

SANDY'S SIDELIGHT

MedSpa Insurance Newsletter

Stay Enlightened ♦ Stay Heathy ♦ Stay Beautiful



Sandy Elliott, CISR
MedSpa Insurance Specialist

"That means that once the crease in a patient's brow has melted away, she'll find a way to keep paying for the Botox injections no matter how her stock portfolio is performing."

Lisa Girion



ISU Insurance Services
The Professional Solutions Agency

23372 Madero, Suite H
Mission Viejo, CA 92691

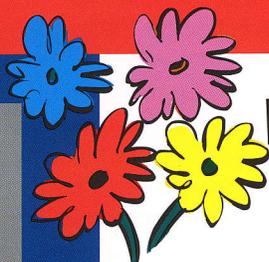
Tel. #714-394-9471

Fax #714-276-9995

Email: sandye@professional-ins.com

License #0D43409

Web: <http://www.professional-ins.com>



WHAT YOU NEED TO KNOW!

THE GOOD NEWS CONTINUES (DESPITE THE SLUMPING ECONOMY)

"Thanks in part to television shows like "Extreme Makeover" and "Nip/Tuck", the number of Americans seeking chemical peels, laser procedures, Botox shots and wrinkle-filler injections is soaring. According to the American Society for Aesthetic Plastic Surgery, such "noninvasive" treatments have increased more than 700 percent since 1997".¹

"...Younger Baby Boomers – those born between 1955 and 1964 – are said to be the leading party for such growth...and since 12,000 Americans turn 50 every day, this...is slated for tremendous growth."²

"...the \$9.4 billion cosmetic procedures and medical spa market niche, what industry experts are calling "the fastest growing segment of the medical industry".³

"Last year alone, doctors nationwide performed more than 9.1 million minimally invasive cosmetic procedures, such as Botox injections or laser hair removal, according to a study released this year [2007] by the American Society of Plastic Surgeons. That total was up from 5.5 million in 2000".⁴

BUT SO DOES THE NOT SO GOOD NEWS

"Earlier this year, the American Society for Dermatologic Surgery surveyed its members about complications from cosmetic procedures that weren't performed by a doctor. The survey showed patients suffered burns caused by the improper use of lasers, scarring caused by chemical peels and skin discoloration caused by laser hair removal..."⁵

"An August 2007 study by the Physicians Coalition for Injectable Safety found that 38 percent of its plastic surgeon members have seen complications due to injectables administered by poorly trained providers."⁶

"...a 35 year old woman from Omaha, Nebraska went to a medspa owned by a "skin-care specialist" for hair removal...as a result [she] suffered second- and third-degree burns on her legs and stomach".⁶

"developed an infection after having lipolysis and had an abscess removed from her abdomen".⁷

¹Janet Morrissey, *The New York Times* article, Having a Little Work Done (at the Mall), 1/13/08

²www.healthbolt.com, Gucci, Orange Julius and Botox?, 1/14/08

³Twin Trader Featured Company: Medspas of America, Inc. Targets the Skin Care Markets, 1/2/08

⁴Susie Steckner, *Arizona Woman* article Medspas winning fans, but you need to do your homework, 10/16/07

⁵Susie Steckner, *Arizona Woman* article Medspas winning fans, but you need to do your homework, 10/16/07

⁶Lisa Lombardi, *Health* article Gynos Removing Wrinkles, 12/07

⁷Marnell Jameson, *Los Angeles Times* article Miracle Shot or shot in the dark?, 12/3/07 in Health Section

IN THE SPOTLIGHT: Heather Gallegos - Spa Marketing Coach

Recently, I had the pleasure of becoming acquainted with Heather Gallegos, a spa marketing coach who was gracious enough to fit me into her busy schedule & allow me the following interview.

Heather & I discovered that we had a lot in common – our passion for spas, our desire to educate our clients, our similar business philosophies & our love of writing. I hope you find Heather's knowledge, experience & insights as beneficial as I did.

[SE:] What services can you provide to an existing spa to help increase their revenues?

[HG:] Established spas have a wonderful asset in their previous patients that they may not taking advantage of by following a detailed marketing plan. A marketing plan is more than something to put in a business plan for funding, it is your roadmap of promotions and client communications. When creating personalized marketing plans with clients, I like to first start by reviewing their existing marketing strategy activities to identify how they can be more effective at bringing clients back. Perhaps we will startup a referral program or email newsletter to stay in regular contact. And to focus on attracting new patients, I help spas create and launch publicity, direct mail campaigns and create or improve their website.

[SE:] What services/advice/resources can you provide to help a spa run more efficiently and how do you typically work with a client?

[HG:] Front desk and marketing activities are much more efficient with the use of spa management software that allows clients and staff to interact with your spa online. Online scheduling reduces missed calls and automates appointment reminders to avoid no-shows. Email newsletters can be managed by the subscribers and spas can measure who is reading it with simple reports. I help my clients find, implement and most importantly use technology to increase their marketing efficiency and effectiveness. Weekly staff meetings do not have to be long, but they do have to be required. These meetings are excellent opportunities to brush up on technical knowledge and patient consultation closing techniques.

I work with 90% of my clients via the phone and email. Whether in one-on-one consulting, group tele-coaching, e-books or my recorded classes, I like to show my clients the best marketing techniques that work for their specific situations. I translate the marketing theory mumbo jumbo

into powerful, personalized and practical medical spa marketing plans. Whether clients will manage the marketing or hire me or someone else to execute on the marketing activities, I feel it is important to arm medical spa directors with the knowledge of what works to attract and retain loyal patients.

[SE:] What elements do you feel lead to a successful spa business?

[HG:] The most successful spas I have worked with have a very focused marketing plan for a very specific patient base. They do not attempt to be everything for everyone, but rather focus on a narrow niche. Perhaps it is laser, body contouring or injectibles or even eye injectibles ...but they narrow their services to the point that startup spas may feel like they are losing out on possible business. But having a narrow focus means that you can simplify everything: your marketing, your equipment, and your staff in order to dominate the competition for that niche.

[SE:] What kind of advertising is working successfully for spas?

[HG:] I am a huge fan of internet advertising. This is because on the internet, potential patients are raising their hand for help. They are actively searching for your services or a medical spa in your area. And because there are a relatively low number of medical spas today, there is a wonderful opportunity to educate and connect with prospective and existing clients once they reach your website.



continued on page 3

“What’s the first step of trend niche development? Hire a consultant to conduct an assessment or “environmental scan”.

Cheryl Whitman, Ten Amazing New Medical Spa Trends for 2007, February 2007

Heather Gallegos Interview (continued)

Heather Gallegos is a spa marketing expert and coach who specializes in teaching new and growing medical spas practical and effective marketing habits that work to attract new and return clients. She founded **Spa Clientele Solutions** after 12 years in marketing and communications roles in the high-tech industry and translates her years of marketing experience and MBA knowledge into easy-to-apply techniques that specifically attract your ideal medical spa clients. Her unique perspective as a spa client and marketing expertise complement one another to provide a powerhouse of practical and straightforward solutions for medical spas and day spas nationwide. Published in SkinDeep and Dermascope magazines and a speaker at industry tradeshows, Heather is also an active blogger about practical and helpful marketing ideas for salons, day spas and medical spas at <http://blog.spaclientele.com>. Check out her upcoming events on her website.

Special offer for readers of Sandy's SideLight:
Heather has created a free e-mail e-course
Smart Spas Don't Advertise:
Three secrets to booking yourself solid
without paying for print ads

By signing up for this free e-mail e-course,
you will receive a series of emails
from Heather on the above topic.
You can unsubscribe at any time.
<http://blog.spaclientele.com/smartmedspa.html>



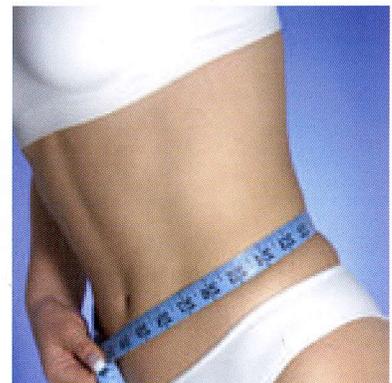
STAYING ILLUMINATED FAQ'S ABOUT MEDSPA INSURANCE:

What are some of the new trends that you are seeing in the insurance industry of which spas should be aware?

(SE:) Many carriers are now accepting of the inclusion of wellness centers with spas. This can include coverage for acupuncture, nutritional therapy, weight loss, hormone therapy, Reiki, even full walk-in clinics. Many carriers are also now agreeable to covering procedures such as lipodissolve*, liposculpture, Smart Lipo, certain non-surgical dermatological procedures – procedures which were never before acceptable under a medspa Malpractice Policy.

[NOTE: *Some carriers exclude lipodissolve if the chemical compound lipostabil is used, so be sure to divulge this to your insurance agent.

The best news is that because of low frequency & severity of claims in the medspa arena and the addition of more insurance carriers quoting this genre, premiums continue to fall. The medspa insurance market is now more competitively priced than ever. If your renewal premium isn't as competitive as you had hoped, perhaps your current agent isn't a **specialist** in this field & is not doing the most thorough **marketing job** for your business.





ISU Insurance Services
The Professional Solutions Agency
23372 Madero, Suite H
Mission Viejo, CA 92691



Sandy Elliott, Dr. Dee and receptionist Suzy Webb

Congratulations to one of my MedSurge Advances clients, Dr. Dee L'Archeveque on the opening of her beautiful new spa, **Big Apple Physicians Health & Wellness Center**, in Temecula, CA !

Until my next newsletter remember to...

Stay Enlightened ♦ Stay Healthy ♦ Stay Beautiful!

Sandy Elliott, CISR

Sandy's SideLight

Tel: 714-394-9471

Fax: 714-276-9995

Email: sandye@professional-ins.com