

### Industry Overview

Two categories of plastic surgery are routinely performed – cosmetic and reconstructive. The American Society of Plastic Surgeons (ASPS) defines them as follows:

- **Cosmetic surgery** is performed to reshape normal body structures and improve the patient's appearance and self-esteem.
- **Reconstructive surgery** is performed on abnormal body structures resulting from congenital defects, developmental abnormalities, infection, trauma, tumors, or disease. The main purpose of the surgery is to improve function, but it may also be done to approximate a normal appearance.

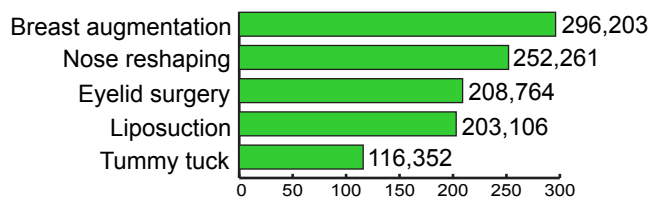
### Issues and Trends

The ASPS announced that economic recovery is responsible for increased demand for plastic surgery procedures. In 2010 cosmetic surgical procedures increased by 2%, minimally invasive cosmetic procedures (e.g., Botox injections, peels, and microdermabrasion) increased by 5%. Reconstructive procedures grew by 2%. Phillip Haeck, MD, ASPS president, remarked on what is behind the increases:

*"There's some pent-up demand for cosmetic surgical procedures. People have waited a couple of years or more to have procedures, until their finances were at least somewhat back in order. But, all indications are, more consumers are again willing to spend more to look better."* (press release, February 7, 2011)

Demand grew for most major cosmetic surgical procedures in 2010.

#### Top Cosmetic Procedures in 2010



Source: American Society of Plastic Surgeons (ASPS), "Report of the 2010 Plastic Surgery Statistics."

#### Plastic Surgery Industry Trends

- The demand for facial rejuvenation surgery will continue to increase as the economy improves, in large part due to people who have postponed intended surgery. Non-surgical facial procedures will also increase.
- The number of people who want and need plastic surgery for body contouring after dramatic weight loss is expected to continue to rise, as it has in the last few years.
- Baby boomer women are replacing their existing breast implants due to age or are getting breast lifts.
- Growing patient diversity has been a trend over the last decade, and this trend will continue. Plastic surgeons will continue to tailor their treatments to meet various demographics.
- Consumers are becoming more sophisticated in asking questions and pursuing research concerning cosmetic procedures.
- Celebrity actresses and performers are setting an example and are inspiring others to undergo surgical and non-surgical procedures for gaining shapely buttocks.

Sources: ASAPS, press release, December 20, 2010; Plastic Surgery News, December and October 2010.

Marketing is an essential activity for physician practices in general and plastic surgery practices in particular. Effective marketing is conducted from a base of commitment to customer satisfaction. According to healthcare marketing expert Patrick T. Buckley, effective marketing is built on the ability to satisfy patients.

*"And when you boil it all down, the combination of clinical effectiveness, communication, and quality of overall experience determines customer satisfaction. In other words, successful marketing cannot exist without excellent operations, and vice versa."* (Modern Medicine, December 2010)

Many cosmetic surgery practices are taking full advantage of the Internet. Since "many computer-savvy patients research and use the Internet as a window-shopping tool to find the best surgeon," a practice should have a website that appropriately advertises itself (*Cosmetic Surgery Times*, November 2010).

Complementary to a practice website are social networking sites, such as blogs, Facebook and Twitter – which is where prospective patients are spending their time. An article in *Cosmetic Surgery Times* views these sites as "a way to help patients and prospective patients feel connected to them" (November 2010). A surgeon should refrain from giving medical advice, providing consultations, or evaluating a patient.

### Value of Products and Services in the Industry

Average household spending on cosmetic plastic surgery procedures will reach an estimated \$96.50, calculated by dividing \$11 billion by 114 million households. Average household spending helps determine market potential and market share. For example, in an area of 50,000 households, it is fair to estimate that \$4.82 million is spent on cosmetic plastic surgery. If a plastic surgeon generates \$1 million annually, his or her market share would be 20.7%, a useful benchmark for comparing future performance.

### Critical Success Factors

- **Focus on the patient's overall well-being** instead of only on the area affected by the procedure that is performed. Review the patient's entire medical history and medications. In the consultation, make the person feel as if he or she is the most important patient to the practice. Patients should be made to feel that the surgeon cares about them as individuals and understands their concerns.
- **Conduct post-op management**, which is critical to patient satisfaction. After the procedure, the patient needs positive support for a period of time, and even more support if a problem occurs or the patient perceives a problem. A call from the surgeon can be quite reassuring.
- **Conduct in-depth pre-operative counseling** with patients to manage expectations, to optimize the choice of surgical procedure, and to review overall patient health issues.
- **Strive to reduce patient wait times.** Wait times cannot be eliminated but keeping patients informed can help reduce their frustration. After 20 minutes, apologize for the delay. During a delay in a session, staff should call patients who are scheduled later in the day to provide new arrival times. Offer a small-value gift card if the delay is excessive.

Sources: *Cosmetic Surgery Times*, November 2010; *Modern Medicine*, November 2010.

### Industry Resources

American Society of Plastic Surgeons (ASPS), [www.plasticsurgery.org](http://www.plasticsurgery.org)  
 American Society of Aesthetic Plastic Surgery (ASAPS), [www.surgery.org](http://www.surgery.org)  
 American Academy of Cosmetic Surgery, [www.cosmeticsurgery.org](http://www.cosmeticsurgery.org)