

TE WHARE WĀNANGA O TE ŪPOKO O TE IKA A MĀUI



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**MMBA 532 Business Research Report**

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**Business Research Report**

**Future marketing and engagement considerations for the non-surgical cosmetic enhancement industry for educated and professional male and female millennial generation target audiences.**

*I have read and understood the university policy on Academic Integrity and Plagiarism. Further, by submitting this electronically, I declare this assignment is free from plagiarism.*

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**Future marketing and engagement considerations for the non-surgical cosmetic enhancement industry for educated and professional male and female millennial generation target audiences.**

## **Abstract**

This paper examines the relationship between the cosmetic enhancement industry and the generation of people who were born after 1980. It describes how millennial target audiences represent a significant investment opportunity for purveyors of cosmetic enhancement services and products. The paper also analyses the literature in the non-surgical facial aesthetic sector in the cosmetic enhancement industry and traces development through history as well as the need to effectively fine tune and improve its relationship with customers and media in the digital information age. The design and delivery of an interview series and online survey was undertaken to test and find a vector match for the intersection of millennial audience wants for cosmetic enhancement with their preferences for consumption of advertising, marketing and media on digital platforms. Companies that have products and services need to engage and converse effectively with millennials to ensure the market hears them and interacts in an economic sense.

*Key words: Millennial, cosmetic enhancement, digital media, target audience, survey*

## Introduction

Improving one's physical appearance through the purchase of products and services is a multibillion dollar global industry (Yeomans, 2012). The ecosystem of services has many providers and there is space for a wide variety of practitioners offering anti-aging interventions from surgical procedures through to minimally invasive measures that require little to no recovery time for the patient (Moy, 2003). In conjunction with this type of services, products that impede aging, restore, maintain and enhance natural beauty are becoming increasingly popular in an age where 'we are all on show'. This media saturated environment is a result of the invention and rapid adoption of social media platforms (William, 2013) and handheld Smartphone devices. In addition, the uptake of social innovations such as self-portraiture in multiple social, work and recreational settings have promoted its use across all age groups (Davis, 2015).

With marketing in the cosmetic sector responding to user demands in the social media space and moving to better attract and induct the next generation, a deeper understanding of their influences and preferences is critical to communicate clearly and effectively. The research tracks an arc (figure 1.1 overleaf), from the company to the millennial consumer and aims to provide a view of the current landscape and recommends how companies in the sector can strategize to navigate it effectively. The marketing of cosmetic enhancement procedures and associated products is undergoing changes to keep pace with the evolving nature of media interfaces. Billboards and magazine advertisements for products are no longer the only layer of interaction with audiences and are not as personal as interactions with people that can be achieved through personal technology such as mobile smart devices for access to information about services and products. As users progress through accessing new forms of social media

on computers, tablets, smart phones and now wearable devices, companies that wish to attract and retain customers will need a greater awareness of the platforms and formats of interaction with their target audience. Compounding this, with the tail end of the highly mobile and media savvy, educated millennial generation now graduating from university and going into the professional workforce, companies that promote cosmetic services and products will no longer be able to tell the customer what they need in a mass marketing format. Now, the consumer wishes to be part of the process and marketing of these products will need to invite new members, give individual considerations and most importantly, ask the millennial consumer of cosmetic services what do they want and how, when and where do they want to make their decisions? This element of mass customisation, not just of products, but of advertising and marketing too will have far reaching implications in the sector and those providers of the services will be best positioned to take advantage of the wave if they know when to expect it and how to get on board.

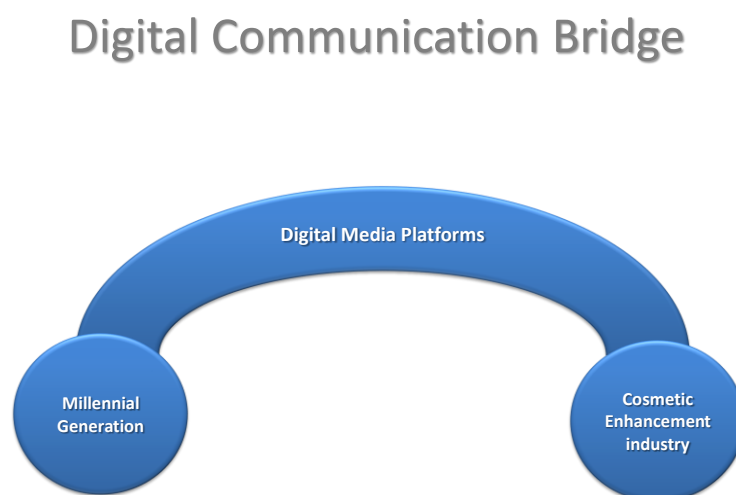


Figure 1.1 Digital bridge between millennial audiences and cosmetic industry

## **This paper is structured as follows:**

**Section 1** describes the process of development and global market awareness of Non-surgical Facial Aesthetic sector and understanding and assessment of the millennial market.

**Section 2** describes the impact of social media platforms on the millennial generation, their relationships with products and services and how this will influence the marketing of Non-surgical Facial Aesthetic (NSFA) products and services.

**Section 3** assesses the current marketing strategies and major issues in NSFA sector.

**Section 4** identifies the research questions and research methods and the analytical techniques applied to the research data.

**Section 5** describes the quantitative research findings and results of the analysis.

**Section 6** describes the qualitative research finding and results of the analysis.

**Section 7** discusses the literature review and compares the information with the research findings.

**Section 8** concludes the paper and offers cosmetic industry players recommendations based on the above analysis.

## Section 1

### **Development and Global market awareness of Non-surgical Facial Aesthetic industry (NSFA).**

Cosmetic procedures including surgical and non-surgical procedures are performed to reshape the natural and normal structure of the body and face. There has been increasing focus on the body as a vehicle for identity and self-expression, with a greater recognition of the role of appearance and the desire for self-improvement (Honigman, 2006). These procedures and cosmetic products also boost an individual's confidence and self-esteem (Maley, 2011).

According to Transparency Market Research (2013), the Global cosmetic procedure and product market is divided into two major segments, surgical procedures and non-surgical procedures. Major surgical cosmetic procedures include breast augmentation, liposuction, blepharoplasty (cosmetic eyelid surgery), abdominoplasty (tummy tuck), breast lift, gynecomastia treatment, otoplasty (cosmetic eye surgery), facelift and breast reduction. Breast augmentation, face lift and the liposuction have been the top three popular cosmetic surgical procedures. These procedures are comparatively costlier than the nonsurgical cosmetic procedures and therefore many people rely on insurance coverage. As a result, the surgical market was affected to some extent due to financial uncertainty during the Global Financial Crisis of 2009.

Non-surgical Facial Aesthetic (NSFA) procedures include cosmetic injectable (Botox and Fillers), skin rejuvenation treatments such as Fractional CO2 laser, sclerotherapy, dermal roller, chemical peels, plasma facials and laser hair removal have revolutionized the industry in successive waves and disrupted the beauty industry market. Globally, the injectable



cosmetics constitute major share in the nonsurgical segment and include muscle relaxant such as botulinum toxin type A (Botox), Dysport, Xeomin and fillers such as calcium hydroxyapatite (Radiesse), hyaluronic acid (Juvederm), Voluma, Restylane and poly-L-lactic acid (Sculptra). Skin rejuvenation procedures include chemical peel, dermabrasion, fraxel, variable pulsed light (VPL) laser, dermal roller and non-invasive tightening treatments (Medicine Net, 2015).

The number of non-surgical cosmetic procedures exceeded the one million mark for the first time in 2010 in the UK and this number is continuously increasing every year (Frank, 2014). A report by business intelligence specialists GBI Research also shows that the facial aesthetics market has been growing rapidly (Maley, 2011). According to Mike Moretti from medical research firm, the global market in NSFA is now worth roughly \$6.5 billion and is growing by more than 25% a year (Economist, 2003). Commercially there is no better season or time to provide NSFA treatments, currently non-surgical procedures make up 75% of total cosmetic treatments and their popularity is increasing worldwide (Frank, 2014).

The key reasons for this popularity is endless customization (especially with Botox and Fillers), and treatments are specially designed for today's lifestyle and safe for commitment-phobes (Alexander, 2013).

A decade ago, the cosmetic enhancement business was largely a matter of a surgeon and his scalpel. It was expensive and the traditional facelift could exceed \$20,000 including surgeon's fees and hospital costs. Recovery from bruising was long and included the risk of injury. Today, new developments in science and technology have enabled minimally invasive and less expensive cosmetic enhancement treatments (Economist, 2003). The surgeon Ronald Moy

from Los Angeles says; 'something that makes people look good and can last for years, but without the hassle of long operations and recovery' (Alexander,2013).

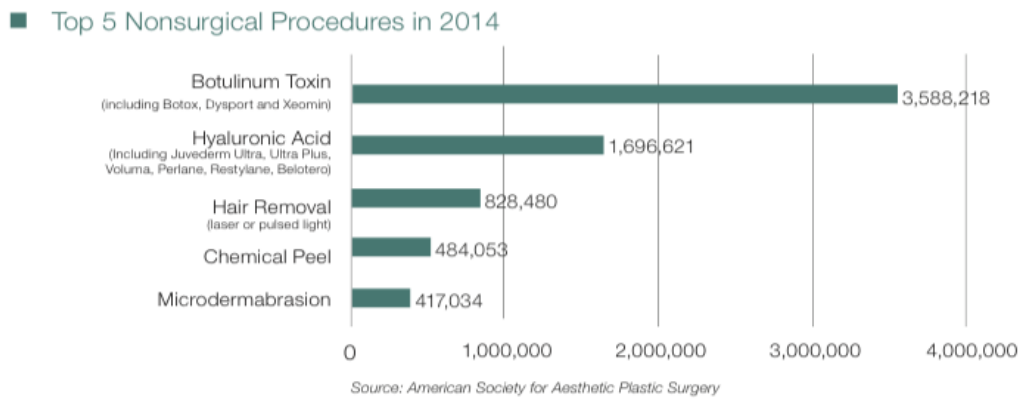
### **Rapid growth in demand for aesthetic procedures**

- The secular consumer culture among the population at large to prolong youthfulness and self-image that led to greater awareness of injectable treatments (Davis, 2015). The popularity of 'selfies' and the use of social networking sites is a powerful driver for the cosmetic industry (Davidson, 2015).
- Economic abundance- 76 million Baby boomers want to look as good as they feel and they have a disposable income to make that happen and they are competing with young generation to keep their position and status in their work environment (Maley,2014).
- Economic imperative- People with problematic skin such as acne, acne scars, facial hair for females and pigmentation find it challenging to get a job or promotions. Appearance can also affect their relationships. For example, a recent survey on the psychological effect of acne conducted by the British Skin Foundation has found that more than half of acne sufferers (56.78%) have experienced verbal abuse from friends, family and colleagues due to their skin condition and reported cases of unfair dismissal from work, demonstrating a degree of discrimination against these people. 20% reported a relationship ended because of their acne and some thought about or attempted suicide (Beauty NZ, 2015).
- High influence of the media and celebrity culture increasing the social acceptance of these cosmetic procedures among consumers (Davidson, 2015).

- Technological and medical advances resulted in invention of new cosmetic products and devices that can treat skin disorders or ageing with minimal downtime and complications (Goh, 2009).
- Media-driven demand and hype promoted by some beauty or skin clinics, medical practitioners, cosmetic companies and medical devices industries (Goh, 2009).
- Breakdown of institutions, cultural constraints, philosophy.
- A lack of regulatory control that enables differentiated evidence from non-evidence based aesthetic procedures, appropriate training and accreditation regulations (Snowdon, 2013).
- Reality television shows, such as 'Extreme Makeover' in which they take ordinary people and alter their appearance to make them more attractive with the help of surgical and non-surgical treatments had a large impact on the market awareness and demand for NSFA treatments. Viewers perceive greater benefits of these enhancements and they also tended to believe that physically attractive people are more privileged in their social lives, romantic relations and their careers (Lee, 2014).

### **Global market for NSFA treatments**

According to The American Society for Aesthetic Plastic Surgery Reports (ASAPS) 2014, there is a significant increase in the number of both cosmetic surgical and non-surgical procedures suggests that people are once again investing in their appearance and perhaps have more disposable income to do so. There report also states that in 2013, more than 2.5 billion dollars was spent on injectable alone and 1.9 billion was spent on skin rejuvenation, the fastest-growing sector of the NSFAs.



Graph 1.1- Top five non-surgical Procedures in 2014 (ASAPS, 2014)

Graph 1.1 shows, top five non-surgical procedures accounted for the majority of the total with 8.8 million procedures such as Botox 3.6 million, fillers 1.9 million, hair removal 0.8 million, chemical peel 0.5 million and microdermabrasion 0.4 million.

In the UK, the cosmetic surgery market shrank for the first time in 10 years in 2014 due to weaker demand in surgical processes such as tummy tightening, nose job and breast augmentation. However, the nonsurgical market was unaffected by the global economic downturn and continued to expand during the recession (Mintel, 2010). Non-surgical procedures such as Botox and laser, which accounts for 85 percent of the market by volume, are expected to become even more popular, increasing by 27 percent as the growing population of older consumers prefer for NSFA treatments (Davidson, 2015).

Senior Health and Beauty Analyst at Mintel (2015), Richmond says that the NSFA sector is booming. Accessibility has been a key driving force, with consumers are able to have procedures during their lunch break or alongside other appointments. Due to the popularity of NSFA treatments, the demand for cosmetic surgery decreased for the first time in ten years in the UK (Pennington Manches, 2015).

America and Europe have always been the main market for these cosmetic procedures and products over the years. These two geographies are youth-focused and much more emphasis is on aesthetic looks of an individual. More than ten million surgical and non-surgical cosmetic procedures were performed in the US in 2014.

The following [table 1.2](#) shows the figure for different types of procedures and clearly states that the popularity of non-surgical cosmetic procedures are ten times more than surgical ones.

Procedures	2010	2011	2012	2013	2014
Non-surgical NSFAs	479,091	561,069	590,532	635,281	620,077
Face-Surgical	45,677	46,961	51,020	53,860	52,606
Breast- surgical	37,258	40,361	40,510	43,316	36,310
Body-surgical	19,839	21,320	20,148	21,072	17,340

**Table 1.2- Figures for surgical and non-surgical procedures in the UK (Pennington Matches, 2015)**

## **New Zealand market for NSFA treatments**

In New Zealand NSFA treatments are slowly gaining popularity especially Botox and Fillers. Many Kiwi women still shy away from cosmetic medicine but there is a growing group of people who are keen on trying these treatments (William-King, 2014). 'New Zealanders are more conservative and they favour a more natural look, they do not want to look like that they have had anything done' (Caci, 2014). Kiwi women are far away from embracing the Beverly Hills clone-face look (New Zealand Society of Cosmetic Medicine, 2014).

## **Understanding and assessment of millennial market**

Discovering how people think, act and purchase is the first step to finding new opportunities to engage with them.

Millennials are the generation born between 1982 and sometimes in the early 2000's. However these boundaries are not set in stone. Some definitions have the millennial generation starting as early as 1978 and starting as late as 1985 (Gailewicz, 2014). They have a less certain outlook on economic issues and many have left home only to return again to live with their parents due to a variety of factors, including job instability and the high costs of living in cities where educational institutions and employment are available. They are discerning in their relationships with consumable media and products and services. While adaptable and fluent in the use of online social platforms where they "meet" and interact, they are far more likely to rely on personal recommendations via their social networks when trying out new brands and value "authenticity" of company offerings as a non-negotiable condition of consumption. Although a contradiction, as a result of living online, many view

appearance as a commodity and the curation of one's identity is a social imperative (Gilbert, 2011).

Linking with this theme, the advent of non-surgical cosmetic enhancement has evolved into a lucrative business that has created a fiercely competitive industry. Many corporations, doctors, clinician want to capitalize on the growing demand in this sector. The insecurities of patients are being exploited and used as a key marketing strategy (The American Academy of Aesthetic Medicine, 2015). NSFA treatments will not fundamentally change a person's life, but they may give them greater self-confidence and sense of well-being. Commonly stated good reasons from people who are seeking for NSFA treatments are, 'I want to do it for myself. "I look into mirror and I look terrible. "I look tired and angry', 'I am self-conscious', 'I have a low confidence' and the list goes on to find the reasons to make difference in your life through your appearance (Erickson, 2013).

Due to the continuous change in market demand, it is important to know the demographics and their needs. The millennials exceed the number of Baby boomers by about 3 million. The Baby Boom generation is a sizable force with significant influence on areas like purchasing, power, political direction and retirement. They want to look as good as they feel and they have a disposable income to make that happen and they are competing with young generation to keep their position and status in their work environment. The millennials, with their larger population have a greater influence on wealth, education and acceptance of ideas (Gailewicz, 2014).

Even though two recessions have impacted Millennials especially the sub-prime mortgage crisis in 2009 on how to spend money but they have learned about responsibility to the environment, tolerance and acceptance of others, and that an individual can make a

difference. In future, Millennials will have greater purchasing power (because of their education) and far more influence (because of their numbers) (Gailewicz, 2014).

The women 2020 study found that more millennial women say looking beautiful is important than women in the Baby boomer generation. 73 percent of millennial women and 57 percent of Baby boomers confirms that it is important to look beautiful (Utroske, 2015). According to survey involved 1,000 millennial, “value” and “quality” were the most important factors while purchasing cosmetic products and services and they trust the word of professionals or peers while making decisions (Zackiewicz, 2015). Due to power of social media, the consumers themselves have a much stronger voice and are able to readily share their experience about products and services they purchase. Millennial women want to delay the appearance of ageing, so products that prevent, treat and protect are important, they view cosmetic enhancement and putting on make-up as fun and a way to demonstrate self-expression and individuality (McDougall, 2015).

It indicates that there is no shortage of clients to provide aesthetic services and products to (Maley, 2014). Over the next few years, the industry providing cosmetic enhancement products and services should see sales and profits enhanced as beautiful as customers’ faces (Bradfield, 2009). NSFA sector has the ability to enhance many physical attributes and society continues to create market conditions that emphasize beauty and perfection.



## Section 2

### Marketing Knowledge: Deep Searching For Rich Data in Shallow Waters.



Picture by Coleman, 2015- Selfie generation look to improve their image

“Selfies” as pioneered and promoted by modern celebrities such as Kim Kardashian (possibly the icon of this contemporary “art form”) as a means of improving one’s personal brand and marketing of this through an appearance based medium are now ingrained in the social media landscape and are as pervasive and as commonly practiced as any other form of amateur photography (Wischhover, 2015). The commentary on narcissism as a new social more is a regular feature in news media, stemming from self-portraiture and the perceived need to be “looking at one’s best”24/7 (Williams, 2013). As absurd as this may sound, the research indicates that not only does an attractive and symmetrical physical appearance grant increased and desirable pairing and mating options for possessors, but also improves opportunities for professional advancement and better access to higher salaries and rewards (Putzer, 1985, Drexler, 2013, Erickson 2013).

Expression through the selfie is arguably at the heart of the matter with the rise in popularity of both cosmetic procedures and socially competitive behaviour (Mintz 2014). As upwardly socially mobile populations competes for position, status and salary increases, so does the

provision for cosmetic enhancements (Petti, 2013). The science, research and development in the products and services space is also increasing exponentially as funds are made available through profits in successful cosmetic brands. The size of the market is growing, and thus, the potential market share and revenue of operators is set to match that pace (Jesitus, 2012). In addition, the barriers to entry are relatively low, enabling new companies and entrepreneurs to access the market and compete with established entities on a broad platform of non-surgical procedures that are increasingly popular among young populations. Preservation of youth and beauty has never been more important to elite, educated professionals and the Hoi Polloi alike, with segmented offerings based both on demography and price. New markets in Asia, Africa and South America are already open and experiencing growth (Mintel Group Ltd., 2015).

The question now is: how does the 'selfie' generation expect to be marketed to now and in the future and what, if any risks are there for established companies in these new spaces?

### Section 3

#### Current marketing strategies to attract and retain millennials in NSFAs.

Marketing experts emphasize on direct marketing strategies to attract and retain the clients. Clear and consistent communication with your existing patients is the fastest, easiest and cheapest way to grow a successful and prosperous aesthetic practice. Reaching out to clients and give them a reason to return to you again and again is challenging (Jesitus, 2012). ‘Word of Mouth’ is one of the most successful strategy in this industry. It enables many businesses to minimize their spending on expensive advertising and marketing campaigns (Yeolin, 2008)

The following matrix 1.4 shows the short term and long term marketing strategies used by many businesses globally (Maley, 2014).

<b>Short term marketing strategies</b>	<ul style="list-style-type: none"> <li>- Patient post cards</li> <li>- Word of mouth referral program</li> <li>- VIP cards</li> <li>- Gift certificate</li> </ul>	<ul style="list-style-type: none"> <li>- In-house event</li> <li>- Newsletters- special promotions on treatments and programs</li> <li>- E-mail marketing- personalised and private letter to patients and prospective patients</li> </ul>
<b>Long term marketing strategies</b>	<ul style="list-style-type: none"> <li>- Branding</li> <li>- Internal Image</li> <li>- External Image</li> <li>- Search engine optimization</li> </ul>	<ul style="list-style-type: none"> <li>- Public relation</li> <li>- Community outreach</li> <li>- Speaking opportunity</li> <li>- Mass media</li> </ul>
	<b>High effect</b>	<b>Low effect</b>

## **Current major issues in NSFA sector**

Due to rapid expansion, competition and demand, the NSFA industry is facing some challenges in providing quality services, and attracting and retaining clients as well as managing their expectations and a lack of regulation resulting in poor practices and unethical behaviour.

### **Marketing and Engagement of clients**

The main marketing challenge in this industry is how to communicate with people, building a strong relationship and emotional connection. This plays vital role in attracting and retaining clients successfully.

### **Managing clients' expectations**

The main marketing challenge in this industry is how to communicate with people, building a strong relationship and emotional connection. This plays vital role in attracting and retaining clients successfully. Also educating clients with the latest technology, treatments and their benefits contributes strongly to client retention and profitability (Caci 2014).

One of the main areas of risk for cosmetic interventions is a lack of informed consent. Patients should be provided with adequate information and time to consider their options before deciding to proceed with proposed treatment. Patients should not feel rushed into making a decision because of time-limited deals or financial inducements that are becoming more common in practice (Medical Protection Society, 2015).

Taking uninformed consent can lead to another challenge for practitioners in managing unrealistic patient's expectations. Unregulated advertising can also compound to this

problem. Unsatisfactory results can lead to legal action against the organization and loss of patients and thus, market share (Bradfield, 2009). The practitioner faces the risk of miscommunication between the patient's expectation and the physical limits of what can be accomplished with treatments. It can be challenging to effectively communicate desired end results (Hamilton, 2004).

### **Attracting and retaining male clients**

Males face a greater challenge of breaking through the feminized stereotype of facial enhancement (Dayan, 2014) as the number of women who opt for cosmetic procedures have always outnumbered the number of men who choose these procedures. However the dynamics of the market are changing, with more men adopting cosmetic treatments for reasons such as high degree of competition at the workplace and a growing awareness of self-image and obesity (Hamilton, 2004). However, many skin clinics and organizations find it challenging to attract, educate and retain male clients (Dayan, 2014). According to Catherine Maley 2014, men possess a stronger fight-or-flight reflex than women, if they do not feel comfortable with particular product of procedure; there is a high chance that they will not buy into it.

According to ASAPS reports 2014, Women had more than 10.3 million cosmetic procedures, 90.6% of the total. The number of cosmetic procedures for women increased over 471% from 1997. In case of men, they had more than 1 million cosmetic procedures, 9.4% of the total. The number of cosmetic procedures for men increased over 273% from 1997, which is quite lower than women.

## Ethical standards and patient safety due to the unregulated industry

Continuous growth in the Aesthetic industry affects the ethical standards and patient safety. This results in the requirement of tighter regulation around the use of non-surgical treatments. Due to increase in popularity the industry has found itself firmly under the spotlight and in recent years its rules and regulations have been heavily scrutinised with many professionals predicting tougher legislation to govern cosmetic treatments (Sedghi, 2014).

Non-medical practitioners such as small beauty businesses, spa operators, pharmacies and hair dressers have also jumped onto this trend to provide services. The problem is it affects the quality, professionalism and safety of the treatments provided by the practitioners. Globally media has been covering number of client complaints and cases every year over skin infection and skin damage caused by poor quality and low standards of cosmetic treatments. Many doctors have responded expressing their support for tighter rules around non-surgical cosmetic procedures (Merchant Marketing Group Ltd, 2015). According to Goh 2009, Services and procedures that are unproven in efficacy by medical practitioners are often provided at significant cost to patients, which are considered by many medical practitioners to be a deviation from standard medical practice. Many medical practitioners have perceived such a deviation to be growing problem that needs to be addressed as it undermines the trust in and professionalism of the medical fraternity.

Major concerns have been raised regarding safety issues as well as the quality of such services by the medical and non-medical professionals. Some patients even sustain injuries and complications from these procedures (Goh, 2009).

There is also a growing concern in America also, about the use of materials that are not FDA approved and illegal to use often smuggled in by doctors and patients from less intricately regulated and less litigious markets in Europe, Asia and Latin America where they are more quickly approved (Economist, 2003).

As UK concerns about public health and safety of NSATs but in case of New Zealand industry regulation is tighter than UK (Topham- Kindley, 2013). The medical director of an appearance medicine clinic in Queenstown says, New Zealand has already carried out much of the work included in the UK review recommendations (Jones, 2011). The Medical Council of New Zealand (NZ) developed a statement of cosmetic procedures recommending non-surgical cosmetic procedures be performed by a vocationally registered GP, dermatologist or surgeon. The NZ Society of Cosmetic Medicine has also developed a training programme, which has been approved by the Medical Council, under the auspices of the RNZCGP.

However, there are still other issues in NZ over patient safety and service quality. An increasing number of New Zealand women have had adverse side effects by buying beauty products online to inject at home. New Zealand and Australia surgeons are warning people not to buy fake dermal fillers or Botox on internet (Jones, 2011).The president of the New Zealand college of Appearance Medicine, Dr. Teresa Cattin has seen injured women once every six weeks from 'Do It Yourself'(DIY) cosmetic procedure (Topham- Kindley, 2013). There are many cases happened in NZ and other countries where people injected a substance bought online into their faces by their friends or themselves and resulted into an adverse reaction.

## Section 4

### Research Design

#### Research Questions

Research questions were based on what NSFA cosmetic companies plan to do with regard to their future marketing and expansion strategies. The following list includes selected issues that the Non-Surgical Aesthetic Sector (NSAS) is currently facing.

- Managing clients' expectations
- Attracting and engaging new clients, especially male
- Ethical standards and patient safety due to the regulation issues

Managing client expectations was a significant influencing factor, as was the acknowledgement that male clients represent a new and largely untapped potential market. Ethics, while an issue, was found to be further from the top-of-mind considerations, with many providers trusting that the brands they are dealing with have a vested interest to protect their integrity and name for the sake of business- where people's looks are at stake, even vanity has limits if the product or technology is untrustworthy, or the manufacturer is unsound in their practices. The relationship imperative is "authenticity" in approaching the millennial market, and it has become apparent that companies will need to consider the validity of the message that they project in the conversation with this market segment.

#### Importance to practitioners

This research has significant potential applicability to the Non-Surgical Aesthetic sector in New Zealand as well as western markets in the northern hemisphere, where uptake is already significant in younger demographic groups as a norm rather than an aberration.



Understanding the implications of current marketing issues and audience demands that aesthetic businesses are facing is at a critical juncture. Knowledge of the current market and developing strategies to and engage clients in this sector at this time will enable a coherent strategy to involve millennials in the evolving conversation as to how they want to be consulted in the process of their decision making at an individual as well as at a broader level. As a result of this research, NZ practitioners can form:

- In depth knowledge of their clients' needs and wants and communicate directly with them using digital social platforms
- Understand and focus on this particular market segment and its subsets
- Manage client expectations through ongoing conversations using social media and application based forums.

## Methodology

This research was designed to follow a 'mixed method approach', using quantitative and qualitative research tools to gain a better understanding of the influences and preferences of future customers to the Non-surgical Aesthetic Sector and how marketing could improve performance and productivity in market share.

An Interpretivist model was used for the interview based inquiry. This sought to understand the reasons behind the activity and behaviour in a social environment and through observation and questioning, allowed the determination of a hypothesis.

For the survey, a positivist paradigm tested whether in the right circumstances, people always, usually, sometimes or never behave in a certain manner given particular stimuli.

By mixing the methods of research, a broader view of the antecedents of the millennial social group, and behaviour could be synthesised. The interview setting allowed deeper and richer insights as to the causal factors of those behaviours in order to analyse and record them here.

### **Justification of approach**

The quantitative research approach, based on the collection of numerical data exhibited the relationship between theory and research as deductive and positivist. Combined with an objectivist conception of social reality, there was an acceptable level of reliability in the gathered data, mass surveys and other form of research manipulation (Matveev, 2002) so that the market issues could be clearly and precisely isolated. An interpretative process using interviews achieved an understanding of NSFAS's management and current marketing strategies so that a gap analysis could be performed with respect to the desired outcomes and actual outcomes. The current challenges in attracting and retaining clients in this sector was also addressed.

### **Description of Research method and type of data**

A survey was conducted to determine respondents' preferences for social media interaction from cosmetic companies. A total of 100 surveys were sent to people including some Caci clients who are currently involved in cosmetic treatments, in order to understand their perspectives on NSFA treatments. For a balance of views, some were non-Caci clients were surveyed to assess whether or not they are aware of NSFA treatments. A total of 62 percent of responses were received out of 100.

The interviews sought to understand the wants of cosmetic treatment users through the experience of the industry professionals and how they attract customers to the services provided by their clinics and agencies. A total of seven interviews were conducted with participants from different companies and professions in the same industry. Three appearance medicine nurses, one clinic manager and a regional sales manager from Caci were interviewed. The key reason Caci was chosen is that they have 20 years of experience in the cosmetic industry and they are the market leaders in New Zealand (with total 36 franchise clinics). They are the largest providers of Botox in the Southern Hemisphere with over 10,000 New Zealanders trusting Caci for their cosmetic injections. The Caci support office (Fab Group) is the part of the brand's overall success due to its constant endeavours to remain the market leader in the industry. They have highly trained registered nurses and practitioners working for them. One interview was conducted on appearance medicine nurse from 'Skin Institute', which is also widely known skin clinic in New Zealand. The clinical specialist from Allergan was also interviewed as Allergan is a diversified global pharmaceutical company and is a leader in a new industry model- Growth Pharma and manufacturer and distributor of Botox and fillers in all over the world.

### **Approach to analysis**

The analytical approach contrasted the outcomes of survey data and interview responses to see where differences were apparent. By comparing trends in the survey responses with industry professionals' interview comments, a fuller picture of the motivations, concerns and preferences of millennial professionals could be described.

### **Access to participant and organisation**

Access to participants and organisations was by prior to arrangement through email contact or telephone. Face to face interviews were conducted with stakeholders from the NSFA sector and included marketing managers, business owners, doctors, aesthetic nurses and clients.

### **Analytical Technique**

The combination of quantitative and qualitative survey and interview techniques ensured a degree of validity and a reasonable balance of data could be collected from the sample participants and respondents.

### **Limitation to analytical technique**

The qualitative section yielded enough data to represent a certain percentage of the population. The geographical coverage was restricted to Wellington and in New Zealand, in order to provide local businesses and franchisees with actionable insights to the intellectual mechanisms of decision making in a millennial user of cosmetic services or a prospective user of such services in a local context. While the number of responses could have been higher, the individual quantitative respondent was given an opportunity to express their thoughts and opinions on a single survey using comment boxes, to allow interpretation of the insights to their intentions and behaviour. It is not claimed that these are fully understood. Further ongoing research was not be possible due the limited timeframe as was more in depth follow up interviews for the survey respondents.

### **Analysis- addressing and answering the research questions**

Detailed investigation into the trends that emerged from the qualitative data highlighted some of the habits of the millennial age cosmetic enhancement user through the eyes of the people who engage with them on a daily basis. The results of the survey indicated that tables and graphs of evidence of similar behaviour and charts, figures and accompanying explanations best suit the transmission of the findings. A coding system was employed in the post-interview transcription to help the identification of similar phrases or response types. The report has been divided into sections according to the most relevant patterns that form a useful story for cosmetic services and marketing from the strongest elements to the least viable.

### **Justify credibility of research design**

The manner of interviewing and surveying potential and active customers was judged to be a non-intrusive way of gathering helpful data about consumer preferences and wants. Direct marketing methods can translate these effectively to mass media platforms and better engage the consumer at the level and frequency best suited to elicit decisions about cosmetic enhancement.

### **Planning**

The surveys needed to be sent to active email addresses. An initial list of respondents was compiled and access to selected customer databases was granted to widen the inquiry to active users in order to assess if millennial consumer habits reported on in the literature review are consistent in this market. The surveys are not anonymous, but no effort to identify individual respondents was taken in the final report.

The interview participants agreed to take part in the qualitative part of the study and signed the HEC approved consent forms at the arranged meeting time, having viewed it online first. These were professional colleagues that I have regular contact with and understand the purposes for which I undertook this research.

Drafts of the transcripts were prepared and vetted by the participants as well as the final report before publication.

## Section 5

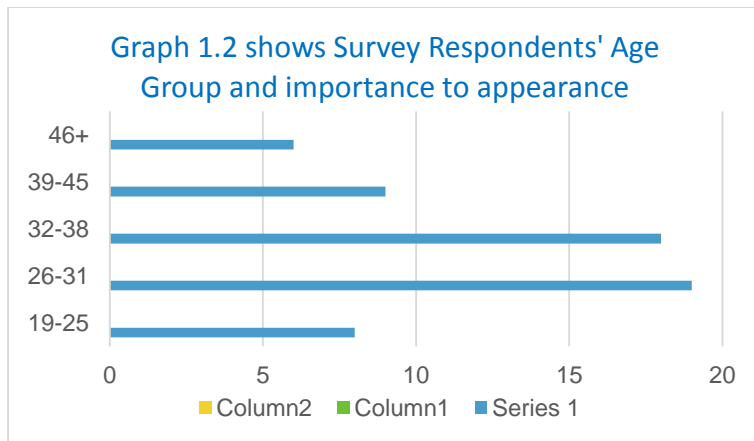
### Quantitative Analysis Research Findings

Quantitative analysis was carried out to understand how important appearance is for people targeted towards the millennial generation. Questions were asked to gain insight on people's views regarding their appearance, non-surgical cosmetic enhancement treatments and social media. The first few questions were based on the value placed on how important is appearance in their personal and professional life and how their looks affect respondents in social contexts. The age range of respondents was gauged as being between 19 and 46+ showed in table 1.3, it also shows numbers in blue are the millennial respondents.

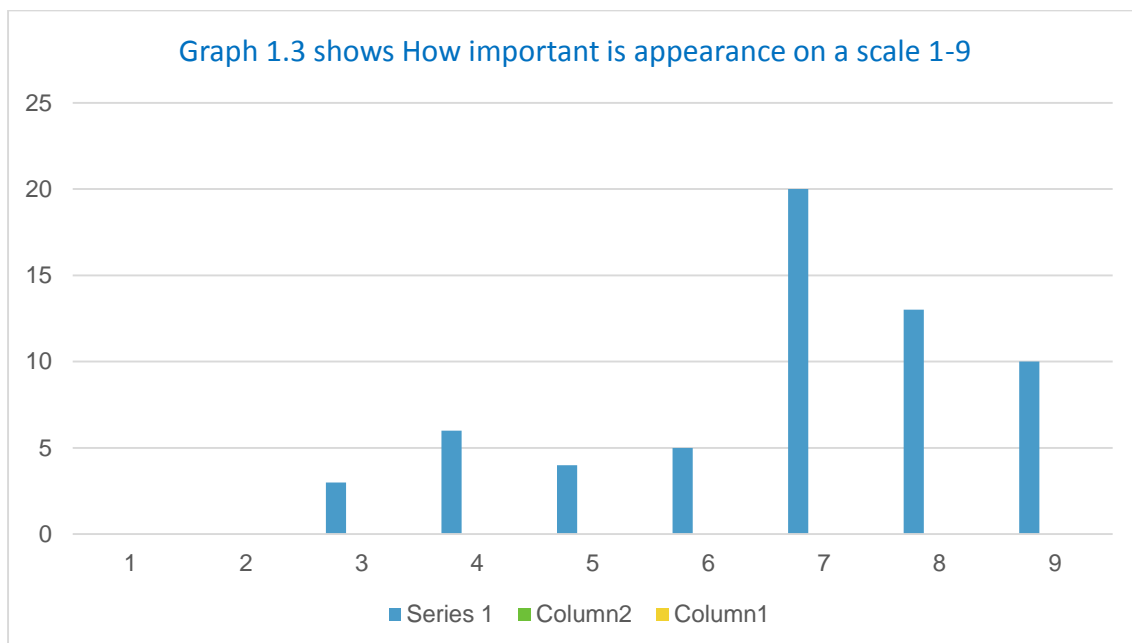
Age Group	Percentage
19-25	13.30%
26-31	31.70%
32-38	30%
39-45	15%
46+	10%

Table 1.3 shows the percentage of respondents and their age group.

This survey was targeted at the millennial generation. 70 percent of respondents correspond to this category (45/60). The following graph 1.2 shows around 75 percent respondents were millennials. They regard appearance is significant in their professional and personal life.



When asked on a scale of 1-9 how important appearance is to them, (1- not at all important and 9- extremely important) almost 70 percent of respondents said, ‘important to very important’ scale 7 and 8, showed in a following [graph 1.3](#)

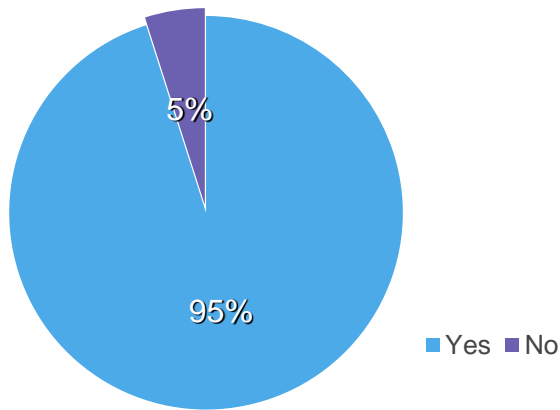


The quantitative analysis of this batch of questions illustrates the fact that 64 percent of respondents indicated that looks affect their professional and personal life (Pie chart 2.3 and 2.4) and 95 percent of respondents said their appearance is important socially (Pie chart 2.1). Respondents said how they look plays a vital role in their performance, productivity and confidence. The majority of people responded, if they do not look good or if they have

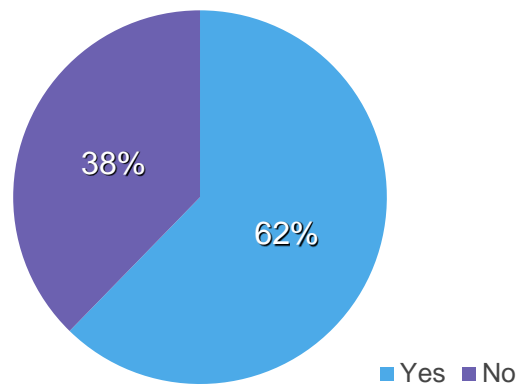


problematic skin, it affects their confidence level, productivity and self-esteem.

Pie chart 2.1- Percentage of respondents consider appearance important socially



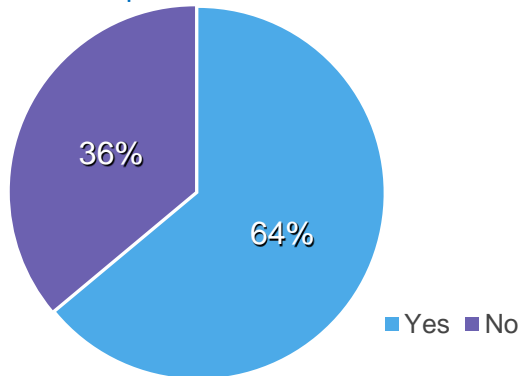
Pie chart 2.2-Percentage of respondents have concerns with their appearance



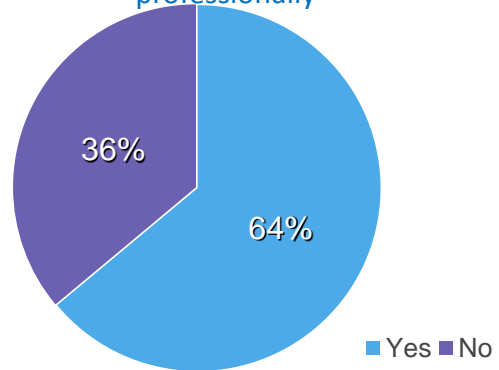
When asked why appearance is important and in what way does it affect you.

Selected responses from professional women confirmed the literature review results that in regard to social environments, where people work and mix alongside peers and fellows a certain regard to dress and complexion are everyday considerations in addition to reading social cues and the exhibition of public behaviour. Comments included , ‘When I look in the mirror I see wrinkles on my face and it makes me feel older than my age and peers’; “If I don’t look ‘good’ in the workplace I am less likely to be taken seriously. So I think about what I wear and how I look before I go to work or to professional events”; “I am very conscious of my self-image,” and “My confidence level is high, if I am happy with my appearance.” The correlation between appearance and online social behaviour associated with appearance will be addressed in a subsequent section. What exact cues will determine an antecedent to this behaviour may then be surmised.

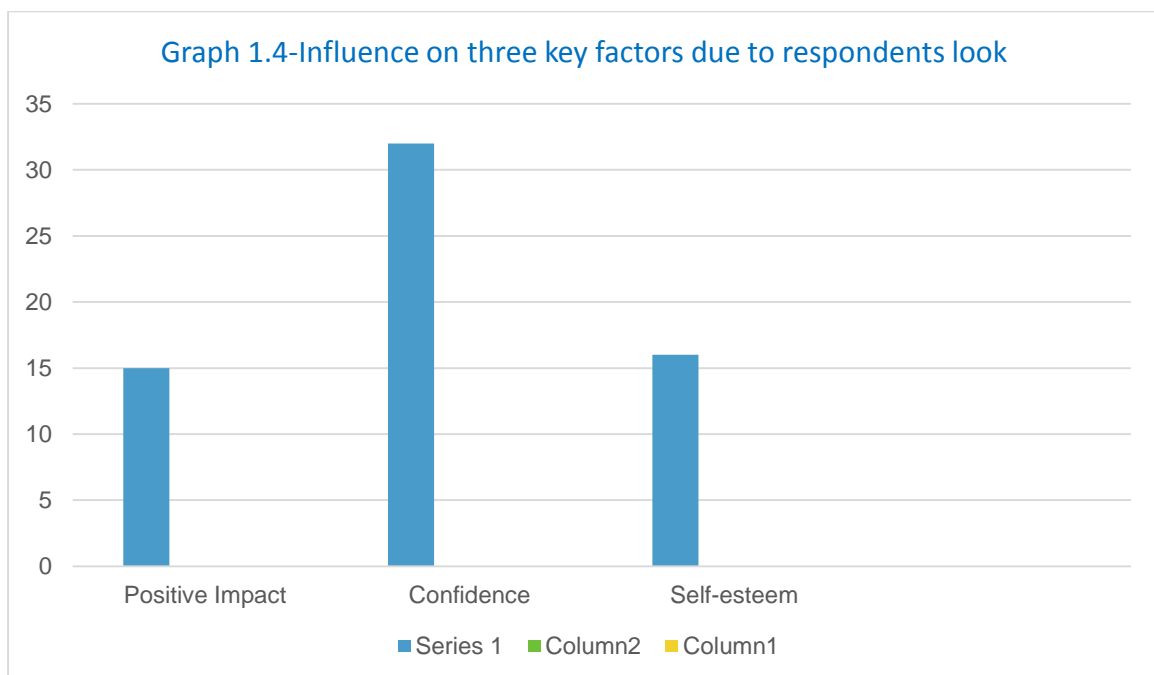
Pie chart 2.3-Percentage of respondents that believe their look affects their personal or professional life



Pie chart 2.4-Percentage of respondents consider appearance important professionally



In the following [graph 1.4](#), respondents' have indicated that looks can have a significant influence on their confidence levels, self-esteem and positive impressions on others.



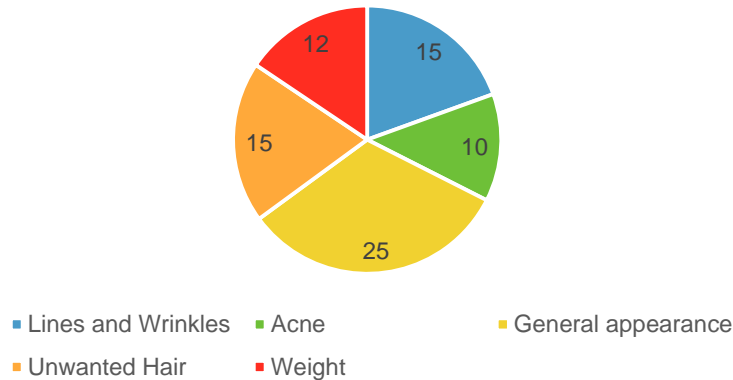
People's responses reveal that if they look attractive, their self-esteem and confidence levels increase, which enables them to be more productive at work, build strong relationship with clients also have positive impact on their personal life. If they do not look good, their

confidence level is low, which they state can affect their productivity at work and interacting with other people. 'Confidence' is one of the major factor respondents think is the most important in professional and personal life and for succeeding in the workplace. How one project oneself matters more to co-workers and employers than how skilled one is and how hard one works. One of the respondents said, "If you are not confident in yourself and your abilities, others will pick up on it." Appearance can have an immense impact on confidence levels (Bradfield, 2009).

Millennials are showing interest in health trends and express a desire to look young forever. With the onslaught of photo sharing, widespread social media and competition at work, the pressure to embody youthfulness especially the appearance is now increasing part of our daily lives and how many "likes" one achieves in posting online images can affect self-worth.

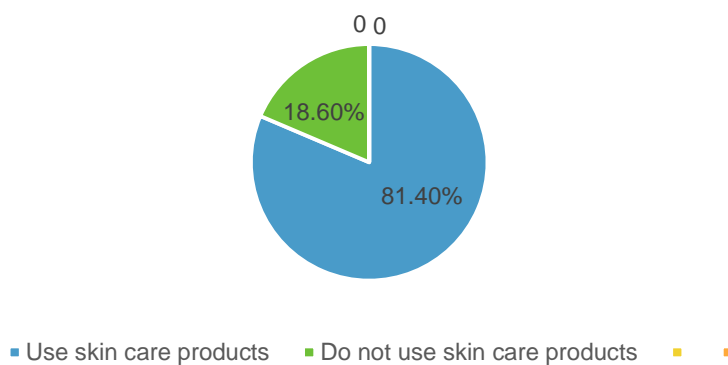
As the analysis from the above pie chart 2.2 shows that 62 percent of respondents have concerns with their appearance. The major concerns of respondents according to survey are, general signs of ageing (line and wrinkles), acne, acne scars, pigmentation, and excessive facial hair, cellulite, and weight issues. They are looking for solutions to minimize age related concerns or they are already having treatments to address these concerns. In the following [pie chart 2.5](#), the proportion of major concerns of respondents show that 25 percent of respondents said 'General appearance is their concern which includes particular feature on their face such as nose, cheeks, chin and lips that they are not happy about or their skin texture or skin condition (for example: dry, oily, sun damaged)

Pie chart 2.5- Major concerns of respondents in the form of percentage



When asked if are they using any cosmetic products or had any cosmetic treatments to improve their appearance, around 81.40 percent of respondents have used skin care products and some of them also had cosmetic treatments such as laser, anti-ageing facials, peels, Botox and fillers on their face for skin correction and enhancement. The following [pie chart 2.6](#) shows percentage of respondents who use products or had treatment for correction or enhancement purpose.

Pie chart 2.6-Users of products/ treatments to improve appearance



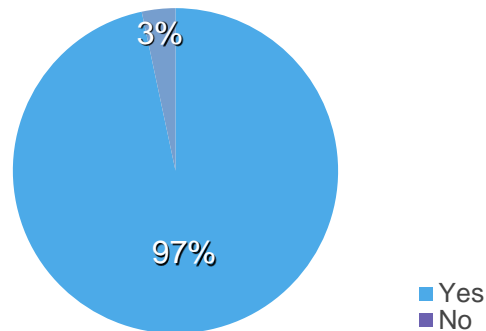
The research indicates that, when it comes to appearance and skin care, millennials would be wise to get an early start. They are aware of different options available in the market. One of the respondents said, 'if you start skin care at early age, there is no need of surgery in the

future.’ Through online research, media, websites and social media they can get all the initial information they need to know to approach providers and start the consultation process about what preventive options will best slow ageing and enable them to look good.

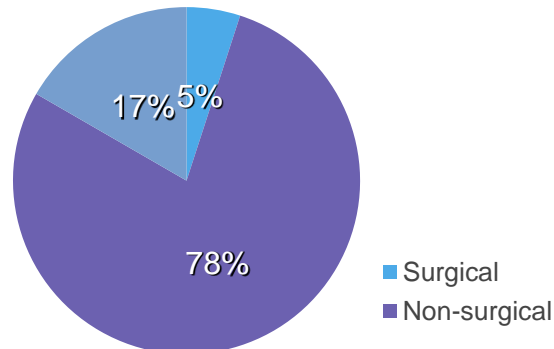
Respondents were asked if they know what Non-surgical facial enhancement treatments are such as laser, Botox, fillers, facial peels and anti-ageing facials. Interestingly, 97 percent of them are aware of these treatments, showed in following [pie chart 2.7](#).

When asked if they would prefer to use a surgical option or non-surgical option for skin enhancement? 78 percent of respondents said they would prefer non-surgical over surgical, showed in following [pie chart 2.8](#)

Pie chart 2.7-Percentage of respondents aware of non-surgical treatments



Pie chart 2.8- Percentage of respondents prefer surgical or non-surgical option



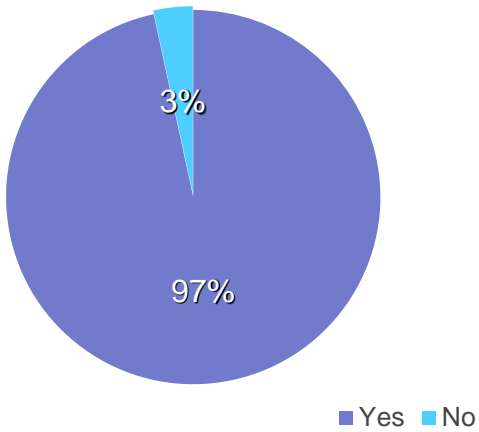
The primary reasons for this option is the perception of lower risk, less recovery time, safe, risk of infection is low, less invasive and low cost. Secondary reasons are, they do not have the money and time to invest in surgical treatments and some of them are afraid of going under the knife and few of them want to age gracefully without doing anything.

A sample of respondents access to media devices (smart phone or tablet) and whether they use social media such as Facebook, twitter, snap chat or other tool and how often they use it was required to determine if the proposed correlation between appearance and social acceptance is in fact valid.

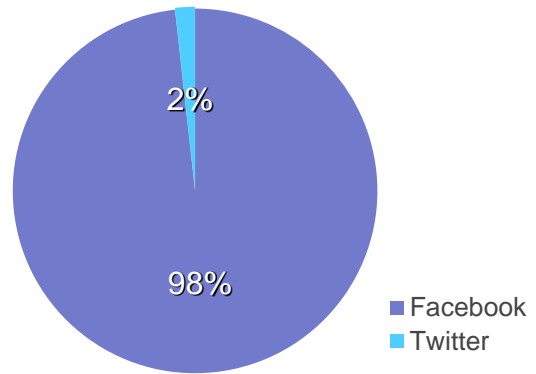
Social networks are an extraordinarily important part of Millennials' digitally enhanced lives. This generation is growing bigger than baby boomers. Social networks have become much more than a way to connect about personal matters. The survey has shown that Facebook is the most popular tool among Millennials, with around 98 percent of respondents use Facebook for personal use, photo sharing, news and information showed in [pie chart 2.10](#) and 97 percent of people indicating access to smart phones and tablets and they use these devices to access the internet showed in [pie chart 2.9](#). Due to Wi-Fi facilities, they are easily connected to different brands and product information easily. The popularity of social media is increasing in line with "selfies". The following [pie chart 2.11 and 2.14](#) shows that 56 percent of people take selfies, 28 percent people take selfies on weekly basis and 72 percent take on monthly basis, in line with the literature that acknowledges the existence of this phenomenon.

When asked through the survey, 90 percent of respondents post their selfies on social media sites such as Facebook and Snapchat and take multiple photos until they are happy to post that photo on social media showed in [pie chart 2.13 and 2.12](#).

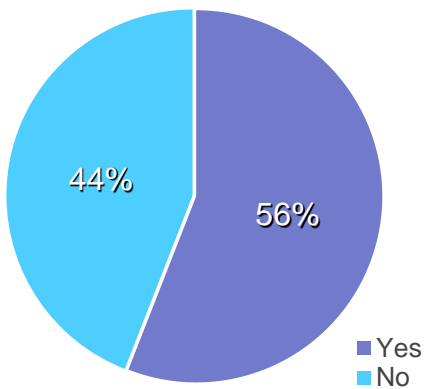
Pie chart 2.9-Users of Smart phones or tablets



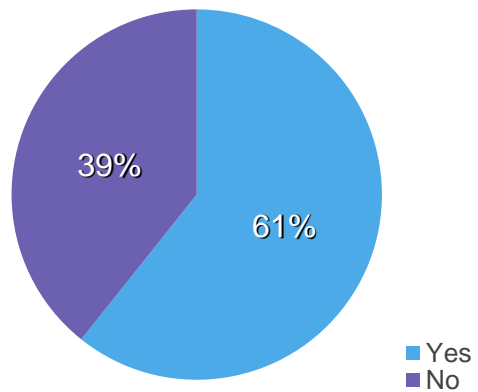
Pie chart 2.10-Users of Social Media



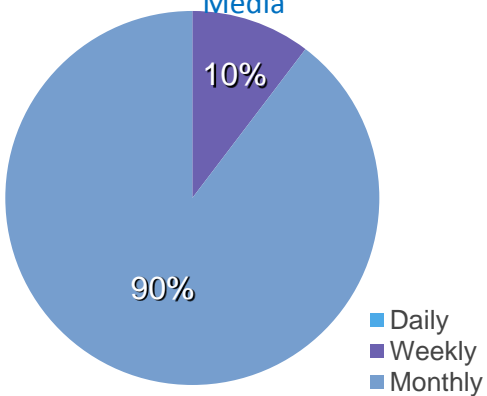
Pie chart 2.11- Percentage of respondents who take selfies



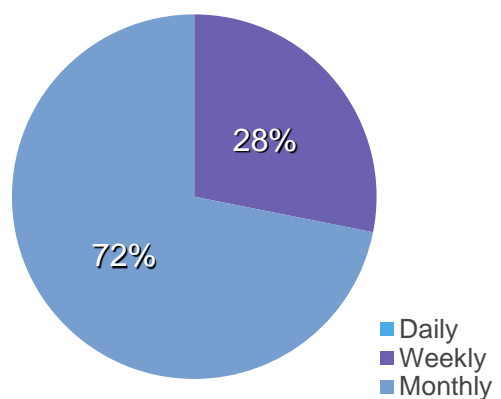
Pie chart 2.12-Edit selfies before sharing on social media



Pie chart 2.13- Frequency of posting selfies on Social Media



Pie chart 2.14-Frequency of taking selfies



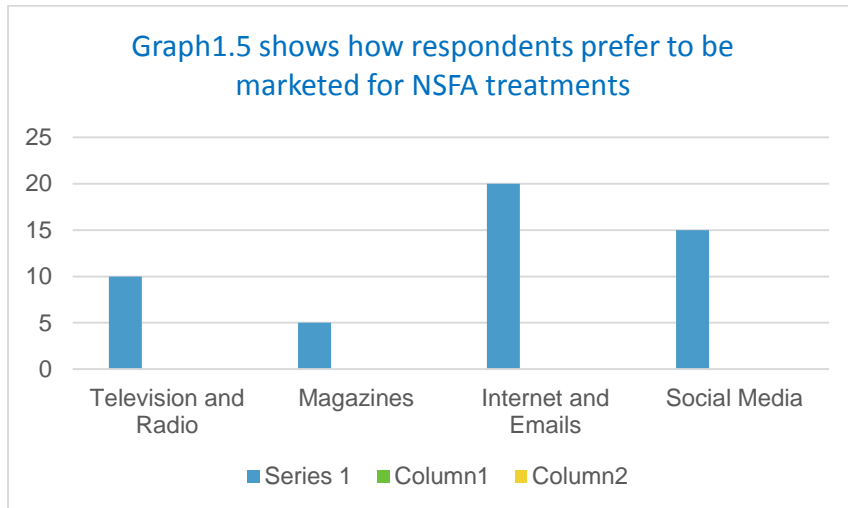
According to the survey results, taking multiple photos, de-tagging and deleting unflattering photos is not enough for some people. A number of people are either in the stages of considering or actually getting cosmetic enhancement or correction treatments because they are displeased with how they perceive their appearance on social networking sites. The research presented here demonstrates that a growing population of social media users are not happy or satisfied with their natural look or a particular facial feature that concerns them such as nose, cheeks, lips or chin and they want to fix it permanently, instead of deleting or editing bad photos every time. One of the growing population of selfie users says, 'I keep looking and looking at my selfie every time and I realized my chin is too flat and I don't like it so I did a research online and went to nearby cosmetic clinic to find out, how can I correct and beautify my chin.'

Some responses through the survey expressed an aversion to looking older, one stating that 'I don't want to age', another one said, 'it is definitely intimidating to know that 30 is just around the corner. So having some preventative maintenance with Botox or the skin care line is definitely something I enjoy.' These responses indicate that millennials are prepared to seek cosmetic help to combat ageing. These are target market candidates for many cosmetic companies who know how to exploit the issue of social insecurities and offer solutions to them.

The last question asked of the respondents, how they would prefer to be approached or marketed to by service or product providers. The majority of them prefer through internet, email and social media. In the following [graph 1.5](#), respondents' express their preferred marketing modes for NSFA treatments. Internet, emails and social media, as a first preference shows that multi-mode reception of communications is a norm for this group. Millennials are



considerably more engaged with digital technology and social media than baby boomers and are happy to browse interesting options as long as the medium is content appropriate and easily viewable on the selected platform.



Some respondents said that they access search engines such as ‘Google’ while in store to look up product information, prices and promotions and comparisons on their mobile devices.

The research indicates that, Millennials are engaged with brands more deeply than other age groups through social networks. 70 percent of respondents said, if they really like particular brand and happy with their products or services, they use social media to note that they “like” that brand. Some people post their experience or review on particular service or products on social media sites, they also keep an eye on their favourite brands social media site to check new promotions, products or services. Social media has become one of the most effective tools for companies to use as a channel to expand their market reach and engage with customers for long term conversation, data collection and relationship building.

## Section 6

### Qualitative analysis of research findings

The interviews identified several key issues for cosmetic enhancement providers:

- How to improve communication in the digital medium
- Attraction and successful retention of customers
- Managing clients' expectations which affects the retention of clients
- attracting and retaining males
- Lack of regulation in cosmetic industry resulting in poor practices and unethical behaviour.

Through the quantitative analysis and interview process, the rapid growth and disruption in the cosmetic enhancement industry has also been identified and an opportunity to use social media platform and online audience optimization as an effective marketing tool due to the growing population of social media users and "selfie" generation.

The following questions were asked to gain more insight on marketing strategies, challenges and customer management process.

#### What are the current marketing strategies to attract and retain clients?

Caci is the most recognized 'appearance medicine' brand in New Zealand and the winner of the best franchise system in 2005 in the franchise association awards. There are total 36 franchisee Caci clinics all over the New Zealand. The Caci support office (Fab Group) is the part of the brand's overall success due to its constant endeavours to remain the market leader in the industry. According to clinic manager, 'Caci's sophisticated advertising drive keeps the brand in the forefront of consumers' minds by constant national television advertising coverage. This is only possible due to the economies of scale Caci has through its franchisees.'

Regional sales manager of Fab Group says, 'Word-of Mouth' is one of the most successful strategies in this industry. When clients experience great results from service and products, they feel happy and they share this with friends and family. This brings more clients in and

enables the business to minimize their spending on expensive advertising and marketing campaigns.'

In 2008, Caci implemented strategies focused directly on franchisee profitability and differentiate it from their competitors to attract more people and retain existing clients. Those strategies include the introduction of three result focused programs designed to simplify beauty with the affordable payment plan, called Amerase (includes Botox and Fillers for lines and wrinkles), Reformaskin (includes laser treatment for skin texture) and Freedom (for unwanted hair removal). It has been very successful and enabled market expansion (Clinic Owner, Caci).

Caci also organizes regular in-house events for their loyal clients to say thanks for being part of Caci, ask them to invite their friends and families to introduce services and offer them loyalty cards. They are also involved in social media marketing, sending e-mails and SMS monthly to introduce special offers and newsletters to keep them engaged and informed.

[What marketing/management tools do you use? And how successful are they?](#)

TV and Radio advertisement, posters, in-house events, flip charts and showing videos at reception area and Social media. "They are very successful. We immediately get large amount of responses through email and phone calls to enquire about our promotions and service offerings" (Regional Sales Manager, Fab Group).

[What are your current challenges in this industry?](#)

According to clinic managers and appearance medicine nurses, managing clients' expectations can be challenging and if done improperly, that can result into losing a good client. We are also focusing on gaining more male clients but still uncertain of what factors motivates them and how to provide effective service to get them involved in this industry (Clinic manager, Caci).

What are your thoughts on the regulation of NSFA sector and how do you think, regulation would affect this industry?

New Zealand has already strict guidelines in place, unlike the UK and America. I think more regulation needs to be in place for these countries. There is a growing concern about the use of materials that are not FDA approved and illegal but are used by many doctors and patients from less intricately regulated and less litigious markets in Europe (Clinical Specialist, Allergan).

Allergan is diversified global pharmaceutical company and a leader in a new industry model- Growth Pharma. Botox and Juvederm (fillers) is one of the specialty products, which are FDA and Medsafe approved. They sell these products only to register doctors and nurses who are professionally trained (Clinical Specialist, Allergan).

The industry should be more broadly regulated to provide best quality, safe and effective service to clients. Lower price products offered by some companies are not safe and sometimes they are fake so there is a high risk of getting adverse side effects with injury. It also gives bad image to the industry (Clinical Specialist, Allergan).

Clients' safety is also a very important aspect, which cannot be avoided to grow your business successfully. From the clients' satisfaction point of view, safe and superior quality service and product is paramount (Clinic Manager, Caci).

## What do you think of social media and how its impact on business and industry?

Caci has also entered in social media platform and gaining popularity through Facebook by posting their latest service and product special for millennial generation. They are focused on introducing new technology, products and testimonies through social media platforms, especially Facebook. They are aware of strong on-line existence is important for the growth of the business. There are around 28,000 people who like Caci Facebook page and interested in getting to know more about Caci and what we offer (Regional Sales Manager, Fab Group).

According to Cosmetic Nurse at Caci, 'People will come in for a consultation and say, "I saw myself in the mirror, but I didn't really notice it until I saw myself on Facebook or on my iPhone." She believes that 'When you look in the mirror you are seeing the mirror image of yourself, but when you see yourself on social media, you are seeing yourself the way the world sees you. This selfie generation has motivated people to go for cosmetic enhancement or correction procedure. Technology has heightened women's concerns and fortunately we have solutions to most of their concerns.'

Celebrity photos on social media have high impact on NSFA sector. Many young females want lips like Kylie Jenner, they ask Caci's in-house cosmetic nurses to give them that kind of look and I think this is definitely linked to social media. Many celebrities post their selfies on Facebook and Twitter regularly and people get fascinated and attracted by their appearance and want to copy it (Franchisee Owner, Caci).

According to a Clinical Specialist from Allergan, the growing influence of selfies and celebrity culture on social media is fuelling interest in cosmetic procedures as people seek to improve

their close-up image. Selfies make people take more notice of their facial structure. The nose, lips and jaw line become particularly apparent in selfies, and during the facial assessment people have started mentioning these concerns which results in new trends in cosmetic procedures.'

#### [Do you find your business is affected by competitors?](#)

According to Caci Franchisee owner, there are no direct competitors in the New Zealand market offering the full range of services that Caci provides. Whilst there are many small beauty therapy places or clinics, they are not considered real competition due to the range of best quality services offered from highly trained cosmetic practitioners with award winning technology. By having a collective national marketing fund, Caci retain a high exposure and strong market presence that usually out of reach for a sole trader.

To make the business profitable it is important to focus on the niche market is crucial, especially as barrier to entry are low. Caci focuses on the market who wants to experience the best results with best quality service and products, which are clinically proven, safe and delivered by highly trained practitioners (Regional Sales Manager, Fab Group). According to Clinical Specialist from Allergan, their marketing facial portfolios have been filched by inferior injectable cosmetic product companies.

#### [Why do people prefer non-surgical treatments over surgical treatments?](#)

According to, appearance medicine nurse at Caci says, "not all patients are ready to commit to permanently altering their appearance through surgery these days, due to advance science and technology, plenty of patients opting for non-surgical treatments as they are safe, effective, fast, reversible and convenient to try." She says, 'very effective and popular option for reducing the signs of ageing without going under knife is a treatment known as a 'liquid

facelift (Botox and fillers), anyone with signs of ageing can see dramatic improvement following the procedure and recovery time is minimal.'

Laser specialist nurse at Caci says, "it is possible to turn some advance signs of ageing with certain laser treatments such as Variable Pulsed Light and Fractional CO2 laser. It tightens the skin and diminishes wrinkles significantly, without surgery. Patients are opting for laser treatments may experience longer recovery times, from few days to a few months, depending on the depth of treatment."

Many men and women may feel hesitant about committing to the permanence of surgery, NSFA treatments offer the perfect "try it on and see if you like it" approach to improve or enhance their look. Additionally, the technological advancements in the medicine and surgery field are enabling treatments to be non-invasive and less painful, driving the market to further level (Cosmetic Nurse, Skin Institute).

#### [What is the most popular NSFA treatment?](#)

Around 90 to 95 percent of people who come to Caci for initial consultation are willing to try various non-surgical treatment options from laser, chemical peels, microdermabrasion to liquid facelift to address their concerns (Clinic Manager, Caci). Caci has over twenty years' experience in the beauty and cosmetic industry and It is a busy business and Caci are leading the way (Fab Group, Caci Franchisor, 2014). More and more people are choosing to have cosmetic injections and Botox has become one of the most popular non-surgical rejuvenation treatment in New Zealand (Regional Sales Manager, Fab Group)

When it comes to appearances people are sensitive. They want to look good but natural, not artificial. At present Botox is still the most popular non-surgical cosmetic treatment for the reduction of facial lines and wrinkles. As the effect of Botox is temporary and last for four to

six months with minimal side effects, people can have this treatment during lunch time too. (Appearance Medicine Nurse, Skin Institute).

#### How do you manage your clients' expectations?

According to Appearance Medicine nurses at Caci, 'there are several factors which affects the retention of clients, one of them is establishing clients' expectations verses results we deliver, if they are not satisfied with their results, they get disappointed and unhappy which can result in losing their custom. Sometimes other factors such as time constraints, anxiety, price, appointment availability and unrealistic expectations can lead to dissatisfaction and loss of clients.'

Practitioners also find it challenging to understand and communicate with their clients, what they see is different from what client sees and can lead to misunderstandings and not delivering the right service that can result in disappointment. Sometimes clients come up with unrealistic expectations in their mind that we are not aware of and as a professional aesthetician, we know unrealistic expectations cannot be achieved. Sometimes we lose clients due to price as a barrier, other competitive places offering the same service for lower price and people get buy in to that low price offer (Appearance Medicine nurse, Caci).

According to Clinical Specialist from Allergan, 'The practitioner and patient may have two different criteria and conclusions about what is considered to be successful outcome. In addition, the patient could have a difficult time verbally expressing the desired results in a detailed manner to the practitioner and this can also lead to dissatisfied clients.'

'Some clients will expect miracles, whilst others will be happy that there may be an improvement following treatment. There are small percentage of individuals who will not respond satisfactorily to treatment, this is why establishing a connection with your client and approaching them holistically will benefit us as a practitioner and client in completing



successful consultation and treatment,' says Cosmetic nurse, from The Skin Institute.

According to Cosmetic Nurse from Caci says, 'Our job as practitioners is not only to deliver safe and effective treatments competently- but to continually communicate effectively throughout all treatments and plans, to ensure your client's continual satisfaction.'

[Do you have male clients too? If yes, what are your strategies to attract them?](#)

At Caci, they do not have specialized treatment plan for men, apart from laser hair removal and tattoo removal treatments. There is no targeted marketing strategy for men through website or social media. They do come for tattoo removal and laser hair removal more often than any other cosmetic enhancement treatment. Sometimes we find it challenging to attract and retain them (Sales Manager, Fab Group).

According to Registered nurse at Caci, it is important to understand the difference between male and female skin and body customize skin treatments and plans to meet the needs of both. The health of a man's skin is as important as that of women, but treatment for men differs from that of women. The skin anatomy and physiology of man is significantly different. The ability to grow beard is just one obvious distinction among many others that are not so evident such as:

- Skin thickness- mens' skin is 25% thicker than woman's skin, so they need more skin treatments to correct their skin concerns.
- Hydration- men sweat more than twice as much as women and are more prone to sweating. Men have more lactic acid in their sweat and it helps to keep their skin moist and hydrated as compared to women and that is another reason they age more slowly than women.

- Collagen density- Men also have higher collagen density than women. Researchers believe that the higher collagen density accounts for why women appear to age faster than men of the same age.

When considering intrinsic (genetically-programmed) ageing of the skin, it has been said that women can appear up to 15 years older than men of the same age. In the case of extrinsic ageing (environmental factors such as sun, life style), combined with the fact that men do not use sunscreen as often as women often results in faster ageing processes occurring. Extrinsic ageing from UV radiation can add years to a man's skin and negate the benefit of slower intrinsic ageing.

It is important to understand these facts to form an effective strategy to attract and provide best results for retention of male clients. The treatment options and approach to enhance male appearance is significantly different to that for women. They need personalized consultation prior to treatment says Sarah Mckendry. Practitioners need to consider while treating men that they need more products than women as they have larger facial muscles in terms of 'liquid facelift' (Botox and Fillers).

## Section 7

### Discussion

There is rapid growth in the cosmetic enhancement procedure sector and many opportunities arising for provider companies to disrupt current business models so that they can increase market share. This is due to the intersection of millennial consumers and the prevalence of social media platforms. Social media has changed attitudes towards appearance and personal presentation in both professional and social contexts. This has made millennial target audiences not only critical about their looks, but also aware of solutions and how to seek more information on acquiring products and services to match their needs.

Millennial consumers are more savvy and educated than previous generations and demand a much higher standard of interplay online from companies that wish to engage them. This takes place in the form of information available, content- both video based and interactive application based to match their needs and take into account their busy life styles. They are reluctant to commit to anything that they are not 100 percent sure about and demand authentic engagement from companies they endorse. The rise of NSFA treatments is well suited to this generation as they are often temporary, lasting several months before the next treatment needed.

A strong and coherent online presence is important especially for millennials, focusing on search engine optimization, online audience optimization, and ongoing social media marketing is crucial. Compared with the global marketing strategy from the [matrix 1.4](#), locally based providers such as Caci Clinic have been using effective short term and long term marketing strategies in order to retain market leadership. However, they are facing a number

of challenges in terms of innovation to meet consumer demand in media interfaces and managing clients' expectations. This affects attraction and retention of clients as well as an increased awareness of the need to attract and engage male clients.

One of the fastest growth areas in Cosmetic industry over the next decade will be in services for millennial men. To attract and retain more male clients it is important to understand their life style, skin structure and their concerns. The millennial male generation is far more aware of their appearance than previous generations, due to competition and self-image in the society as well as ongoing redefinition of masculinity. Men are influenced by online media; therefore clinics should be using digital marketing strategies to attract them. Creating an environment at clinics to invite more male clients is very important so that they feel more comfortable and confident to revisit. Make their experience unique and special by providing them with same level of quality service like women, men will pay a premium if they see value in it. Training staff in how to communicate and educate male clients, how to listen to them and assess their concerns is an important factor to consider in retaining them.

Currently, the most successful marketing strategy has been developing a strong online presence including webpages and Facebook as a significant Social Media platform. However, increased presence across multiple platforms including Twitter, LinkedIn and Snap Chat is advisable as many people's first impression is what they see online – if it's not there, they don't see it. Having a separate section for men on company websites and social media profile pages is also essential to attract more men. Findings from this paper's quantitative analysis shows that men like to gain information about NSFA treatments through online search, social

media and websites and engage in discussion to see what others' impression and experiences are.

### **Potential in future marketing approaches for the Aesthetic Industry**

A recent study of the uneven distribution of individuals' biological ageing (Sample, 2015) is already providing ammunition for a new tool for marketing. The low risk factors and very low complication rates associated with non-surgical rejuvenation techniques are also a big endorsement for today's and future cynical consumers (Alexander, 2013). It is essential to encourage interaction and the development of a conversation to bring this new segment of customer onboard early and allow that market to develop and mature.

## Section 8

### Conclusion

More information about the New Zealand market and views of educated millennials with regard to their opinions on NSFAs could be gained through further research and surveying of consumer preferences in the millennial audience band. However, with global trends indicating that it will become a new norm for people to seek treatments as a matter of course in their professional careers and to augment and enhance their social lives, from interactions on social media right through the cut and thrust of the dating scene and long term relationships. It appears that, with reference to the research and literature that modifications of one's appearance are firmly entrenched in the human psyche and thus, are here to stay. This highlights the increasing degree of concern and image consciousness in the world population, matched by the rapid innovations and access to treatments that inspire the future growth of the market. The negative aspects of the industry notwithstanding, people realise that competition in all aspects of life is real and in order to survive, they must be adaptable to whatever direction the current takes them. The modern marketing modes that will succeed are the ones that will tap into the psyche of the user, through the media they access and capitalising on the insecurities they exhibit with respect to the fear of being left behind, alone.

## Recommendations

According to the results of the literature review, survey and interviews, companies currently operating in the beauty industry and cosmetic enhancement industry should consider:

- **Adopting a strategy for Millennial engagement** through social media and loyalty rewards that enhance service offerings such as consultations and beauty enhancement snapshot consultations. This is best devised by developing an authentic voice in the market that appeals to the millennial product and service philosophy through improved online presence and adopt better social media structures capable of handling customer requests on a one-to-one basis
- **Attracting male clients through a targeted awareness**, advertising and specifically designed suites for the male experience in alignment with masculine preferences and values. This could include enhanced testimonies to better reflect the consumer experience and adapt the story to suit the new consumer audience. This will better match clients' goals and expectations from treatment – to compare with others and tell if they are realistic or not
- **Developing interactive mobile applications** that allow the millennial user to configure settings to present their concerns to the app provider prior to consultation. This will allow better access to consumer information and improve the conversation and interaction throughout the provider / consumer relationship.

Using this three-pronged approach to encourage more effective social media interaction, communicate with male millennials in the language and forums they prefer and doing both of these things through the mobile media platforms that millennials are known to engage with presents the most coherent method of engaging prospective millennial target audiences with regard to future marketing considerations.

Interview Participants:

Numbers	Name	Firm	Role
1	Amanda Rutten	Caci Clinic	Appearance Medicine Nurse
2	Queza Bernardo	Caci Clinic	Appearance Medicine Nurse
3	Sarah Mckendry	Caci Clinic	Appearance Medicine Nurse
4	Smitee Ranchhod	Skin Institute	Appearance Medicine Nurse
5	Tania Deichert	Fab Group (Caci Franchisor head office)	Regional Sales Manager
6	Sue Magan	Caci Clinic	Clinic Manager & Owner
7	Liz Woodward	Allergan	Clinical Specialist



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