

ON THE GROUND WITH: SKIN LAUNDRY



Innovation in the beauty industry is a topic of interest at Fung Global Retail & Technology. When we saw Skin Laundry’s presentation at the Women’s Wear Daily Beauty CEO Summit last month, we were interested in learning more about the company’s unique skin care experience. Here, we visit Skin Laundry, which was founded in 2013 and now offers its 15-minute laser and light facial treatment in 14 locations in the U.S. and Hong Kong. We visited the location in New York City’s Flatiron district.

DESCRIPTION

Skin Laundry offers a 15-minute laser and light facial treatment. The company aims to provide quick and affordable facials that can be done more frequently than other facial treatments, for continuously clean and healthy skin. Currently, there are 14 locations in California, New York, Arizona and Hong Kong.



By offering only a single treatment, rather than a range of services, Skin Laundry is able to focus on the customer experience. The company has grown from selling 900 treatments per month in 2013 to more than 11,000 per month today. By the end of 2016, the company expects to reach 30,000 treatments per month.

THE SKINCARE MARKET

According to MarketResearch.com, the global skincare market will be worth \$121 billion in 2016 and reach \$154 billion by 2021. Skincare accounted for 35.3% of the global cosmetics market in 2014. The US cosmetics market is the largest in the world, with total revenue projected to exceed \$62 billion this year and skincare sales expected to reach \$10.7 billion by 2018.

So, Skin Laundry seems to be well positioned for growth. However, the company may see some competition from at-home devices. Transparency Market Research valued the global skincare devices market at \$7.3 billion in 2014, and the firm expects it to grow at a CAGR of 10.1% through 2023, reaching \$17.3 billion. We will be keeping an eye on this developing area of the market.

THE TREATMENT

Skin Laundry treatments consist of two parts: the first is an yttrium-aluminum-garnet (YAG) laser treatment that works to vaporize dirt, bacteria and makeup from pores. The laser also works to improve pigmentation and collagen production. After the laser treatment, a technician applies a cooling gel to the client’s face in preparation for the second part of the treatment, during which intense pulsed light (IPL) is applied, to help even skin tone and stimulate collagen. A toner and moisturizer are then applied to the client’s face—and the whole process takes just 15 minutes. Together, these two treatments help to even skin tone, minimize pores and condition the skin.

Skin Laundry’s website says that its treatments are “performed by experienced, certified nurses and physicians’ assistants highly trained on proven Skin Laundry protocols and overseen by a team of medical advisors.” What differentiates the Skin Laundry treatment from other laser facials is the strength of the laser. Skin Laundry uses a milder laser that does not penetrate the skin as deeply. This gives the skin a deep clean, but forgoes the peeling process and, so, allows treatments to be administered more frequently. This method of treatment helps brighten the complexion, reduce fine lines, reduce acne and acne scars, reduce the appearance of pores, tighten skin, even skin tone, reduce sun damage and stimulate collagen production.

Founder and CEO Yen Reis explained to Lisa Bensley of xoJane.com: “We’re simply a smart skin solution. I’m not reinventing the wheel in any way; I’m just allowing people to have access to the benefits of lasers. But at the same time, we’re administering it so it’s not so invasive. I don’t believe in traumatizing one’s skin or doing something so invasive that you’re peeling for three days.”



Source: Skin Laundry

PRICING & PRODUCTS

Skin Laundry touts both the efficiency and affordability of its treatment. The company understands that most customers are new to laser treatments, so it offers the first treatment for free. After that, each individually purchased treatment is \$65; an additional neck and chest treatment can be added for \$45. Skin Laundry also offers bundles with varying degrees of discounting, depending on the size of the bundle. Customers have the option to join The Laundry Club, which provides additional discounting as well as special perks, such as a free hydrating mask with every treatment.

The skincare company also offers a line of products that range from cleaners and makeup-removing wipes to face masks, eye cream and even specialty pillowcases. Product prices range from \$15 to \$160.

LAUNDRY BUNDLES

5 FACIALS: \$275
SAVE \$50, BUNDLE NEVER EXPIRES

10 FACIALS: \$500
SAVE \$150, BUNDLE NEVER EXPIRES

EXTRA CARE (30 DAY PASS): \$475
COME EVERY OTHER DAY FOR A MONTH, UP TO 15 TIMES. SAVE \$500, BUNDLE EXPIRES

THE LAUNDRY CLUB

1 FACIAL PER MONTH: \$65
\$55 ADDITIONAL FACIALS
\$10 OFF ADD-ONS
15% OFF PRODUCTS

4 FACIALS PER MONTH: \$200
\$50 ADDITIONAL FACIALS
\$10 OFF ADD-ONS
15% OFF PRODUCTS

FREE HYDRATING MASK WITH EVERY TREATMENT FOR LAUNDRY CLUB MEMBERS! (\$12 VALUE)
3 MONTH MINIMUM FOR LAUNDRY CLUB MEMBERSHIP. NO ROLLOVER.



Source: Skinlaundry.com (L); Fung Global Retail & Technology (R)

THE EXPERIENCE

Skin Laundry locations are designed to resemble a beach house, highlighting the company’s California roots. When a customer arrives for her first treatment, she signs in using an iPad at the reception desk. A staff member explains the procedure and walks the customer through a few forms, a privacy agreement, information about risks and proper follow-up care, and a release. While waiting to be brought back to the treatment room, the customer is given a face wipe and asked to remove any makeup—eye makeup can stay on.



Source: Fung Global Retail & Technology

The client then has a brief skin consultation, where a trained staff member goes over any conditions or factors that might make the treatment unsuitable for the client. These include a recent sunburn, chemical peel or self-tanning; certain medications; pregnancy; and Skin Type VI on the Fitzpatrick Skin Type Classification chart. A pair of goggles is then placed over the client’s eyes to protect them during the treatment.



FLASH REPORT

To be sure there are no unexpected reactions to the laser, the technician tests the laser on the back of the client's hand and then on a small portion of the forehead. If it goes well, the treatment will begin, first with the laser and then with the light. The treatment itself is quick and relatively painless. The laser portion of the treatment feels like a series of pinpricks across the face; it is not sensationless, but it is certainly not painful. With the laser also comes a slight burning smell, as dirt, dead skin and bacteria in the pores are vaporized by the laser. The IPL treatment is completely painless. The bright light can be seen through the protective goggles, but the cooling gel applied before the light treatment protects skin from the heat from the light pulses.

Overall, Skin Laundry does live up to its mission, offering a 15-minute laser and light facial at a relatively affordable price—other laser and light therapy treatments can cost well above \$500 per session. The atmosphere and staff both create a soothing experience despite the short duration of each visit.



FLASH REPORT

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