

Evaluating the Med Spa Opportunity: First Steps

Presented by
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This presentation posted at www.prestonwynne.com

Who ARE you guys, anyway?



- ◆ Spas gone med?
- ◆ Docs gone spa?
- ◆ Investors?
- ◆ Curiosity Seekers?
- ◆ Innocent Bystanders?

Who *we* are...



- ◆ Spa Management Educators
- ◆ Consultants to the spa industry for 12 years
- ◆ Spa Operators for 22 years: day spa and hotel spa



Preston Wynne Spa, Saratoga, CA

Top 4 Reasons Not to Start a Med Spa

- ◆ I love going to spas!
- ◆ Managed Care is killing us
- ◆ My wife/husband/daughter/son/hairdresser wants to run a spa
- ◆ I just bought this *amazing* Victorian house



Key Ingredients of a Great Med Spa



1. A great idea
2. A great team
3. A great deal more money than you think.



Your Great Idea...



- ◆ Me Too Med Spa
- ◆ Kitchen Sink Spa
- ◆ Synergy Spa
- ◆ Blue Ocean Spa



(It's only a great idea if customers think so!)

Me Too Spa

- ◆ We need to add (medical programs, spa services) to keep up with the competition
- ◆ Dr. Jones just opened a med spa a block away!
- ◆ Hey, Dr. Smith wants to be our medical director!



Too Much of a Good Thing?



- ◆ Saturation is a growing reality
- ◆ Just “being” a med spa doesn’t differentiate you
- ◆ The rules of business apply: you must be different, better, special!



Everything-but-the-Kitchen-Sink Spa



- ◆ Ayurveda! Botox! Colonics! Eyelash extensions! (You want it, we got it!)
- ◆ If we keep adding services, eventually we'll make some money.
- ◆ Our clients want convenient, one-stop shopping. REALLY?



Great Ideas are Focused.



- ◆ Grow rich in your niche! *Specialize!*
- ◆ "A little bit medical"
- ◆ Innovation vs. complexity
- ◆ What's your Model T service/product?



GREAT ideas answer the question, "So What?"

Synergy Spa

- ◆ Our core competency is complemented by our new services
- ◆ This combination of services will drive compelling value for our clients/patients
- ◆ This is a natural extension of what we already do well!



Blue Ocean Spa

- ◆ We're defining a **new market space** that makes the competition irrelevant
- ◆ We've created a **leap in value** for our customers and company



Blue Ocean Strategy, W. Chan Kim, Renee Mauborgne

A great med spa starts with a great plan.



Strengths	Weaknesses
Opportunities	Threats

- ◆ What you will be is based on who you are **now!**
- ◆ Understand SWOT for the industry, your market, your venture, and for you personally.
- ◆ Just because "there's nothing like it in the area" doesn't mean you're a visionary genius

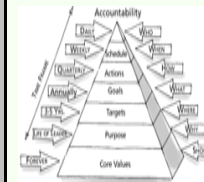
1-Page Strategic Plan



Confidential Date

S.W.O.T. Analysis

Strengths	Weaknesses	Opportunities to exceed plan	Threats to making plan
1	1	1	1
2	2	2	2
3	3	3	3
4	4	4	4
5	5	5	5



Core Values/Beliefs <i>Forever</i>	Purpose (Why) <i>10-30 Years</i>	Targets (Where) <i>3-5 years</i>	Goals (What) <i>1 year</i>	Actions (How) <i>Quarter</i>	Theme <i>Quarter / Year</i>	Baseline <i>Historical</i>																																																																																																																
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GREAT ONE PAGE STRATEGIC PLAN: *Mastering the Rockefeller Habits, Verne Harnish*

Recipe for a Real Business Plan



- ◆ The Problem (Need)
- ◆ Your Amazing Solution
- ◆ The Business Model (how do you make money?)
- ◆ Underlying Magic (Your Secret Sauce)
- ◆ Marketing and Sales Strategy
- ◆ Competitive Analysis
- ◆ Management Team
- ◆ Financial projections and key metrics
- ◆ Current Status, accomplishments to date, timeline, source and use of funds
- ◆ **20 pages, max!**

From *THE ART OF THE START* by Guy Kawasaki

Sizing up Competition

- ◆ Who is selling the services and products you sell--regardless of the business model?
- ◆ Who's not on the radar yet?
- ◆ Core (profit-driving) customers come from within a five mile radius



A Great Spa Business...



- ◆ Solves a problem
- ◆ Fills a Need
- ◆ Does it consistently better than everyone else
- ◆ Is passionate about customer service
- ◆ Continuously improves

Thank you for your attention!



- ◆ This presentation is posted at www.pwsuccesssystems.com
- ◆ For more business development tools and techniques: subscribe to Preston Wynne's complimentary e mail business update