

The Keys to Success:

Effective Methods to Achieve a Thriving and Profitable Practice

By Jeffrey Frentzen, Executive Editor

The business of running a successful aesthetic practice has become quite complex in recent years. Responding to growth in this market, the pressures of increased local competition and the need to expand services and procedures to keep up, practitioners now face a daunting array of patient outreach, business management and marketing tools to master and deploy efficiently.





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“People are very quick to jump on the latest marketing trends,” stated Andre Riley, vice president of sales and marketing at DoctorLogic, a Plano, Texas-based firm that offers a patient acquisition platform to physicians. “However, because best practices in this field change nearly every day, it can be overwhelming and exhausting for a business owner.”



Andre Riley
Vice President of Sales and Marketing
DoctorLogic
Plano, TX

For most practices the biggest challenge is that the physicians and owners keep buying more software and marketing tools that they may not need, expressed Adam

DeGraide, CEO of Crystal Clear Digital Marketing in Orlando, Fla. “They forget that the most important part of successful practice management and marketing is the internal process. They must make sure that their entire team can effectively and efficiently, answer the phone, respond to e-mails and actually use the tools available to them already.”



Adam DeGraide
CEO
Crystal Clear Digital Marketing
Orlando, FL

David Phillips, CEO of NKP Medical Marketing in Los Angeles, Calif. agrees that the practice management and marketing landscape is ever changing. “The clearest path that has changed is how important it has become for practices to market across all segments. It used to be beneficial to dedicate your resources to a single source of marketing and depend on that completely. For instance, focusing on search engine optimization (SEO) so your practice will appear at the top of the search engine pages, and being able to generate business with that approach. Today, there are multiple methods that must be utilized and all of them are in flux.”



David Phillips
CEO
NKP Medical Marketing
Los Angeles, CA

According to Chad Erickson, vice president of sales and marketing at Advice Media, a digital marketing firm in Provo, Utah, SEO has evolved to where Google can reward local businesses by giving them the opportunity to show up higher in the search results more easily. “Also, digital platforms and online videos have taken over as prominent marketing tools for practices, replacing or augmenting the more traditional

e-mail marketing, website design, blogs and other delivery methods.”



Chad Erickson
Vice President of Sales and Marketing
Advice Media
Provo, UT

In addition, more prospective patients research plastic surgery procedures using mobile devices, “So the physician or practice manager needs to stay up to date on how to apply the newest technologies to their marketing outreach and patient retention,” Mr. Erickson added.

As such, physicians today have to be more educated than ever, noted Jay A. Shorr, B.A., M.B.M.-C., CAC VIII, founder and managing partner of The Best Medical Business Solutions, a Miami, Fla.-based medical practice consulting firm.

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“Most physicians don’t have the time, expertise or energy to follow it all. In this industry, we no longer use methods that were vital last year, and have adopted new approaches that were previously unheard of.”

“This includes physicians coming out of medical school that realize they need assistance and guidance in business and marketing techniques,” Mr. Shorr continued. “Those physicians need to work in their practices and should allow other professionals to work on their practices. If you allow professionals to oversee this aspect of your company while you are making money, then you can treat the practice like a business.”



Jay A. Shorr
Founder and Managing Partner
The Best Medical Business Solutions
Miami, FL

Third-party service providers and other professionals track rapidly changing trends and strategies and can be a valuable partner for practices desiring to implement those changes. “Most physicians don’t have the time, expertise or energy to follow it all,” noted Mr. Erickson. “In this industry, we no longer use methods that were vital last year, and have adopted new approaches that were previously unheard of.”

This is where the practice manager can be crucial to a business’s success, explained Mr. Shorr. “Years ago, there was no such thing as real practice managers,” he said. “It was your wife or your husband, and you ran your practice by the seat of your pants. Nonetheless, it is in reality a business and physicians need to treat it like one. Today’s practice manager is responsible for coming up with a plan administratively, financially and marketing wise, and people take it seriously.”

The notion of creating a business plan for an aesthetic practice is not usually taught in medical school, but is central to future success, Mr. Shorr added. “Historically, very few practices – unless they are elite practices with deep pockets – even create a business plan. In the past, physicians didn’t think this way. They didn’t understand that it was a real business until they got into it and started losing their shirts,” he said.

New physicians coming out of residency or physicians that have been partners in a practice and want to go out on their own seem to have gained more business sense than earlier generations, Mr. Shorr pointed out. “They know that you must have a plan when entering into this field. They know that in this business you can’t grow unless you have angel investors or a bolus of cash in your pocket. You can’t go to a financial institution and say you need a million dollars to build out a facility and an O.R. at \$175 per square foot without a solid business plan.”

Practice managers help the physician to not only create a plan, but also modify it as they progress. “You check and recheck it and recheck it again,” Mr. Shorr emphasized. “It’s not a perfect scenario, and many times I will have a plan and if things aren’t going well I don’t wait to change it. You need time in which you can reflect on the plan and modify it.”

In Mr. Riley’s experience, “It’s important to take a step back and recall that marketing only exists because of the services and products you provide. That part hasn’t changed for hundreds of years. When you put a focus on your service, everything else falls into line. Place an emphasis on your technique first, follow



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that by surrounding yourself with friendly, intelligent people and then your story becomes easy to tell.”

For instance, aesthetic practitioners can demonstrate their competitive advantage by simply showing people their quality work, Mr. Riley shared. “This can be accomplished via before and after photo galleries, as well as giving patients verification of that quality through online reviews and testimonials, and ensuring that patients are provided the utmost quality of service whenever they interact with your staff.”

It may also be useful to find out how new management and marketing approaches work for other practices. “One of my favorite techniques is to follow industry experts online,” stated Mr. Riley. “Chances are they are already sharing many of the links they read and found valuable. You can then passively gain from the research hours they have invested, rather than digging for news yourself.”

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An understanding of what does and does not work in the current marketplace is a valuable reality check, Mr. Shorr indicated. “For instance, years ago we had the Yellow Pages. I used to spend \$12,000 per month on advertising in the Yellow Pages because it was effective. There was no such thing as the World Wide Web or the Internet. Today, you don’t advertise in the Yellow Pages. It’s like throwing your money away. Instead, you had better be putting that money into your website, SEO and social media.”

Radio and television can still be strategic for aesthetic practices, Mr. Shorr added, “But these avenues are less compelling than in the past. Breast augmentation ads on daytime TV could be very useful because of the audience you are attracting. However, women today are professionals in the workplace more than ever before, and as such they are not sitting at home watching TV.”

A practice’s website should be home base for all marketing operations, stated Mr. Riley. “That would include capturing new customers or keeping existing ones engaged,” he said. “Your website should make you discoverable for people looking for a particular service in your area. You may supplement discoverability with paid advertisements such as print, radio, TV, etc. Your website should make it easy for people to contact you. From there, use other channels like social media as auxiliary means of directing business back to your practice. Social media sites are perfect for re-engaging your current customer base, but efforts here will not open your doors to people who don’t already know your name.”

Building and maintaining a sophisticated website with hooks into social media and other interactive platforms is only the beginning, Mr. Erickson advised. “Measuring the results of patient engagement from your website is also important. How much volume comes from the Internet? If a practice is spending hundreds or thousands of dollars per month on the Web to obtain new referrals, look at the metrics and figure out how much money those referrals bring in and which services those new people are asking for.”



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Notably, the biggest change in practice marketing has been adapting to the fact that although social media used to be just a fun thing, today it has become a vital part of every business plan. “Practices should look closely at their online presence, which includes SEO, their rankings online, pay-per-click advertising programs, and then the social media side including Facebook, Instagram and Google+,” Mr. Phillips said.

Each of these social media services uses their own user interface, engagement methods and back-end server algorithms. “Any platform that you decide to use has to be maintained separately,” Mr. Phillips added. “Achieving higher page results on Google is not the same as working with Instagram, which is based on photos that you have to tag properly so that people will be able to see them. It’s the same with Facebook, where you have to learn the system and know how to tag a post, when is the best time of day to publish, etc.”

All of it is interrelated, Mr. Phillips continued. “Your online review presence, for instance, will in turn help your SEO to get your site ranked higher. The higher your rank the more people will see your website and will gain access to your social media platforms. It’s all tied together and the challenge for practices is to do them all effectively.”

It is crucial to keep the customer in mind, Mr. Riley stated. “We all know that the Internet has made information a commodity and it only takes a few clicks for someone to find you, no matter what platform they are using. Realize that customers will want to shop and do research before contacting your practice.”

Knowing that potential customers want to “window-shop” around before contacting you actually works to your advantage, Mr. Riley added. “When developing an online strategy in today’s landscape, consider and appreciate that the audience on each platform is different. Facebook is great for offering your customer base specials and promotions. Instagram is best for showcasing the culture of your team, quality of your work and to show you are trustworthy. Twitter is best for sharing articles and other industry trends.”

Another vital task is to make sure your website also contains relevant information about the procedures you perform. Last but not least, no matter what efforts you take, make sure you direct customers to a place where they can get in contact with you. This might mean linking to your website where you have a contact form, or placing a phone number in your social profiles.

Take the time to examine how your social media efforts affect the practice’s bottom line, Mr. Shorr underscored. “Practices populate these different sites and time — someone’s time — is involved in maintaining that effort. Moreover, using Instagram and Twitter networks is free, and Facebook is mostly free, but you also need to expend human resources. Practices don’t realize what is involved. For instance, how many hours per week are you dedicating an employee to work on these social media platforms? What are you paying them per hour? It’s not free.”



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When it comes to rate of return regarding social media, “It is very rare that physicians will give me honest answers,” Mr. Shorr conveyed. “Some of them will say, it’s great; we get a lot of people coming in. But honestly, you don’t make any money on a Facebook ‘like’. As well, when a practice is marketing to all of its so-called friends, Facebook restricts the percentage of friends that actually receive the information to around 10%. And you don’t get to choose what 10% receive your marketing pitch. That segment may not even be in your demographics.”

“It can be difficult to target people that are or could be your customers,” said Mr. Phillips. “Facebook has targeting ads and the ability to ‘boost pages.’ This may be the most undervalued tool for practices, and they don’t realize how effective and cheap it is to use them. Facebook and all the social media platforms know the user’s name, age, gender and interests, etc. When you set up advertising with social media networks you can target people that are specific to your geographical area. If and when used properly, social media advertising definitely gives you a great return on investment, but physicians need solid action plans.”

Online videos have likewise emerged as very useful promotional tools. In Mr. Erickson’s opinion, “They are part of the new wave in patient outreach and engagement. Online videos are something that in general convert. Videos are highly popular in the same way that before and after galleries on websites garner the most web traffic. People are much more willing to sit there and watch something rather than read something.”

“Videos can provide value and insight to the viewer in an easily understandable way, but don’t always provide SEO value,” stated Mr. DeGraide. “Videos are user-friendly, but the content within them is not recognized by a search engine. From a marketing perspective, videos can definitely add value if executed properly. What I recommend is not only promoting videos in e-mail marketing and on social media, but also having the content transcribed as this is where you gain SEO. Using the text within the video as website content or a blog is what draws organic traffic.”

In addition, producing a YouTube video does not mean making it a Hollywood-style blockbuster, Mr. Riley commented. “For growing your practice, realize that you are missing out on a significant portion of your potential customer base if you neglect to create video content. Videos are often thought to be expensive and cumbersome to produce, but many of the most effective videos are filmed on an iPhone and uploaded directly to YouTube. Just like when blogging first became popular, some failed to get started with the fear that their posts wouldn’t be perfect.”

Another challenge for practitioners is the online review. Review websites can generate irrational fear among practitioners, although it is fairly simple to deal with them.

“Negative online reviews usually occur because the patient did not have an opportunity to share their feedback with a practice privately,” stated Mr. Riley. “Never underestimate the power of a simple follow-up phone call. Asking a patient for feedback privately can go a long way to limiting a practice’s exposure to reputation issues. Make it clear to the patient that you want their feedback both good and bad because your practice genuinely wants to improve. If reputation issues do occur, it’s



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always best to hire someone who specializes in handling reputation repair. A simple response could put the practice in legal trouble or exacerbate the situation.”

Also, it is worth noting that reviews that are not accurate or true can be removed from sites like RealSelf, Google+ and Yelp, stated Mr. Phillips, adding that it is common for any business to receive an occasional bad review. “I see practices that will get 25 five-star reviews and then a single bad review, and then put all their efforts in dealing with that one bad review. While they need to deal with that bad review, they also need to put more effort into obtaining more positive reviews. Consumers are realistic in knowing that no one is perfect, so when the prospective patient sees a negative review here and there it isn’t the worst thing in the world.”

According to Mr. Phillips, the best reputation management system out there is the practice itself. “The practice can develop a system in which they are proactive about reviews and encourage their patients to write good reviews. However, they need to realize that if they ask ten patients to do that, maybe only two of them will actually go online and write a review.”

In order to manage all of the disparate aspects of practice management and marketing, from developing an online media strategy to receiving good word-of-mouth from existing patients, and attracting new patient referrals, excellent staffing is critical to success.

“Often, we hear that acquiring new personnel is one of the hardest challenges for practice owners,” Mr. Riley shared. “How can I find someone to work our social media page? Who is friendly enough on the phone, but knows how to say no? When searching for new people, hire for talent, not for skills. Natural problem solvers might never have used your EMR system before, but will likely figure it out to help them do their job. It’s more important to look for those who are willing to learn what it takes to get the job done.”

In addition to being proactive, staff has to be well trained and up to speed on what the practice offers, know a lot about its procedures and professional services, and be able to talk with clients coherently, expressed Mr. Erickson. “Preferably, they should have previous sales experience or customer service background. People in sales are typically strong in customer service and they also keep the end point in mind; that is, to close the sale.”

When considering all the moving parts that must be watched and maintained, physicians may be wise to seek the help of third-party providers to help start up and build a practice’s business. “The physician has worked hard to get where they are, and they should focus on treating their patients and changing lives,” Mr. Riley commented.

“It’s important to stay current, but like any business you should evaluate if the amount of time you are spending to keep up with marketing trends is worth it,” Mr. Riley added. “Any good third-party firm should be able to keep you up-to-date with the best practices in management and maintain high standards in online marketing, have your best interests at heart, help you save money, and most important, help you save time.” ■

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