

Pet Care Hacks: “Learning from Seasoned Managers”

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The Veterinary Hospital Managers Association (VHMA) creates a monthly survey termed “Insider’s Insight” that provides up to date data within our industry along with polling owners and manager on a multitude of topics to share with the rest of the industry. Recently, they published information titled *Pet Care Hacks*. In *Pet Care Hacks*, they broke down insight on 3 critical areas: 1. Pet Care 2. Client Care 3. Employee Care. The input from senior managers and practice owners is integral in finding continued success. Innovation and change to stay relevant were themes that glared to the readers. I have taken the data and put it all in real life examples so you may find areas that will be useful for implementation into your own practices.

We all have had some type of success in our practices. Some more than others. But what differentiates ongoing success is for the ability to realize we must continue to be innovative and change to meet the demands, wants, and needs of our clients and future clients. Where we tend to slip up is we see and feel success in our practices and we have a human nature element in all of us to sit back and say “finally, we made it”. I made this mistake at the two practices I manage in Kennewick, Washington. It relates to our client service. We held weekly meetings, we created staff incentives, we solicited client feedback, reviewed other companies out of our industry who we could learn from. The list goes on and on in all of the effort, training and attention we placed on client service.

One day the phone rings and we promptly answer it with a welcoming message. It turns out to be a national company that would like to use Meadow Hills Veterinary Center and 4 other companies in the United States to create a new training film on customer service. Wow, you can only imagine my excitement along with practice owners. We had done it. We have created the most amazing client service experience for our clients and now others want to duplicate it. A sense of excitement but also relief had swept over me. I could now concentrate on other areas of the hospital because it was obvious we had mastered the experience process and we were done in that avenue. Fast forward 24 months after filming. Our client retention is slipping, new client counts are down, and overall client satisfaction is at its worst levels since the company’s inception.

What had happened? We were making the BIG mistake so many companies do. Once you find that magical formula you just sit on it like a sacred cow. A naïve perspective of thinking that once you get there you can sit back and enjoy the fruits of your labor.

We now knew that whether it was our client service, our pharmacy sales, or our marketing programs for dentistry that we had to continue to change and evolve to continue that success we wanted for the company. It was a hard lesson to learn but one we try to reflect on often so that we never forget to change, grow, and mature.

Perform a Self-Evaluation:

How would you describe the culture of your veterinary clinic as it relates to change and innovation?

What do you believe is the most unique or distinct feature about your veterinary clinic?

What concerns do you have about your competition or possible competition that would dilute out your uniqueness?

If you had a magic wand and there were no obstacles in your way, what is one thing you would immediately change about your organization? What would you never change?

If your clinic closed its doors for good tomorrow, what would your community and the industry lose?

The idea of change is relatively simple. The idea of implementation and accountability is at the heart of innovation. Over the course of the next hour we will look at real life examples of innovation and change implementation.

We will look at techniques and systems to get staff excited and on board. The goal of the session is to have concrete objectives to take back your practice and start implementing immediately. But this of course is “subject to change”!

Our client database is the single biggest asset each of us have in our veterinary clients. Many of us don't spend enough time managing and protecting our number one asset. We often get sidetracked with marketing efforts and place a focus on new clients over our existing clientele. It can be argued our current clientele is more important than a new client yet many of our promotions and marketing are geared toward new clients. Are spending time creating that trusted bond with our clients to keep them in our hospital for years to come?

Take a moment to look at your practice management software. Pretend for a moment you are going to enter a new client into the system. What is the client number the software is wanting to auto-assign for them? For me at Meadow Hills Veterinary Center in Kennewick, WA where I manage, the number would be 25690. That is to say 25,690 clients since the inception of my database. Now compare that number to the number of active clients your practice currently has (active client is defined as any client with a posted invoice in the last 18 months). So the difference between the two numbers would be the clients that have walked out of your doors to never return again. Shocking in most cases with numbers often times in the thousands. My clinic unfortunately is no exception. Think of all of the effort, money, and time you have spent in marketing, educating, and attempting to exceed expectations and they are gone.

Please do not rationalize those missing clients with phrases with such as “well they moved out of the area” or “those are the clients that have deceased pets”. The worst part is we don't know where they went or why they left. Say it with me again: “Our clients and their pets, they are why we exist.”

We have to start to evaluate our client retention rates and also starting to understand the lifetime value of a client. If we start to look at some averages we could take into account a client on average has 2.5 pets with an average of 2 visits per year spending on average \$180.00 per visit with a retention rate of 5 years. If we do the math we come out with an average lifetime value of \$4,500. If we think about each client with a value of \$4,500 than you really are going to want to revisit what happened to all of those missing clients I mentioned above. But it doesn't always work this way. Each client is going to have a different lifetime value. At Meadow Hills, I have a client that has spent in excess of \$70,000 in the last 5 years and I have a client that has spent \$3.34 in the last 5 years. I am sure you are wondering what they spent \$3.34 on. 2 Cans of Hills Pet Nutrition a/d. And now you know. But back to the importance of client values and retention. It is important to know your client retention rate and work with the staff on taking care of your number one asset. It is not uncommon for clinics around the country to lose 20 to 25% of their clientele per year. Our goal should be closer to 12-15% per years with a client staying active on average for 6-8 years as opposed to 4-5 years.

In order to maintain our client base the client must feel like they can trust the staff and trust the services and products you are providing. I encourage you to sit down with your staff at your next team meeting and discuss the importance of client retention and client trust. It is important your staff doesn't come across as sales men and woman but more of educators and providers for good health. This can be done by focusing on “It's not what you sell it's what you believe” Have you and your staff answer the following questions.

1. What do you promise that only your clinic can promise?
2. What do you deliver that no other clinic in your area can deliver?
3. What do you believe that only you and your staff believe?

I will share some of the responses and focuses we have had over the years at Meadow Hills to get you started:

- ✓ **We promise to see things from a client's viewpoint**
- ✓ **We promise to over-communicate**
- ✓ **We promise to treat your pet like it's our own**
- ✓ **We promise to make it Easy to do business with us**
- ✓ **We promise to own up to our mistakes**

- ✓ **We deliver 1 on 1 care with the client and patient's best interest always at hand**
- ✓ **We deliver incredible value for our services and products**
- ✓ **We deliver flexibility and options for our clients**
- ✓ **We deliver our services and products without judgment**

- ✓ **We believe our staff training is superior to everyone else**
- ✓ **We believe we invest in technology more than anyone**
- ✓ **We believe we dominant when it comes to client service**
- ✓ **We believe there are more than one answer to each problem**
- ✓ **We believe we exist because of our client's and their pets!**

Here are five loyalty tactics to keeping your clients put that you and your staff should be evaluating individually.

1. Reduce the need for repeat calls by anticipating and dealing with related downstream issues.

Make sure to work with your staff and train them where we are not having to constantly have our clients talking with multiple people to have their needs and requests taken care of. What is your next step by eliminating steps for your client? How are you going to anticipate their needs to prevent them from having to call in over and over?

2. Team member to address the emotional side of the client interactions.

What is it you do now and what changes will you make to assure the client sees you don't just view each visit as a transaction?

3. Minimize the need for clients to switch service channels.

What new challenges can you present to your staff to make sure each team member is trained to take care of client requests? Clients do not want to have to be handed off over and over.

4. Elicit and use feedback from disgruntled or struggling clients

What new and improved ways are you going to solicit feedback from clients to have a better pulse on how their visit went and an outlet for them to voice frustrations when they arise?

5. Focus on Problem Solving not Speed

Clients want their issues resolved and if they know work is being done on their behalf they will not complain. It's when they think they are being rushed or pushed through a conveyor belt that they will start to question if they should be choosing a new clinic. Evaluate your current systems and make sure this isn't happening in your clinic.

Concentrating on protecting your number one asset will reap rewards both financially and emotionally as you keep clients returning year after year. Spend some time with your staff talking about this important issue. Our clients and our pets...they are why we exist. Let's do a better job of keeping them put.

Client needs and wants have changed as the economy has changed. Thinking we can provide services and products like we did 10 years ago will lead to lost clients, transaction and future business. We need to understand client loyalty is wavering and it is our job to realize the client wants to feel like they are in control of how and

where they spend their money. Not always an easy feat. We certainly don't want clients to feel they are put on the spot and being upsold every time they walk in our doors.

This year some 50 billion dollars will be spent on pet care and pet products. We have more threats in way of competition than ever. We are seeing human healthcare and technology companies entering our industry as a branch out. We need to work on creating and monitoring systems that will keep our clients put.

Let's take a page out of the dental industry and see a few examples of how they demonstrate to their patients that they are in control of their visit. It starts first by a visual queue of handing over the remote to the individual TV installed in the operatory. They tell the patient they can watch any show they want. In continues with handing the patient the controls to the massage chair they are sitting in. Inter-oral cameras are used to show patients what the dentist is seeing and comparing the current pictures with ones that show what their teeth could look like. It's up to them if they want to hear more information. These are just a few examples of how dentist offices put their patients in control of their visit rather than dictating to the patient how it is going to be.

We know for clients to feel in control with a service provider they must be able to trust the business. Words and phrases such as integrity, character, exceptional talent, drive to personal excellence, internal moral compass, honesty, and leadership round out descriptors for establishing that trust. Cookie cutter approaches to providing care to the patients will leave the client feeling taken advantage of. They will feel in control as they drive their records out of your facility.

Clients will congregate to easy as it further makes them feel in control knowing the business is there to take care of their needs. A recent Harvard Business Review published a study indicating 56% of consumers complained of having to re-explain issues. We see this in our clinics when we make clients repeat histories or call back to check on medications and explain again what they are looking for.

57% complained of having to switch from Web to phone. I agree, we can further put the client in charge when we give them tools to use at their convenience (i.e. online scheduling). But if we are going to offer these tools, we better make sure they work and that we are responding. And lastly 59% of the survey respondents indicated they expended moderate to high level of effort to resolve their issues. If clients are going to feel in charge than they are going to have to have resolution in a timely and effective manner.

As the issues arise, make sure to work on concrete and well communicated plans to the staff to resolve the issues from repeating themselves. You can offer further confidence to the clients by further communicating the changes you and the staff have taken to prevent the issues from arising again.

Euthanasia can be a vulnerable and difficult time for clients. This is an emotional circumstance where the client can feel out of control and not in the driver's seat. Communicate a consistent, empathetic and compassionate system for dealing with the difficult appointment. Consider unique ideas to convey condolences and ways to remember their beloved pet. Personalized cards, flowers, donations to veterinarian schools, clay paws or other memorable symbols of caring. Handling vulnerable and difficult times with clients will further encourage loyalty and trust for visits and business in the future.

As we discussed in beginning, understanding the new needs and wants of our clients is paramount. I recently produced a DVD titled "Listen up! How to profit from client feedback". The video demonstrates the importance to gathering pertinent and real-time data from your clientele to make sure they match up with your offerings.

In 2012, VCA Antech spent time and financial resources on understanding what it is their clients and potential clients wanted for an optimal experience at the veterinary clinic. It is further a testimonial to how important it is that we continue to research what it is the clients want and then give it to them time and time again.

At some point during a visit, clients will have to make a decision on how and if they can financially afford the care needed for their pets. Prepare for these difficult conversations. Offering multiple options for the client will leave them feeling in charge in a time they can feel helpless and out of control. I am not advocating we become banks and allow client's to start up accounts with us but with some proper preparation, we can have several opportunities for the client to use to gain the care they want for their pet.

Placing the client in charge will not happen by accident. Take some time to work with your staff and creating systems and communication styles that give the client a sense of control and trust. Reach out to them by survey and make sure the connection is being made to establish future success for years to come.