

Beauty spa industry essay



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Hard selling mid treatment; 3) Slimming treatments and their placebo effect. Not under the direct watch of government, other than a business license and license to operate machines carrying risks. We must point out – the spa associations (SWAY and ASS) are commerce groups, not regulators; and the MONGO, CASE, processes consumer complaints. The latter approaches retailer for resolutions and also advises on arbitration. CASE and other commerce groups only have sanction powers over members of their accreditation schemes, such as the spa and wellness schemes.

Only 20% of all the beauty spas in Singapore are accredited under the various schemes of CASE, SWAY and ASS. 6 The beauty industry is ranked 1st for CASE complaints in 2010⁷ although many were for the same few spas. The industry tainted image dented consumer confidence. Introduction Industry Overview There may be segments within this differentiated industry but in general, beauty spas are defined as firms providing services which enhance one aesthetically and along with it, therapeutic effects. Our paper's focus is on low to mid-range mellowness spas that provide aesthetic treatment, which range from the medically proven (e. . Chemical Peels also used by doctors) to ones inadequately proven by tidies (e. G. Topical Mesosphere's). According to a Licensing Officer with the SSP Licensing Division, proprietors of beauty spas that do not carry out massages only need to register and obtain a business license to operate a beauty spas, unlike wellness spas offering massages that require Massage Establishment licensees. Beauty spas do not come under the purview of any ministry. In essence, the industry behavior is 1 2 Approach To learn more about the

industry, Internet forums and blogs were searched for societal perspective and concerns.

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Collection of published data was done with respect to newspaper and Journal articles. For field data, we interviewed Beauty Spas and contacted government agencies, including MOM, HAS and the Singapore Licensing Division. We also spoke to Dry. Waffles Www for his opinion as an authority on the aesthetic services. Dry. John China, a member of the 4 Refer to Appendix CLC <http://www.Structures.Org.Sag/FAQ/tibia/68/Default>.

Asps#Spa 3 Tests Wong, “ MSP concerned that beauty salons not covered by ban”, Straits Times, March 21, 2008. <HTTPS://licenses.Business.Gob.Sag/Shell/sop/Heptagonal r? = Goals&pn= SelectLicences&ss=>

<FAQ&LicenceID= 3578 5 http://www.Case.Org.Sag/>

<downloads/central/140410 CACAPESdfUDF Jessica LiLimit>” The feel-bad thing about spas”, Straits Times, ApPar1 , 2010. 7 <http://www.caCaseorOrgsgSag>

<downloads/central/CASE R ERRgapore Medical Council of Aesthetic Medicine>, was consulted as well. Both doctors were sought not in their designation but, for the views and positions they echo. We gathered insight from various firms and identified 3 for this project. They are: Face of Man, De Touch© and City Hall Face and Body Care. Face of Man provides facial and body aesthetic treatments for men.

We interviewed Mr. Mr. ris ChuaChug- founder and co-owner. They operate 3 chains; Lucky Plaza; RoxyRosyare 2; and the AdelDelphiTouch©, relocated to China Square Centre from Chinatown Point, offers facials and body

treatments, including Topical MesoMesosphere's interviewed MariMarianne, Beauty Director. City Hall Face and Body Care, located at the basement of The AdelDelphifers facials and body treatments. We interviewed X, owner and main beautician. After research, the group analanalyses identified ethical issues from 3 perspectives: Business, Government and Society, before providing evaluations on their ethiethically acceptability.

Overview Low barriers of entry have made the beauty industry increasingly saturated, ncouencouragingressive pricing and marketing strategies. Spas often offer lower prices for products and service to compete. It is common to find different companies charging conspicuously different prices for products of strikingly ssimsimilarcriptions. Through our talks with a number of spas, one 9 concern they resonated is quality compromise of products sold or used in treatments by competitors charging lower prices. Our group is concerned that given product parallels, expectations of the same product quality would be unmatched by the firms.

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With beauty products, quality is he ability to provide physiological benefits. Reduced prices here refer to both promotional prices and real prices masquerading as promotions. Hence, not disclosing the compromise in quality seems unethical since information of products used is not fully given. Government View Beauty Spas are not under any direct governmental regulation. In relation to the issue, the Consumer Protection (Fair Trading) Act (CPFTCAFTANates that an unfair practice is “ representing that goods and services are of a particular standard, quality, grade, style, model, origin

or method of manufacture if they are not. 10 The issue we ointminted is difficult to define as illegal until misrepresentation has occurred, which would be isolated to better study its crux – matching price and quality relationship with consumer expectation. Ethics EthiEthicsdefined as the conception of right and wrong conduct. Though ssimsimilarlaws in that both define proper and improper behavior, ethics frequently go beyond the meanings given to legal rules. Because laws cannot always define proper action, what is ethical or unethical can still be legal behabehaviors

In this report, we will be investigating if firms in the Beauty Spa industry have compromised on ethics for onetmonetaryns.. Business View According to Madam X from City Hall Face & Body Care low prices are introduced to attract more customers. She also mentioned that the onus is on the consumer to be aware of the good they are purchasing and that they usually expect “ a difference in quality’. MariMarinaauty director of De Touch© informed us that it is not unreasonable to use a cheaper product or leftover material and highlighted that the difference is not major.

Face of Man informed us that their low price for “ first-time customers” attempts to attract new customers and after the first treatment, charges will be as usual. Like some spas, they think undercutting portends poor business choice when high overheads already squeeze profit margins. Stakeholders “ Stakeholders” are persons or groups that affect or are affected by a firm’s decision, operations, policies and actions. In this report we consider customers as primary stakeholders and government, the general public, concerned groups (such as watchdog organizations) and other Beauty Spas as secondary stakeholders.

Issue One: Failure to inform customers of compromised quality in products when prices are reduced 8 Anne T. Lawrence, James Weber (2008) *Business and Society: Stakeholders, Ethic, Public PpolPolicyth* edition, p. 130 9 10

Refer to Appendix A4 aAY A5 RAYer to Appendix DI SODLietal View

Prospective customers of beauty spas offering price cuts range from those who are experienced in 11 visiting beauty spas to those who are oblivious to 12 tactics that spas employ . The former group seeks advice and recommendations through friends or reading of online reviews, steering clear of beauty spas offering promotions that have unreasonable trade-offs.

The latter group feels cheated after seeing the poor products used in beauty spas that do not inform of the compromise in quality of rodurodentsn such promotions are offered. Left in the hands of spa therapists lying prone, customers are vulnerable during treatment. When pressured at this point, they may make purchases they would otherwise not under normal conditions. It is also reasonable to assume that part of the transaction for a beauty treatment is a stress-free and relaxed environment. Hence, firms allowing beauticians to make a sales pitch during treatments seem unethical.

According to the CPFTCAFTAN is unfair to take advantage of a consumer if the consumer is not in a 13 position to protect his or her own interests . Under the 14 Unfair Contract Terms Act , consumers are also able to set aside the contract if found guilty of coercion, including actual or threatened harm to a person or his or her economic interests, like “ barring customers from leaving the premises” 1 5. According to Ms. FongFondSLie, Shih associate with Norton Rose, hard selling is difficult to define. This practice toes the line of illegality.

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Evaluation Both doctors concur that low prices usually indicate lower quality; customers are shortchanged. However, topical products are limited in their efficacy, as pointed out by Dr. Dry. Wwwwnce, customers may not be at the shorter receiving end if treatments annoAntoniver much physiological improvements in the first place. Moreover, the quality of beauty products, before and after use, cannot be Judged easily. Savvy consumers, are wary and used to such tactics and find it acceptable. In contrast, the tactics are unacceptable to first-time customers, as they expect promotions to be marketing strategies to convince them of future visits.

With experience, they would be conditioned to adopt the same level of acceptability as the savvy customers. Being acceptable does not make it ethical though. Even if cost price and true quality are nderunderstandably revealed in transactions, firms are unethical if they intentionally shortchange on product quality, as the premise of discounts is that a lower-than- usual price is charged. Thus, it is also unprofessional of beauty spa to engage in such pricing strategies. Customers, as buyers at their discretion, could only exercise caution when price anomalies are present.

Most businesses interviewed admit to advising clients on products and services while administering treatment. They deem it harmless to recommend additional procedures during treatments as a complement for better results. A parallel case could be, a sommelier recommending a bottle of wine to go with your meal. This practice seems to be customer-oriented and provides value-added service to customers. Firms we interviewed claim to not force their clients to commit to the products or additional services;

however, this practice is inherently encouraged by the commission-based wages.

Being subjected to hard selling during treatment is intuitively disliked. Our findings on blogblossom foruforumsirm such a viewviewth many finding it a nuisance that leads them to unwise buying decisions. Customers also praise spas that do not hard sell and recommend them to otheothersrd selling in general tops CASECASEIssue Two: Hard selling during treatment Hard selling, defined as making sustained attempts to prempromoteducts or services, is commonly used by beauty salons to drive up sales. 11 Hui Huh Ye, "30 ways to tighten the belt", Straits Times, July 5, 2011 12 <http://www.ingaMisappropriatesm/Comufiberboardsages/11511895032.html>HTMLfer to Appendix D2 RDOer to Appendix D3 1DOJessica Lim, Limitpa takes steps to stop hard-sell tactics", Straits Times, June 16, 2011. 16 <http://www.beaubeautyholicsanonymousm/Com9/07/beaubattalions-pushy-sales-tactics/> 17 <http://forums.cozyCoyote/sMom/65062-how-handle-hardhairdressing-treatments-products-packages.html>HTMLhttp://seassesquicentennialisogBloodspotm/Com7/08/hard-

sellecclesiasticsbeauty-salons. <http://www.singGingerbread'sm/Comufiberboardsages/11514> 14 complaints.

It finds that "mental fatigue" is a common result, which led to its enhanced accreditation scheme disallowing hard-selling during treatment. Non-members of the scheme are not liable. 21 Dr. DryiaChinaees and suggests that customers might be compelled to buy, either thinking they are a sure fix for their problem or be in fear of offending the therapist who can affect the treatment utcooutcomeny slimming treatments lack scientific evidence of 24

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proof of their efficacy . In general, the mechanism behind topical treatments makes it physiologically impossible from a medical perspective .

We seek to question if it is ethical to offer slimming treatments treatment with no scientific backing, based on its effects and safety. It is also not unfair to claim that the beauty spas are selling customers a placebo. Thus, it appears unethical since spas are catering to a consumer demand rather than transferring benefits, as would a normal transaction. It is hard to define hard selling in legal terms. The perception of customers may differ and similarly their definition and threshold. Nevertheless, it should not be done while the customers are undergoing treatment as the latter are on an unequal negotiating plane.

Beauty spas thus would be unethical if they choose to capitalize on the vulnerability of customers. In addition, it also becomes a frustrating experience for customers, who expect a relaxed environment for such services. The failure to meet customer's expectations of a relaxed treatment would be considered unacceptable by customers. Beauticians are also unprofessional for digressing from delivering services to pitch for sales. Beauty spas promoting their services or products mid-treatment could be doing themselves a disservice.

Long-term relationships with customers, which ensure continuity of revenue, are at stake. This practice is then, unacceptable and unfeasible, especially for CASE accreditation scheme members who have to offer a five-day cooling-off period for package refunds. As one spa commented, “hardly dressing you “ a one-time business”; the “ long haul” is

preferred beauty spas and such practices are not under the direct regulation of government other than registering for the business license. It is also not illegal for firms to sell such treatments, regardless of their efficacy.

De Touch© and City Hall Face and Body Care find the practice of offering unconventional slimming treatments with no scientific proof as ethical on the 'Willing buyer, willing seller premise'. Both agreed that customers were willing to give slimming treatments a try if previous examples of success were present. In particular, Madam X of City Hall Face and Body Care mentioned that target customers are willing to try any treatment to slim down. Sampling of customer feedback on online forums indicates that customers of such treatments do not reject unconventional treatments without scientific evidence, given that they have worked before (26).

Customers are also willing to give any treatment a try if it could work. It can also be observed that these individuals often make purchasing decisions based on anecdotal evidence and find comfort in going for treatments that other individuals have found successful. A second observation is that consumers are encouraged to further consume based on positive feedback.

October 12, 2008 Bureau of Consumer Protection, (2003) Deception in Weight-Loss Advertising Workshop: Seizing Opportunities and Building Partnerships to Stop Weight-Loss Fraud, p. 14-25 Refer to Appendix 82-26 <http://www.ingamisappropriatesm/Comufiberboardsages/11511695947.html> HTML10820688-27 Cheryl Tan, "Go on, light my fire", Straits Times, October 12, 2008-28 <http://www.singaporebusiness.com/Comufiberboardsages/11511658150.html> HTML Issue

Three: Slimming treatments and their placebo effects Many beauty spas offer <https://assignbuster.com/beauty-spa-industry-essay/>

slimming treatments that claim to help burn fat at target areas and reduce the weight of customers. These practices range from ‘ holy tapatapssages’²³ to topical mesomesosphere’s³⁶⁵⁷⁴⁷. [Lack of medical evidence does not prevent consumption of such goods and the “ placebo effect” creates positive feelings with selfimagSelfridgesing customer satisfaction. Consumers who aim to lose fat are unlikely to reject treatments with low risks. Firms are simply responding to existing consumer demand. It is therefore not unethical to offer trimming treatments as such firms are not doing unto consumers what they refuse nor physically harming them. In addition, it is difficult to prove certain treatments are placebos if they feel their benefits, as mentioned by Dr. ChiaDry29China](http://www.caseCaseg.Org/Sagwnloads/s1ssuissuem21RefMrtoAppendixBI22JeBalicaLim,“SpLimitakesstepstostophard-selltactics”,StraitsTimes,June16,2011.23CherylTan,“Goon,lightmyfire”,StraitsTimes,Theviewsofsocietyandbusinessagreethatitisacceptableforfirmstoprovideservicesonthewillingbuyer,willingseller”assumption.Thisassumptiondenotesanecdotalevidenceofsuccessfultreatmentresults,whichhelpstodrawincustomers.Conversely,itwasobservedthatnegativefeedbackactsasacheckagainstbeautyspasofferingtrimmingtreatments.Fromthisperspective,thebeautyspaindustryis“self-regulated”inofferingallegedplacebos.</p></div><div data-bbox=)

Moreover, anecdotal evidence is hard to disprove. After all, these customers have chosen trimming treatments over medical treatments and the usual exercise and diet. It remains, however, unprofessional for firms to bank on services that transfer unsubstantial benefits to customers for revenue.

CIDESCO, CODICES, CAPITAo NUNS, anWASource revisions across so many institutions may be too radical and time-consuming. Issue Three As MP HalimPM Halifax Haycockf the Parliamentary Committee for Health, puts it, “ unless the skin is 31 breached, beauticians do not infringe the medical act” .

Outlandish claims notwithstanding, beauty salons are not contravening unless they cause bodily harm. We identify the use of risky substances and machines as possible causes for such harm. The former is adequately regulated by the HSA undeHAShe cosmetics 32 control unit . We stress that past occurrences like silicone injections were not oversight. Medical silicone imports are controlled and operators used industrial silicone easily bought from stores, escaping detection. Even then, the Ministry made injections and surgery illegal for beauty spas. As for machine use, spas are restricted to non-medical machines.

The HSA 33 aHASNEA34 haENEMAn their stringent safety assessment for machines before allowing their use in beauty spas. However, risks for harm still exist. For instance, superficial chemical peels can still cause serious burns³⁵. burnersticular, IPL lasePL6lasersn skin if used inappropriately, lamented Dr. ChiaDry³⁷Chinaus, we suggest stiffer penalties. Spas and spa owners ownersbanned from such machines or substances should they receive many complaints over a period of time. Customers suffering from such misuse would usually require and seek medical attention, helping provide evidence to avoid sabotaging of firms.

Recommendations Issue One and Two We recommend a self-reflection on company practices. Imparting healthy work culture and ethics to employees

is key. Companies ought to focus on gaining the trust of customers and not short-term gains at the expense of customer satisfaction. It would be a refreshing lift for the industry. Customer relations provide the foundation for every business and beauty spas, in providing services, especially depend on it since customer experience itself is a guide for quality. CASE, SAS and ASSS couSWAYead this self-reflection through their publications, seminars or workshops.

Beauty spa owners ownersopefully be encouraged to adopt self-serving practices. We add that revising training courses is unfeasible. Current course offerings range from Conclusion Some perceived ethical concerns arise from a lack of governmental regulation. Others arise from complacency, that “cheating doesn’t happen [in Singapore]” 38. However, beauty spas should not be held 30 [<https://assignbuster.com/beauty-spa-industry-essay/>](http://www.spf.govSSPg/GobenSag/licensecblslicencMagnificenceixappendix APDF Ho, “Key issue is patient safety, not partisan interests”, Straits Times, March 26, 2008. 32http://Httphsa.govHasg/GobliSag/hsaportahospitalh_products_regulation/cosmetic_products.tml 33htHTML/httpsidley.SidledidComUpSidesaddles spx? newSSP8 News4 http://www.hsa.govHasg/GobliSag/hsaportahospitalvices/medics/smdr/disSIMDmer.html 35 HTMLa WoTestsBeauty trade boom not all that pretty’, Straits Times, March 6, 2009. 36 Karen Tee, “ IPL; BeaPL basics”, Straits Times, June 24, 2011. 37 Refer to Appendix B1 38 JeBalica Lim, “ ThLimiteel-bad thing about spas”, Straits Times, 29 Refer to Appendix B1 up toBalhe same level of calling as doctors practicing aesthetics. As such, regulating the beauty spa industry would be imposing too much government supervision.</p>
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We believe that government intervention is needed only when consumer rights are isolated related physical harm has resulted. Currently, the restrictions on cosmetic products and machines limit the types of treatments beauty spas can offer. Additionally, the Ministry already disallows them from offering treatments that only doctors can, contrary to confusion over regulations. The government's reactionary stance to the industry is adequate in safeguarding consumers although more penalties could be made for stronger ability. Word Count: 2930 Footnotes and References) (Excl.

Excel

References Attorney-General Chambers, Singapore (2011) (Online Resources). Available at: <http://statutes.agc.gov.sg/BGobauGof/ConsumerProtection> (2003), Deception in Weight-Loss Advertising Workshop: Seizing Opportunities and Building Partnerships to Stop Weight-Loss Fraud. United States: Federal Trade Commission Consumer Association of Singapore (2008) (Online Resources). Available at: <http://www.case.org> OrgltSagSciences Authority, Singapore (2011) (Online Resources). Available at: <http://www.hsa.gov.sg/HasgGobreSage>, A. T. & Weber, J. (2008). Business and Society: Stakeholders, Ethics, Public Policy Policyd).

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New York: McGraw-Hill/Irwin OnluringBusiness Licensing Service, Singapore(Singapore(Online Resources). Available at: <http://icenses.sciencesBusinessGobilSag1>, 2011 39 Dawn Wei Tan, "Weelamp down on docs bring smiles to salons", Straits Times, March 30, 2008. 40 Tessa <https://assignbuster.com/beauty-spa-industry-essay/>

WoTestsMPs concMSPed that beauty salons not covered by ban”, Straits Times, March 21, 2008. Annex Appendix A: targeted firms Interview with Appendix A1: ChriAYChua Co-Chugr Face of Man Transcript of Interview Name of Person Interviewed: Chris Chua NamChug Interviewer (via phone): Nelson Lee Date: 08/10/2011 Nelson: Can you describe your typical clientele?

Chris: They are mostly young, maybe 25-45 or 50, usually professionals. N: In sum, what does Face of Man offer its customers? C: We offer only skincare, 60% acne & scars, ageing treatments take up 20% N: Just to sure, how does Face of Man determine its charges for customers? C: We base it on treatments, which are done ala carte. We then analyze through consultation, the skin condition and concern of our clients. N: So the prices are formed on a case-by-case basis? C: Yes, and we’ll recommend the treatments with budget as a consideration.

N: Do you see any problems or disagree with the practices of your competitors? Say, some spas that offer cut-throat prices? Recommending clients additional procedures during treatment? Or half treatments? Or some of these cases are from a few years back, do you still see it happening? C: Undercutting competitors doesn’t happen very often. Customers understand the different segments exist, from as the entry level to the premium markets. We use the strategy of encouraging 1st time customers, as a preview at \$28, so yes, it is much lower in price. But it is not undercutting.

We have to think from the customer’s mentality. As for the recommending additional procedures, it is harmless to ask. It’s just like being in a restaurant

and the waitress would recommend soup set to go with your meal. I think this is just asking. Of course, if people do not tell their customers about the prices and charge them, then that is wrong. I think if we work through honesty, we would go far. N: Would there be any regulation that you would like to see being implemented? C: Actually, it is pretty OK right now. If you want to complain about us or any other company, you can go to CASE.

N: Well, one recommendation we gather from other spas is to make a diploma mandatory for all spa/beauty salons. C: Oh... I agree with that totally. I think it is good to have certification to make the industry safer for customers. N: In your opinion, what do customers look out for when they shop for treatments? Number one point is service. The next one is results and finally, the trust and relationship they build with us. N: This has been a really popular statement from doctors we hear: Most topical facial treatments/products are merely placebos and people should be mindful of that when shopping around.

What is your take on that? Do you suppose people actually look to the experience of a treatment rather than its efficacy? Or that it is still an alternative to a clinical procedure, although maybe it's not as quick or expensive, since doctors are usually skeptical of procedures not screened by medical boards. Do you think perhaps that is an exaggeration? C: This is a bit of an exaggeration. Well, you see, the doctors are moving to beauty services now. And their concern about us may be that in the past few years, many non-certified spas damage the faces of their customers and the reputation of our industry suffered.

But today in this day and age, the machines are much safer now. In fact, they produce better results now and many of them can produce wonders. We just don't offer it at the same level of strength as doctors. But really, the machines are much more advanced now. Appendix A2: MariAYa Marinauty Director De Touch© Transcript of Interview Name of Person Interviewed: Mariana Marinae of Interviewer (via phone): Liu XuanLieDIguana7/09/2011 Xuanyi: Iguana gather that you provide mesothermesosphere'sr customers? Mariana: Marina we do ofWer that for our customers.

Why do you ask? X: This procedure is a highly regulated one under the SMC. Do SCM think it is safe to conduct such a treatment? M: Actually, we are only providing topical mesothermesosphere'searns tmeaner is a non-surgical procedure and only involves spreading the solution used in needle-free mesothermesosphere'srformperformingstic massages on the target area. If you're wondering whether this is illegal, it is not. Our mesothermesosphere's different from those done by doctors. The solution mixture we get from our supplier is approved by HSA.

HAS

We use this mixture in our treatment and rub it on the target area and then apply some mechanistic massage. So far, my customers are happy with it. X: That is interesting. Who do you usually conduct the topical mesothermesosphere's We usually do it for regular customers. They are customers who come for other treatments too. X: Given that even actual targettetargetedl mesothermesosphere'snclusive scientific and esearch

searche, do you think it is right to offer such a treatment? M: Honestly, most of the customers who want this treatment are regular customers.

They usually tell me they are willing to give it a shot to see if it actually works X: So you do agree that customers will subscribe to this service even without scientific evidence, as long as it has been proven to have worked in the past? M: As I mentioned earlier, I must emphasize again that my treatment is legal and that customers are willing to give it a try as long as it has been proven to have worked in the past. You can neither prove that it helps nor doesn't help. X: Thank you. Regarding another issue, do you practice promotional pricing?

Like reduce prices to get more sales? M: We rarely do that but when we do it is to attract more customers. If you take a look around this entire Chinatown and visit all the shopping centres, centersll find that this area has many beauty spa giving you like facial, zaps and everything else la. So we try to market with promotions sometimes. But we don't do that a lot because we mostly rely on word to mouth to get more customers.