

How to Perform a Competitive Analysis

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As aesthetic medicine becomes increasingly competitive, performing a competitive analysis of your existing or prospective private practice or medspa becomes increasingly important. A competitive analysis allows you to evaluate your own practice's strengths and weaknesses, identify your competitors and determine the differentiating factors between your business and similar businesses in your region. In this article, we will explain how to perform an annual competitive analysis.

Developing a comprehensive competitive report requires a three-pronged approach. First, you must take stock of your own practice. This requires honestly evaluating your practice through the eyes of your patients. Second, you need to identify who your competitors are, and finally, you must evaluate your competitor's practices from the perspective of a patient.

THE PATIENT'S VIEW

Understanding how a patient or prospective patient sees your practice is critical. There are several ways to get honest feedback, including patient surveys, mystery shoppers and reviewing your repeat business/referral rate. If your current patients are not returning and your referral rate is not increasing, it's a huge red flag that needs to be investigated.

Delve into your data to determine if there are certain treatments that are not generating additional bookings, certain staff providers that are failing to generate return business or whether the trend is across the whole practice. Anonymous patient surveys can help provide information on what you are doing right and where improvements need to be made.

One of the most effective ways to determine how patients and prospects see you is through the eyes of a professional mystery shopper. The process involves having a trained mystery shopper who understands the medical spa and aesthetic medicine industries pose as a prospective patient. They call the facility, ask questions and then make an appointment. A more in-depth process involves having that

mystery shopper go onsite and experience a treatment. The goal is to make sure that the physicians' perceived brand image is in sync with the image they'd like to present to patients and prospects.

IDENTIFYING YOUR COMPETITORS

Your primary competition will come from practices located within a five-mile radius, depending upon the size of the city you are located in (the smaller the city, the larger the competitive radius). Determining who is out there serving the same target base as your practice involves some detective work. Peruse local ads. Do a web search and visit your competitors' websites. Search and review Instagram, YouTube, TikTok and Facebook posts. Search online review sites and Google the providers. As you drive around, look for billboards and signage. Check your local Chamber of Commerce's business directory. Make a list of any and all potential competitors. Do this on an annual basis to avoid unpleasant surprises.

HOW DOES MY PRACTICE STACK UP?

When performing your competitive analysis there are several areas to focus on. They include:

Websites. Visit your competitor's website to investigate the treatments they offer and type(s) of providers working in the practice. Also note the design. Is the site easy to navigate, educational and clear on how to contact the facility for more information or to book an appointment?

Social Media Pages. How often are they posting and how much engagement are they getting? Which products and services do they highlight?

Initial Phone Call. We make several calls to a practice, so we have the opportunity to speak with as many of the staff as possible. We ask questions about the services and various providers. For example, is there a waiting list for a specific service? Who performs the service? Are there any specials being offered to a new patient? What is the price of a specific service? Are there financing options available and if so, how is this handled? The objective is to assess staff knowledge, customer service skills and gain an understanding of the services being offered.

Additional question include: Was the phone answered in three rings or less? Was the person answering the phone pleasant and helpful? Did they answer your questions? Did they collect your contact information? Did they put you on hold? Was there background noise?

The Booking Process. After our mystery calls, we make appointments to see how the booking process is handled as well as what follow-up the practice initiates following our appointment booking. We may cancel and rebook to see how the practice handles that.

The Appointment. When we arrive at the practice we assess everything from the cleanliness of the facility to the professionalism of the staff. Are we greeted upon entering the practice? What is the initial impression we get upon entering? Is the reception organized? Is the person at the front desk attentive? How long is the wait time? Are there marketing materials available for prospective patients to look at while they wait? Is there a display area for retail products?

When escorted to the treatment room, is the staff member friendly? Are they knowledgeable and able to answer any questions? Is the treatment room clean? Is there a display of available retail products that complement the treatment? Does the provider explain the procedure in easy-to-understand terms? Do

they offer suggestions on products that will extend the treatment benefits? Do they mention any other treatment options to help patients achieve their goals?

Performing a thorough competitive analysis of each of your competitors is a time-consuming undertaking, but one that is highly beneficial. This process not only helps you determine where you stand amongst your competition, but it can highlight areas where your practice needs improvement.

In the fast-growing arena of aesthetic medicine, having a strategic advantage can make all the difference to your bottom line.

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