely examine the most successful aesthetic practices around the country and consider what commonalities they share. While they are all quite different—some are very large, multiple physician plastic surgery practices; some smaller dermatology offices with fewer than 10 staff members; and some multi-specialty practices that have a mixture of facial plastics, dermatologists and/or plastic surgeons—there was one key attribute that became quite clear to me. All of them have in place an accountable, analytical, performance-driven cosmetic coordinator.

THE ROLE OF A COSMETIC COORDINATOR

The role of the cosmetic coordinator varies by the office they work in. However, those who are most successful are

driven to personally succeed and to see the practice succeed. Taking a deeper dive into the responsibilities of the top cosmetic coordinators in the country, some overlap more than others. When the role is performed effectively, the value of the practice is enhanced quite significantly, and the ROI of this position exceeds any other spend with similar costs.

Patient retention is a metric that far too few practices focus on. One of the reasons is often the lack of a strong cosmetic coordinator to do the work that is necessary. I have heard physicians say hundreds if not thousands of times, "I need more patients!" But I can count on one hand the amount of times I have heard, "I just need to get my current patients back in." New patient acquisition is sexy, yet expensive. Retention is about as exciting as social distancing but costs very little.

When measuring retention, you need to have a targeted timeframe for when you expect each respective patient to return. For example, a chemical peel patient will have a different targeted return date than a neurotoxin patient, which will differ from a filler patient. A strong cosmetic coordinator will track retention by procedure, provider, and amount of product used (Example: is your retention rate higher for patients who purchase a package and/or multiple syringes?). By having a cosmetic coordinator own and measure the right metrics regarding retention, you can easily add six figures to your bottom line. When you measure the revenue growth from increasing your retention rate from 40 to 65 percent, this is serious money that few external marketing strategies can match. An additional advantage of higher retention is higher referrals. Those who come back more frequently are more likely to refer to your practice.

A cosmetic coordinator who measures and increases referrals will also grow revenue with very little additional spend. Referrals are a great practice builder, and just like

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rates of retention, are a metric very few emphasize sufficiently. It is imperative to measure what procedures have the highest referral rate, who the providers are that get the most referrals and why patients are referring. Is it the outcome they receive, the customer service experience, the price, location, etc.? Who are the top referrers in the practice, not just in number of referrals but in total dollars? How do you know and how can you increase if you do not have someone tracking this? What is your practice doing to increase referrals from your current patient population? These are all responsibilities that your cosmetic coordinator should own, especially since they are in such close contact with your patients.

Conversion rates are another key metric that a strong cosmetic coordinator can monitor, measure, and improve. Two key items to measure are the number of phone calls and web inquiries that turn into appointments and the number of appointments that turn into treatments/procedures/surgeries.

BOTTOM LINE

Hiring a business-minded, customer-centric cosmetic coordinator is a great way to spend \$100,000. S/he can contribute to and track metrics like retention rates, conversions, and referrals. Preparing your practice now can help you come out of the current slump strong.

It's not just the percentages—which, though easy to calculate, are rarely done—it's what do you do when you have these numbers. A deeper dive is necessary if improvement is the goal. What procedures have the highest/lowest conversion rate from the phone to the consultation? Knowing this will tell you a great deal. What tweaks need to be made? Is the price too high/too low, is the language used scaring the patient away, is the appointment availability too far away? Once they are in the door for a consult, what contributes to patients not booking: price, explanation of the procedure, bedside manner, wait time, staff professionalism? Having a cosmetic coordinator who measures, examines, evaluates and takes steps to improve your conversion rates is worth their weight in gold.

SPEND WISELY, NOT CHEAPLY

In summary, a business-minded, customer-centric cosmetic coordinator is a great way to spend \$100,000. How you get to this figure (base, bonus, commission, MBOs, etc.) depends on you. The value that this person/position can bring to the overall health of an aesthetic practice far outweighs what any device, rebate, or marketing strategy can do. The results may take a little time, but they are not hard to measure, especially regarding retention, referrals and conversion rates. Spending wisely, not cheaply, as we enter uncharted waters for the rest of 2020 will differentiate those who get back to normalcy in the least amount of time. ■

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