SAVE BIG BUCKS WITH VENDOR-SPONSORED CUSTOMER LOYALTY PROGRAMS

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BY WENDY COLLINS

Did you know that a five percent increase in customer loyalty can result in more than a 25 percent increase in revenue? If so, you might be thinking of creating your own customer loyalty program. However, customer loyalty programs are expensive to start, market, and maintain. Perhaps you should first look at programs provided free by vendors and determine how to utilize them to your benefit.

Vendors invest millions of dollars in sophisticated direct-to-consumer campaigns designed to drive traffic to practices they serve. Taking advantage of these programs can save your practice a lot of money without having to reinvent the wheel.

Customer loyalty programs help influence consumer behaviors and are an impactful way to build ongoing relationships with patients. Relationship building is a key component in the aesthetics industry and an effective way to differentiate your practice from the competition and show patients you are looking out for their best interests.

If your practice is like most practices, you probably do not have a clear understanding of what vendors offer in terms of prepackaged loyalty programs. If you want to be proactive, get the loyalty facts from your suppliers. Only then will you be able to use these valuable programs to your advantage when it comes to rewarding, recruiting, retaining, and converting patients.

STEP-BY-STEP PROCESS

Effective customer loyalty programs have many moving parts. Here is a step-by-step process to help your practice successfully identify, analyze, and incorporate vendor-sponsored customer loyalty programs:

Identify vendors that offer loyalty programs. Determine who your top vendors are and reach out to the local sales personnel or representatives to inquire if they have customer loyalty programs. As you gather information, look for programs that you are confident will enhance customer loyalty to your business while replicating your values, image, and brand.

Obtain program details. Once you have identified the vendors that offer loyalty programs, ask each vendor about program specifics. Consider asking about targeted demographics, set up, versatility, what the benefits include, and the ease of earning and redeeming benefits. Also, do not hesitate to ask how the benefits specifically will provide value to you and your customer. You want these offerings to be a good fit.

Analyze the advantages and disadvantages for your practice. Use the information provided by the vendors to evaluate which loyalty program(s) will bring the most value to your practice and customers. To do this effectively, assess which program can most easily blend into your current plan to grow your bottom line (e.g., enhance revenue, reduce advertising expenditures, discount costs).

Appoint a loyalty champion. Once a program is chosen, an internal practice champion must be designated. Your success hinges on this appointment, as any worthy loyalty program cannot run on auto-pilot. This person will coordinate, oversee, and monitor the program, making sure it maintains a healthy pulse and is being implemented in a way that brings consistent value to customers and the practice. Your champion should be someone that understands the program’s value from both the patient and the practice point of view. This person should be able to articulate the program in a simple and concise manner and act as the go-to person when details are needed by staff or customers.

Create specific goals. Outlining specific, realistic goals will help you measure the ongoing success of the loyalty program, as well as its overall effectiveness in supporting overall practice goals related to recruiting, retaining, and converting patients. Examples of achievable goals are:

- Increase registration by 100 members/participants in Q1.
- Increase conversion from one procedure to another by 30 percent.
- Increase coupon redemption by 25 percent.

Define the details. It is critical to define the program details
to ensure that the program is introduced successfully to patients and runs effectively. Work with the designated internal champion prior to rollout and assign specific tasks to appropriate staff. Be sure to identify which staff members will own specific aspects of the program (i.e., education, setup, redemption/reward, and marketing). Create a checklist so there is no confusion about who owns each role and its related tasks.

**Instruct your staff.** The staff must be trained so team members can clearly articulate the program to patients. Make sure to look at it from a patient’s point of view and make it as easy to understand and participate as possible. Have the vendor or your loyalty champion coach staff on how the program works, explain why it is important for the program to be successful, and who will own what responsibilities.

**Make patient sign up easy.** Making it easy for patients to register and utilize the program is crucial. Two effective options are: 1) Creating a kiosk in the lobby that includes a laptop or iPad, or 2) Establishing a concierge service. Make sure every new customer is asked to join and is provided all pertinent program details. Your lead-in phrasing might be: “Thank you for visiting us. Today you can earn valuable points by joining our exciting customer loyalty program, which rewards you for future purchases of [product].”

**Target demographics.** You will have patient demographic options to whom you want to extend the loyalty program. Some practices roll out the program to all customers, while others target a select group of VIP repeat customers. You can ramp up the program quickly by offering it to all patients, or you can start off slowly by targeting only select customers—it is up to you. Your decision will depend on the type of office you have, i.e., the volume you experience on a regular basis, your capacity, and the capability of your staff. To ensure initial success, it might be prudent to begin slowly and work out the wrinkles on a small scale; you can always expand later.

**Develop a marketing plan.** You want people to know about this offering. Determine how to incorporate the loyalty program into your current internal and external marketing strategy and calendar. By following the lead of your vendor’s spend in marketing, you can piggyback off their marketing dollar efforts. Brand every room in your office—the waiting room, front desk, checkout, patient rooms, even restrooms. Use everything that is provided by the vendor—brochures, stand-up signs, posters, mirror clings, etc. This will make every patient want to ask about the program. Additionally, promote the program on your website, Facebook page, and in emails. Also consider adding package options that enhance the selling of those products and services not offered through the loyalty program but that add value to the redemption of loyalty points or coupons.

**Measure success and goal objectives.** Track the number of registered participants weekly, monthly, or quarterly. Additionally, you should track rewards redeemed. Poll customers on patient satisfaction, interest, and preferences. Check customer retention based on your program. Continually review and fine-tune your gauges of success and how you measure your ROI by consistently coming up with creative “stretch” goals that showcase the program in a different light so that it continues to create excitement. This can be done by adding new and unique packaged offerings.

**Keep customers engaged.** To fully optimize the program and its benefits, keep your patients engaged. Consider segmenting your customers and target them in specific groups. Each customer is unique; aim to appeal to that individual. Continue to show customers the value through reinvented marketing efforts. This will keep them wanting to come back. Make a game out of it; if it’s catchy enough, you could solidify your brand.

**SHOW YOU CARE**

In today’s challenging marketplace, it makes economic sense to utilize available outside resources to help recruit, retain, and convert patients. The use of vendor-sponsored patient loyalty programs is an affordable way to build relationships with patients and show them you care. In addition, you can increase profit by not having to develop and fund your own program.

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