# Table of Contents

About this Resource ............................................................................................................................ 02

About the Authors .............................................................................................................................. 04

**Client Retention** .......................................................................................................................... 05

- Louisiana Veterinary Hospital ....................................................................................................... 06
- Ontario Veterinary Hospital ........................................................................................................... 07
- North Carolina Animal Hospital .................................................................................................... 08

**Diversification of Services** .......................................................................................................... 10

- Illinois Animal Hospital ............................................................................................................... 11
- Animal Clinic of Florida ............................................................................................................... 13
- Animal Hospital of Kentucky ....................................................................................................... 15

**New Client Growth** .................................................................................................................... 17

- Florida Animal Hospital .............................................................................................................. 18
- Texas Veterinary Clinic ............................................................................................................... 20
- Veterinary Clinic of Florida ....................................................................................................... 22

**Revenue Growth** ........................................................................................................................ 24

- South Carolina Animal Hospital ................................................................................................. 25
- Kentucky Veterinary Hospital ...................................................................................................... 27
- Ohio Animal Clinic .................................................................................................................... 29

**Strategic Planning for the Future** ................................................................................................ 31

- Kentucky Veterinary Clinic ........................................................................................................ 32
- Ohio Animal Hospital .................................................................................................................. 34
- Texas Animal Clinic ..................................................................................................................... 36

**Practice Vitals Appendix** ............................................................................................................ 38
About this Resource

At VetSuccess, we’re in this really enviable position where we get to look at Practice Overview Reports from all kinds of different practices. Practice size, efficiency, key ratios—every report tells a story. Add the insights from the consulting that Brenda Tassava has been doing with our member practices, and the stories really come to life!

*VetSuccess Data Snapshots & Solutions, Volume 1*, is our first attempt to help practices look outside their walls and right into other practices. It’s a chance to see, if not the full forest, at least some of the other trees. It’s different from many of the benchmark studies that are available in the marketplace because it allows you a bit more flexibility to choose your own adventure and explore the detail behind the participating practices. Here are a couple of ways you might consider using this resource...

**Review Your Own Practice Overview Report** – You don’t need to be a VetSuccess member to get value from this resource, but if you are, you’ll want to refer to your reports as you look at the reports from other practices included in this resource.
Browse by Section

There are five sections to the resource:

1. Client Retention ................................................................. 05
2. Diversification of Services ...................................................... 10
3. New Client Growth ............................................................. 17
4. Revenue Growth ............................................................... 24
5. Strategic Planning for the Future ........................................... 31

Each section includes consultation notes from Brenda Tassava’s meetings with the practices. Explore each section. Think about your own practice. Do the challenges and suggestions shared in each of the sections apply to your practice?

Browse by Practice Vitals

In the appendix to VetSuccess Data Snapshots & Solutions, Volume 1, we’ve created a chart that we call ‘Practice Vitals.’ The chart is sorted by 2014 practice revenue and Full Time Equivalent DVMs, but it also reports on other elements, including:

- Active Clients and Patients
- Average Revenue per Unique Client
- % of Patients that are Current; and
- Average Unique Client Visits per month

You can use the ‘practice vitals’ to compare your own practice to other participating practices. If you find other ways that you’re using this resource, please let us know so that we can share that with others. And, of course, if you have any questions at all about what any of this means, please reach out to us. Our team is here to help.
About the Authors

**Brenda Tassava, CVPM, CVJ, Practice Management Consultant**

Brenda is an artist turned management consultant, so she’s always looking at things from a unique and creative perspective. She brings more than 17 years of practical veterinary business experience to her practice consults. A member of the Veterinary Hospital Managers’ Association and VetPartners, Brenda served for 8 years on the Certified Veterinary Practice Managers (CVPM) Board of Directors. In addition to her certification as a veterinary practice manager, Brenda is also a Certified Veterinary Journalist and the author of the book, *Social Media for Veterinary Professionals*, which was published in 2011.

When Brenda’s not busy lecturing and visiting practices all over North America, you’ll find her in her art studio, painting and chatting away with Eowyn, her African Grey parrot.

**Martin Traub-Werner, Vet Success Inc., CEO**

Martin dressed up as a businessman for Halloween when he was seven. Since then, he’s spent more than 35 years refining his skills and honing his craft. Today he’s a dedicated owner/operator focused on providing the most value he can to his clients and colleagues.

Martin graduated from Cornell with a graduate degree in Strategic HR Management, and he’s worked in a number of different industries for many large Fortune 500 companies and small businesses. Since 2010, Martin has been dedicated to the veterinary industry. He has presented at national veterinary conferences and regularly speaks to veterinarians and practice managers about practice data and practice management. Martin is a member of the VHMA and VetPartners and chairs that organization’s Practice Management Special Interest Group.

When not on duty, you’ll find Martin on a spin bike or in his kitchen cooking up a storm for his family and friends.
The health of a practice can be measured in many ways. Client retention is a direct reflection of a practice’s ability to provide a great client experience and communicate the needs of the pet effectively. Attracting new clients costs a practice significantly more than retaining their active clients. Improving the experience that clients receive in a veterinary practice, along with effectively connecting with clients to remind them of their pets’ needs, can improve overall client retention.

**Case Studies**

- Louisiana Veterinary Hospital .................. 06
- Ontario Veterinary Hospital .................... 07
- North Carolina Animal Hospital ................ 08

Section 1
Louisiana Veterinary Hospital

Analysis & Recommendations

There are a large percentage of patients who fall in the senior pet age range (both cats and dogs). This is an opportunity for the practice to create senior-focused programs, services and marketing plans. On the flip-side, with so many aging pets, they should consider launching a marketing initiative to attract younger pets to the practice, preventing a sudden decline in active clients as pets age and pass away. A significant number of active clients are staying with the practice on a long-term basis; however, there is concern with the number who are only staying with the practice for 2-3 years. This practice should also look at the quality of client service they are delivering and consider surveying clients to assure expectations are being met or exceeded.

---

Data ranges are based on the Practice Vitals appendix in this resource on page 38.
Ontario Veterinary Hospital

Analysis

Having a written standard of care in place is key to practice consistency, as well as client and patient compliance. Having a standard of care in place for the 3 major life stages of cats and dogs is extremely helpful to an entire team when communicating the value of preventative medicine to clients. Marketing preventative care recommendations to clients, once developed, should increase the number of unique clients this practice sees on a regular basis. The practice has a lower than expected number of active clients who are staying with them on a long-term basis.

Recommendations

- This practice should send follow-up email surveys to clients after a visit to assure client expectations have been met or exceeded, while also offering the opportunity for feedback. This feedback will help the practice determine why clients might not be returning. This is also a great time for the practice to introduce clients to their Preventative Care Plan.

Client Retention — From the time of their first transaction with us, how long have our Active Clients stayed with us?

![Client Retention Chart]

Why are clients leaving?
North Carolina Animal Hospital

Analysis

This practice’s greatest opportunity for revenue and compliance growth is their Lapsing Patients Report. They should pay close attention each month to not only the lapsing patients, but also the lapsed patient categories. The high percentage of lapsed patients could indicate a breakdown in client service, a growing sensitivity to budgetary concerns, or a breakdown in their reminder system. It may be partially attributed to annual participation in their area’s rabies round-up. Factoring in this annual event, the goal would be for the practice to decrease their lapsed patient category to 12% or lower.

Recommendations

This practice should actively pursue their lapsing patients each month, working to schedule appointments before they fall into the lapsed patient status. The recommendation is to log responses when clients don’t schedule an appointment, helping to better determine why they aren’t returning. Any time clients express financial concerns when they don’t schedule an appointment, the practice should use the opportunity to discuss their affordable Wellness Plans.
Analysis

The number of lapsing patients for the month of June represents a dollar value of approximately $84,671 in revenue opportunity! This is calculated by multiplying the total number of lapsing patients by the average revenue per unique client visit. Client service training and support is an integral part of turning lapsing patients into appointments.

Recommendations

This practice should provide their client care representative and technicians with additional support and training, so they are more comfortable and confident when calling clients who fall into this category. VetSuccess has created a great resource for practice teams: http://www.vetsuccessinc.com/lapsing-client-toolkit/

- The practice should set aside time for these calls to be made, placing a high priority on this since it represents a significant amount of potential revenue.
- Client care representatives should log responses given by clients when they don’t schedule an appointment, paying attention to any trends that develop with client responses. Are clients more financially sensitive to the costs of preventative care? Are they dissatisfied with previous experiences? Spotting these trends can help the practice develop action plans to increase client satisfaction levels and in turn, increase appointment bookings.

Lapsing or Lapsed Patients – How many patients are in the 14th-36th month since their last transaction?

<table>
<thead>
<tr>
<th>Lapsing Patients</th>
<th>Lapsed Patients</th>
</tr>
</thead>
<tbody>
<tr>
<td>14th 15th 16th 17th 18th</td>
<td>19th 20th 21st 22nd 23rd 24th 25th 26th 27th 28th 29th 30th 31st 32nd 33rd 34th 35th 36th</td>
</tr>
<tr>
<td>Adult Dogs</td>
<td>48 60 26 15 16</td>
</tr>
<tr>
<td>Senior Dogs</td>
<td>38 26 16 13 13</td>
</tr>
<tr>
<td>TOTAL</td>
<td>86 86 42 28 29</td>
</tr>
<tr>
<td>Adult Cats</td>
<td>23 20 20 11 9</td>
</tr>
<tr>
<td>Senior Cats</td>
<td>0 9 2 6 2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23 29 22 17 11</td>
</tr>
<tr>
<td>TOTAL CATS &amp; DOGS</td>
<td>109 115 64 45 40</td>
</tr>
</tbody>
</table>

√ Action Plan?

Value of opportunity = $84,671
Diversification of Services

Progressive veterinary practitioners look for ways to bring new techniques, procedures, and equipment into their hospitals to serve the growing medical needs of their patients. Choosing where and how to diversify services can be problematic. Starting with solid standards of preventative care, and then building diversity of services based on your patient demographic, pays off with improved compliance and revenue growth.

Case Studies

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illinois Animal Hospital</td>
<td>11</td>
</tr>
<tr>
<td>Animal Clinic of Florida</td>
<td>13</td>
</tr>
<tr>
<td>Animal Hospital of Kentucky</td>
<td>15</td>
</tr>
</tbody>
</table>

Section 2
Illinois Animal Hospital

Analysis

It would be best for this practice to develop a program that addresses and boosts these service categories for their practice. Preventative Care Plans (or Wellness Plans) can be a good option for practices that are losing vaccine revenue to low-cost competition. A great resource for this practice to consider is the Nationwide Insurance PAWS Program: [https://www.vpipaws.com](https://www.vpipaws.com).

Recommendations

- This practice should develop and market their Standards of Preventative Care, stressing the value of prevention and early detection vs. treatment of diseases and illnesses.
- They should also explore the development of a Preventative Care Plan (Wellness Plan) to bring back lost vaccine and increase preventative care revenue.
- A final recommendation is for the practice to perform a random chart audit (5-10 charts per week for 4 weeks) to ensure that the SOC are being followed by team members and that the team is not missing charges when invoicing.
Illinois Animal Hospital (cont’d)

**Total Revenue:** $323,840

**Professional Services:** $204,575

- **Diet:** 5%
- **Drug and Medication:** 29%
- **Professional Services:** 63%
- **Non-Diet Retail:** 2%
- **Unmapped Revenue:** 1%

---

**Professional Services:**

- **Exams:** 9% ($19,318)
- **Lab (in-house):** 6% ($11,415)
- **Lab (external):** 13% ($26,364)
- **Surgery:** 14% ($28,038)
- **Dentistry:** 3% ($5,813)
- **Hospitalization:** 6% ($12,417)
- **Anesthesia:** 3% ($5,535)
- **Radiology:** 5% ($9,688)
- **Diagnostic Imaging:** 2% ($3,756)
- **Vaccines:** 8% ($16,500)
- **Other Prof. Services:** ($46,331) 23%
- **Euthanasia & Cremation:** 3% ($5,602)
- **Grooming:**
- **Boarding:** 5% ($13,745)

**Details? (Wellness plan?)**

**Opportunity Big #!**
Animal Clinic of Florida

Analysis
Revenue growth is important to the sustainability of any business. Monitoring a practice’s performance in this area is essential. When seeing downward or upward trends, it’s important to ask, “what changed? and why am I seeing this?” In this practice’s case, their revenue for 2014 is flat. Their professional services revenue as a percentage of total revenue is not as strong as it could be. The practice is vulnerable to outside competition from online pharmacies and big box retailers due to the higher percentage of product sales. When it comes to professional services, the higher percentage of vaccine revenue indicates another vulnerability when it comes to low-cost vaccine clinic competition. The practice’s recent addition of Preventative Care Plans is a good strategy to bond clients to the practice. There is also significant opportunity to increase lab income with the growth of the Preventative Care Plan program. Improving compliance to their standards of care for early diagnostic testing can increase revenue in a very positive way for this practice.

Recommendations
- The practice should perform a random chart audit (5-10 charts a week for 4 weeks) to assure that the SOC are being followed by team members and that the team is not missing charges when invoicing.
- They should also actively pursue Lapsing Patients each month. Client care representatives should log responses given by clients when they don’t schedule an appointment. Monitoring this log for client response trends can better coach the team to deliver solutions and increase appointment bookings. This will also help the practice determine what percentage of client attrition can be attributed to college students who graduate and move away.
Animal Clinic of Florida (cont’d)

Total Revenue: $205,567

Professional Services: $117,714

Diversification of Services

Heavy

Vulnerable to low cost... So C?
Animal Hospital of Kentucky

Analysis
The practice’s services as a percentage of total revenue are on the low side, indicating they may be relying too heavily on product sales. The other possibility is that their service pricing may be too low. The surgery and dentistry categories, as a percentage of services, are great! The anesthesia numbers are lower than expected because the practice tends to roll anesthesia into surgery prices.

Professional Services Breakdown – Professional services as a percentage of Total Revenue

<table>
<thead>
<tr>
<th>Service</th>
<th>Jun2014</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exams</td>
<td>7% ($7,064)</td>
<td>8% ($45,412)</td>
</tr>
<tr>
<td>Lab (in-house)</td>
<td>11% ($10,767)</td>
<td>9% ($53,024)</td>
</tr>
<tr>
<td>Lab (external)</td>
<td>3% ($3,415)</td>
<td>3% ($15,766)</td>
</tr>
<tr>
<td>Surgery</td>
<td>4% ($3,615)</td>
<td>6% ($36,759)</td>
</tr>
<tr>
<td>Dentistry</td>
<td>6% ($6,449)</td>
<td>6% ($37,818)</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>4% ($4,371)</td>
<td>5% ($26,523)</td>
</tr>
<tr>
<td>Anesthesia</td>
<td>1% ($1,418)</td>
<td>2% ($12,947)</td>
</tr>
<tr>
<td>Radiology</td>
<td>4% ($3,696)</td>
<td>5% ($26,503)</td>
</tr>
<tr>
<td>Diagnostic Imaging</td>
<td>0% ($435)</td>
<td>1% ($3,125)</td>
</tr>
<tr>
<td>Vaccines</td>
<td>14% ($14,179)</td>
<td>11% ($65,966)</td>
</tr>
<tr>
<td>Other Professional Services</td>
<td>1% ($1,161)</td>
<td>1% ($6,821)</td>
</tr>
<tr>
<td>Euthanasia &amp; Cremation</td>
<td>2% ($2,107)</td>
<td>2% ($13,873)</td>
</tr>
<tr>
<td>Grooming</td>
<td>1% ($725)</td>
<td>1% ($4,057)</td>
</tr>
<tr>
<td>Boarding</td>
<td>0% ($0)</td>
<td>0% ($1,527)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>59% ($59,402)</td>
<td>60% ($350,121)</td>
</tr>
</tbody>
</table>
Recommendations

- This practice has not raised any of their service prices for several years, yet their overhead costs continue to climb. Understanding that this is a difficult exercise for any practice, Brenda’s recommendation is for the practice to look at their Top 50 services, by quantity of transactions. They should run a report to produce this list and begin reviewing these prices and making modest, but definitive increases to prices.

- To get a truer picture of surgery, dentistry and anesthesia numbers, the practice should consider charging appropriately for anesthesia rather than rolling the costs into procedures. They have lost sight of the costs involved in these services and are making less than they realize by absorbing them in this manner. This also tends to lower the value of anesthesia in clients’ minds. It is possible to charge fair and appropriate prices for all of their services!

Average Revenue per Unique Client Visit — What is the average dollar amount spent by each unique client who visited your practice this month?
New Client Growth

It’s impossible for a practice to retain 100% of its active clients. In order to cultivate practice growth, new client acquisition is essential. Marketing has changed dramatically in the past decade, and veterinarians must also change their approaches to attracting new clients. When practices leverage online marketing, social media, and online reputation management techniques, they see steady new client growth.

Case Studies

- Florida Animal Hospital .................................. 18
- Texas Veterinary Clinic ................................. 20
- Veterinary Clinic of Florida ......................... 22
Florida Animal Hospital

Analysis

Crafting a marketing plan that strategically attracts new clients and continues to grow the practice is essential following the first “wave” of clients who came to try out the practice. As this particular practice’s active patient base grows, the gap between active canines and felines is widening. Including cat-specific marketing messages in their marketing plan will be key to preventing this gap from growing even wider. As a newer employee, this practice’s manager expressed that it is a struggle to keep up with all of the marketing tools and programs the practice has in place. Setting aside a morning to go through each marketing tool available and learning how it works, who implements it, and what kind of results are being produced is an important step for this practice manager. From there, it becomes important to pay attention to the Clients & Patients Summary section to gauge what changes are needed to this practice’s marketing and where the focus should be once they see growth trends.

Recommendations

• This practice should audit their marketing plan so they have a better grasp on how it works and what kind of results they are driving.

• Working with their team to develop a cat-friendly marketing plan is a good idea. Particularly, they should consider these resources when looking at their plan:
  – http://www.catvets.com/
  – http://www.catalystcouncil.org/resources/health_welfare/cat_friendly_practices/

• Since social media is new to this practice, recommended reading includes Social Media for Veterinary Professionals, by Brenda Tassava. It is available from Amazon or as a downloadable eBook on iTunes.
Florida Animal Hospital (cont’d)

**New Clients & Patients** – How many new clients & patients did we acquire this year compared to last year?

**Active Clients & Patients** – How many new clients & patients did we have this year compared to last year?

**Canine/Feline Comparison** – What is the breakdown of canines to felines in our active patient base?

Audit your marketing program.
Texas Veterinary Clinic

Analysis

This practice’s new patient growth is down in 2014, and their Active Clients & Patients are tracking lower than last year as well. They’ve been having major client service issues for approximately 9 months but have made recent personnel changes to address this. They should expect it to take several months before starting to see positive change, as training will take that long to be effective across the entire client care department. This practice can track their positive progress by monitoring the Clients & Patients graphs for an upward trend over the coming months. If they don’t see that start to happen, making adjustments to their training program and looking internally at the culture of their workplace is an essential next step. The gap between canine and feline active patients is significant, and they are encouraged to map out and incorporate a feline-focused marketing initiative.

Recommendations

- This practice should focus on intensive client service training to support their new team members at the front desk and on the phones. If needed, Brenda can come in to do a full day of training with their client care team.
New Clients & Patients – How many new clients & patients did we acquire this year compared to last year?

What's happening with client service?
### Veterinary Clinic of Florida

#### Analysis

This practice’s new patient growth is down in 2014 and their Active Clients and Patients are tracking lower than last year. They have also seen a dip in active canines in the past year. A review of their Google + page shows nearly 18,349 views and 1 review.

#### Recommendations

- The practice should optimize their Google+ page by uploading photos and editing their business description to include keywords that will increase their search engine ranking.
- They should ask for positive reviews from best clients, providing those clients with links to their Google+ page. Increasing their positive review rating and creating a steadier stream of reviews will increase the practice’s Google+ page visibility and search ranking.
- Implementing a Referral Rewards program is also something to consider. Loyal clients are rewarded for referring their friends and family members as new clients to the practice. The practice should begin by creating a referral card that existing clients can give to potential clients, offering an incentive for becoming a client at Veterinary Clinic of Florida (example: $25 off services). If redeemed, the referring client also receives a credit on their pet’s account towards future services (example: $25 credit). The practice should then design and print the cards and generate a list of their Top 50 clients. The final step is to mail 3-4 cards, along with a letter explaining the program and thanking their clients for choosing Veterinary Clinic of Florida for their pets’ needs.
New Clients & Patients — How many new clients & patients did we acquire this year compared to last year?

Active Clients & Patients — How many new clients & patients did we have this year compared to last year?

What are you doing in terms of Marketing?
Client visits, client retention, transactions, and compliance rates are just a few factors that play into whether or not a practice’s revenue is decreasing or increasing. Monitoring revenue growth, along with where revenue is coming from, can help a practice spot trends, opportunities, and vulnerabilities. Is staff supporting the practice’s standards of care? Are clients accepting recommendations? These questions and many more can be answered by monitoring revenue growth.

**Case Studies**

- South Carolina Animal Hospital .................. 25
- Kentucky Veterinary Hospital ...................... 27
- Ohio Animal Clinic .................................. 29

Section 4
South Carolina Animal Hospital

Analysis

In this practice’s case, their revenue for 2014 is up 1%. Maintaining revenue and growing it slightly is commendable, considering this practice has been building their new hospital since late 2013. They recently completed writing their Standards of Preventative Care, have hired a new veterinarian, and just moved into their new facility. As the practice works through initial transitions of exam room flow and scheduling, they have a great opportunity to diversify and build out new service areas in their new practice.

Recommendations

- This practice has an opportunity to increase their surgery and dentistry services. They built a dedicated dentistry suite, a larger surgery suite, and a larger hospital to accommodate more patients. They are also in need of an additional veterinarian in order to increase scheduling availability and make use of their six new exam rooms. During the practice’s recruiting efforts for a new veterinarian, the recommendation is to focus their search on an experienced surgeon and/or someone with a passion for dentistry.

- It’s very easy for staff to get caught up in a “we have a shiny new building, we must be raking it in” mentality when a practice moves into a new, larger facility. When this happens, staff can lose a sense of what it costs to do business. Incorporating discussions with their staff about costs and fees can be helpful, presenting it in a digestible way. For example, using a single dollar bill to represent the total income of the practice is a good start. Then showing the staff in dimes, nickels and pennies where everything goes (COGS may be a quarter, while payroll is a quarter and 2 dimes, etc.) helps demonstrate how much it costs to run the practice, with increased overhead and loan debt. These discussions will lead to a better appreciation for the practice’s fee structure, which leads to staff confidence when discussing fees with clients.
Total Revenue: $90,995

Professional Services: $63,598

Opportunity

- $2% ($1,341)
- $2% ($1,147)
- $2% ($1,316)
- $3% ($2,095)
- $8% ($5,055)
- $10% ($6,224)
- $7% ($4,304)
- 1% ($620)
Kentucky Veterinary Hospital

Analysis

This practice’s greatest opportunity for revenue and compliance growth is their Lapsing Patient Report. They need to pay close attention each month to not only the lapsing patients, but also to the lapsed patients categories. Their high percentage of lapsed patients could indicate a breakdown in client service, a growing sensitivity to budgetary concerns, or a breakdown in their reminder system. The practice is experiencing an upswing in unique client visits but a downswing in Average Revenue per Unique Client Visit. This information, along with their revenue by professional services categories, indicates that the team may have gotten off-track with their practice’s Standards of Preventative Care. A new veterinarian was also hired 2 months ago, so it is a good time for this practice to re-visit their SOC.

Recommendations

• The practice should send follow-up email surveys to clients after a visit to assure their expectations have been met/exceeded and to offer the opportunity for feedback. Questions to include on the survey might be:

  – We’d love to hear your thoughts! Were we successful in exceeding your expectations the last time you visited our practice?

  – Based on your last visit, is there anything we can do to make your visits to our practice more enjoyable for you and your pet?

  – Would you recommend our practice to your family and friends? If your answer is no, please help us understand why:
Kentucky Veterinary Hospital (cont’d)

Recommendations (cont’d)

- The practice should also actively pursue their lapsing patients each month, working to schedule appointments before they fall into lapsed patient status. Staff will want to log responses when clients don’t schedule an appointment, helping to better determine why they aren’t returning.

- One suggestion is to perform a random chart audit of 4-5 wellness appointments for each doctor each week, over the course of 3-4 weeks. The practice should look at the recommendations being made, as well as client compliance to these recommendations. Comparing these recommendations to the practice’s Standards of Preventative Care will help assure that the SOC are being followed consistently.

- Finally, the practice might consider reintroducing their SOC to the entire team during a full staff meeting by watching and discussing the “Words that Work” videos found on the Partners for Healthy Pets website for practice teams: http://www.partnersforhealthypets.org/communications.aspx. These videos will help train the team while building confidence in communicating recommendations to clients.
Ohio Animal Clinic

Analysis

Each month, the practice should not only be tracking their new client numbers but also the changes in active patients broken down by area. This will give them insight into their marketing efforts, the effectiveness of their reminder system, and the quality of client service and happiness. The practice’s greatest opportunity is in conveying to clients the value and need for preventative care of pets, and reconnecting with them when they fall into the lapsing patient category.

In the month of June, this practice had 981 patients fall into the lapsed category. This represents a lost opportunity of approximately $125,568 in revenue (number of lapsed clients multiplied by the average revenue per unique client visit).

Recommendations

• This practice has collected 28% of active client email addresses. Focusing on increasing this number to at least 40% should be the next team goal. The practice can incentivize the collection of addresses by providing staff with a roll of raffle tickets. Every time someone collects an email address and updates the client record, they can write the email address on the raffle ticket along with their initials. At the next staff meeting, the practice can draw raffle tickets for small, but fun prizes and rewards. This will keep everyone “in the game” since the more they collect, the better chance they have at being rewarded and recognized for their efforts. After several weeks, the practice will find that staff members are automatically asking for, and updating client emails.

• The current reminder system for this practice was discussed and goes as follows: they are sending out 4 email reminders and 1 postcard reminder to clients whose pets are due for services. With only 28% of active client email addresses on file, clients are, in most cases, only receiving a single postcard. Looking at the month of June as an example, the cost of sending an additional postcard to 981 clients (the number that lapsed in June) at 50 to 75 cents per card (postcard plus postage) is less than $750. If staff members are able to schedule six additional clients (0.6%), the practice will have paid for the additional mailing. This is calculated by dividing $750 (the high end of the budget for mailing 981 postcards) by $128 (the practice’s current Average Revenue per Unique Client Visit).

• To maximize the reminder system, the following schedule is recommended:
  – Email reminder 4 weeks prior to due date
  – Postcard reminder 3 weeks prior to due date
  – Email and postcard reminder the week of due date
  – Postcard reminder 3 weeks past due
  – Telephone call 6 weeks past due
**Ohio Animal Clinic (cont’d)**

**Patients Summary** – Based on transactions, did our active patient count increase or decrease?

$125,568

**Patients Summary (Trend)** – Over the last 12 months, is our active patient base increasing or decreasing?

**Gross Revenue** – What was the gross revenue this year compared to last year?
Strategic Planning for the Future

The future of a veterinary practice shouldn’t be left to chance. Taking the time to sit down and plan strategically for the months and years to come is a wise business investment. This process not only looks at a practice’s internal strengths and weaknesses, and external opportunities and threats, it also helps owners set realistic goals that are achieved through action plans executed over time.

Case Studies

- Kentucky Veterinary Clinic .....................32
- Ohio Animal Hospital ..............................34
- Texas Animal Clinic ..............................36

Section 5
Kentucky Veterinary Clinic

Analysis

Each month, the practice should not only be tracking new client numbers but also the changes in active patients broken down by area. This will give the practice insight into their marketing efforts, the effectiveness of their reminder system, and the quality of client service and happiness. The practice’s greatest opportunity is in conveying the value and need for preventative care of pets to their clients, and reconnecting with them when they fall into the lapsing patient category. Moving forward, they will be able to track lapsed clients, as the computer system now has a full year of data captured.

Recommendations

- The practice should take a look at their reminder system on a quarterly basis. Their clients are getting a healthy mix of email and postcard reminders in order to encourage appointment bookings. Continuing to evaluate their reminder system frequently and make adjustments to improve clients’ compliance will help with scheduling their preventative care appointments. The recommendation is to stagger the practice’s current system, sending out an email reminder 30 days prior to due services, followed by the first postal reminder approximately 7-10 days later. The practice should do the same at 30 days post-due (stagger email and postal follow-up by 7-10 days).
Patients Summary (Trend) – Over the last 12 months, is our active patient base increasing or decreasing?

Audit reminder system ASAP!
## Ohio Animal Hospital

### Analysis

Revenue growth is important to the sustainability of any business. In this practice’s case, their revenue for 2014 is up 22%. They’ve done a great job! When it comes to professional services, the higher percentage of Other Professional Services may be skewing some of the other areas. The practice should take a look at what services are being categorized this way and consider re-categorizing them so they can be tracked more specifically.

### Recommendations

- The practice has done a phenomenal job at reviving and growing their revenues! They are now entering a phase where they should take some time to strategically plan for future growth. This process involves taking a look at where they are now and performing a SWOT analysis, looking at the internal strengths and weaknesses of the hospital, along with the external threats and opportunities. The next step is articulating the vision of the practice 5 years from now in the areas of:
  - Client and patient care
  - Veterinary services, equipment and medicine
  - Business model and image in the community
  - Owner’s work-life balance, and leadership in the practice
  - Staff recruitment, development and culture
  - Financial profitability

- Once the vision has been outlined, the practice can start defining strategic goals and action plans that move them towards achieving it over the next 5 years. In most practices, this brings a sense of renewed purpose to not only the practice manager/office manager, but also to the entire team. This is an excellent exercise to undergo on a regular basis to maintain growth and sustainability. In most cases, bringing in a facilitator can make for a more productive strategic planning process.

<table>
<thead>
<tr>
<th>Data Range</th>
<th>Value 1</th>
<th>Value 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time Equivalent DVMs</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>19</td>
</tr>
<tr>
<td>2014 Practice Revenue</td>
<td>$2,697,544</td>
<td>$606,999</td>
</tr>
<tr>
<td></td>
<td>$9,532,436</td>
<td>$9,532,436</td>
</tr>
<tr>
<td>Active Patients</td>
<td>3,440</td>
<td>1,948</td>
</tr>
<tr>
<td></td>
<td>26,158</td>
<td>26,158</td>
</tr>
<tr>
<td>Active Clients</td>
<td>2,511</td>
<td>1,317</td>
</tr>
<tr>
<td></td>
<td>15,314</td>
<td>15,314</td>
</tr>
<tr>
<td>Percentage of Patients that are Current</td>
<td>87%</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>90%</td>
</tr>
<tr>
<td>Average Revenue per Unique Client</td>
<td>$249</td>
<td>$128</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$373</td>
</tr>
</tbody>
</table>
Ohio Animal Hospital (cont’d)

**Gross Revenue** — What was the gross revenue this year compared to last year?

**Last Transaction Date**

**Average Revenue per Unique Client Visit** — What is the average dollar amount spent by each unique client who visited your practice this month?

Strategic Planning for the Future
Texas Animal Clinic

Analysis

This practice has a large population of senior dogs, balanced by puppies and young adults. They also have a nice balance of cats spread across all life stages. This is a great opportunity for the practice to begin bonding their clients to their practice for the lifetime of the clients’ pets. Loyalty programs are a viable action plan. If a loyalty program is developed, it would be best to create a rewards program rather than a discount program. Rewarding clients with incentives to return to the practice more often builds loyalty and longevity. This practice’s long-term retention is weak, and their clients appear to be leaving the practice in the 1-2 year range. It has been a while since the practice’s partners outlined a plan for the future of the practice, so it is an opportune time to take a look at the practice’s overall health, perform a SWOT analysis, and build a strategic plan for the future. This process will help the practice set specific goals for improving areas like client retention in a realistic manner.

Recommendations

- This practice should conduct a SWOT analysis, looking at the internal strengths and weaknesses of their practice, along with the external opportunities and threats to the practice. They can then use this information to accurately measure where the practice is at “now.”

- The practice should also build a custom app for their practice through Vet2Pet: myvet2pet.com. This will help the practice build a loyalty program that incentivizes clients to return to the practice and use their app to earn rewards.
Texas Animal Clinic (cont’d)

Recommendations (cont’d)

- Finally, it is best for this practice to create a strategic plan for the next 5 years. Their strategic goals should lead towards the vision of the practice 5 years from now. It is best to discuss individual owner goals and formulate a 5-year vision. The practice should then look at the SWOT analysis and determine the necessary steps to get from where the practice is now to the vision of the practice in 5 years. After prioritization of these steps, action plans will be outlined to reach the practice goals, creating a clear path forward for the practice.

Client Retention – From the time of the first transaction with us, how long have our Active Clients stayed with us?

<table>
<thead>
<tr>
<th>Duration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 1 Year</td>
<td>24%</td>
</tr>
<tr>
<td>1 – 2 Years</td>
<td>31%</td>
</tr>
<tr>
<td>3 – 5 Years</td>
<td>13%</td>
</tr>
<tr>
<td>6 – 7 Years</td>
<td>20%</td>
</tr>
<tr>
<td>8+ Years</td>
<td>12%</td>
</tr>
</tbody>
</table>

Total Active Clients: 3217
## Practice Vitals Appendix

<table>
<thead>
<tr>
<th>Practice Name, Anonymized</th>
<th>Number of FTE DVMs</th>
<th>2014 Revenue</th>
<th>Active Patients (Canine &amp; Feline)</th>
<th>Active Clients</th>
<th>% of patients that are current</th>
<th>Avg Unique Client Visits / Month</th>
<th>Avg Rev / Unique Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Animal Hospital</td>
<td>1</td>
<td>$606,999</td>
<td>1948</td>
<td>1317</td>
<td>68%</td>
<td>195</td>
<td>$173</td>
</tr>
<tr>
<td>Veterinary Clinic of Florida</td>
<td>1</td>
<td>$736,871</td>
<td>1982</td>
<td>1495</td>
<td>59%</td>
<td>169</td>
<td>$180</td>
</tr>
<tr>
<td>Ontario Animal Hospital</td>
<td>2</td>
<td>$1,165,813</td>
<td>2762</td>
<td>2202</td>
<td>60%</td>
<td>248</td>
<td>$206</td>
</tr>
<tr>
<td>South Carolina Animal Hospital</td>
<td>2</td>
<td>$1,184,351</td>
<td>2285</td>
<td>1641</td>
<td>76%</td>
<td>381</td>
<td>$246</td>
</tr>
<tr>
<td>North Carolina Veterinary Clinic</td>
<td>2</td>
<td>$1,928,267</td>
<td>3564</td>
<td>2440</td>
<td>78%</td>
<td>522</td>
<td>$205</td>
</tr>
<tr>
<td>Animal Hospital of Missouri</td>
<td>2</td>
<td>$2,049,309</td>
<td>6435</td>
<td>3151</td>
<td>65%</td>
<td>798</td>
<td>$171</td>
</tr>
<tr>
<td>Florida Veterinary Clinic</td>
<td>2.25</td>
<td>$1,637,465</td>
<td>3776</td>
<td>2295</td>
<td>67%</td>
<td>637</td>
<td>$192</td>
</tr>
<tr>
<td>Animal Hospital of Mississippi</td>
<td>2.5</td>
<td>$1,135,211</td>
<td>3307</td>
<td>2190</td>
<td>59%</td>
<td>399</td>
<td>$188</td>
</tr>
<tr>
<td>Ohio Veterinary Hospital</td>
<td>2.5</td>
<td>$1,404,646</td>
<td>2514</td>
<td>1648</td>
<td>73%</td>
<td>451</td>
<td>$263</td>
</tr>
<tr>
<td>Ohio Veterinary Clinic</td>
<td>2.5</td>
<td>$1,664,573</td>
<td>5737</td>
<td>3756</td>
<td>71%</td>
<td>931</td>
<td>$149</td>
</tr>
<tr>
<td>California Animal Clinic</td>
<td>3</td>
<td>$1,044,836</td>
<td>5183</td>
<td>3308</td>
<td>50%</td>
<td>488</td>
<td>$181</td>
</tr>
<tr>
<td>Animal Hospital of Kentucky</td>
<td>3</td>
<td>$1,167,480</td>
<td>4686</td>
<td>2964</td>
<td>59%</td>
<td>601</td>
<td>$164</td>
</tr>
<tr>
<td>Illinois Animal Clinic</td>
<td>3</td>
<td>$1,614,641</td>
<td>4496</td>
<td>2713</td>
<td>81%</td>
<td>726</td>
<td>$193</td>
</tr>
<tr>
<td>Animal Hospital of Florida</td>
<td>3</td>
<td>$1,702,406</td>
<td>3615</td>
<td>2288</td>
<td>76%</td>
<td>689</td>
<td>$212</td>
</tr>
<tr>
<td>California Veterinary Clinic</td>
<td>3</td>
<td>$1,811,351</td>
<td>7622</td>
<td>4911</td>
<td>64%</td>
<td>913</td>
<td>$168</td>
</tr>
<tr>
<td>North Carolina Animal Hospital</td>
<td>3</td>
<td>$1,893,287</td>
<td>3632</td>
<td>2199</td>
<td>79%</td>
<td>669</td>
<td>$236</td>
</tr>
<tr>
<td>Kentucky Animal Clinic</td>
<td>3</td>
<td>$2,225,701</td>
<td>7329</td>
<td>4423</td>
<td>65%</td>
<td>1197</td>
<td>$155</td>
</tr>
<tr>
<td>Animal Clinic of Florida</td>
<td>3</td>
<td>$2,225,831</td>
<td>7439</td>
<td>4880</td>
<td>77%</td>
<td>1272</td>
<td>$142</td>
</tr>
<tr>
<td>North Carolina Animal Clinic</td>
<td>3</td>
<td>$2,511,438</td>
<td>3341</td>
<td>2155</td>
<td>90%</td>
<td>608</td>
<td>$224</td>
</tr>
<tr>
<td>Animal Hospital of Texas</td>
<td>3</td>
<td>$2,671,025</td>
<td>5156</td>
<td>3237</td>
<td>71%</td>
<td>877</td>
<td>$256</td>
</tr>
<tr>
<td>Ohio Animal Hospital</td>
<td>3</td>
<td>$2,697,544</td>
<td>3440</td>
<td>2511</td>
<td>87%</td>
<td>917</td>
<td>$249</td>
</tr>
<tr>
<td>Texas Animal Clinic</td>
<td>3</td>
<td>$2,902,990</td>
<td>4605</td>
<td>3132</td>
<td>78%</td>
<td>788</td>
<td>$190</td>
</tr>
<tr>
<td>Animal Clinic of Texas</td>
<td>3</td>
<td>$4,120,897</td>
<td>3975</td>
<td>2718</td>
<td>86%</td>
<td>914</td>
<td>$373</td>
</tr>
<tr>
<td>Texas Animal Hospital</td>
<td>3.5</td>
<td>$3,194,175</td>
<td>4899</td>
<td>3067</td>
<td>76%</td>
<td>996</td>
<td>$263</td>
</tr>
<tr>
<td>Veterinary Hospital of Florida</td>
<td>3.5</td>
<td>$3,630,930</td>
<td>6231</td>
<td>4257</td>
<td>67%</td>
<td>1287</td>
<td>$205</td>
</tr>
<tr>
<td>New York Animal Hospital</td>
<td>4</td>
<td>$2,138,335</td>
<td>4322</td>
<td>3181</td>
<td>81%</td>
<td>892</td>
<td>$199</td>
</tr>
<tr>
<td>Louisiana Veterinary Hospital</td>
<td>4</td>
<td>$2,706,517</td>
<td>4638</td>
<td>3116</td>
<td>71%</td>
<td>982</td>
<td>$231</td>
</tr>
<tr>
<td>Indiana Veterinary Clinic</td>
<td>4</td>
<td>$3,054,957</td>
<td>10347</td>
<td>6444</td>
<td>74%</td>
<td>1644</td>
<td>$281</td>
</tr>
<tr>
<td>Florida Animal Clinic</td>
<td>4</td>
<td>$3,068,126</td>
<td>5140</td>
<td>3500</td>
<td>69%</td>
<td>1179</td>
<td>$216</td>
</tr>
<tr>
<td>Kentucky Veterinary Clinic</td>
<td>4</td>
<td>$3,136,135</td>
<td>10317</td>
<td>5693</td>
<td>77%</td>
<td>1228</td>
<td>$215</td>
</tr>
<tr>
<td>California Veterinary Hospital</td>
<td>4</td>
<td>$3,529,959</td>
<td>5393</td>
<td>5156</td>
<td>66%</td>
<td>1066</td>
<td>$285</td>
</tr>
<tr>
<td>Illinois Animal Hospital</td>
<td>4</td>
<td>$3,894,034</td>
<td>9360</td>
<td>5679</td>
<td>67%</td>
<td>1552</td>
<td>$212</td>
</tr>
<tr>
<td>Georgia Veterinary Hospital</td>
<td>5</td>
<td>$2,172,335</td>
<td>4626</td>
<td>3242</td>
<td>69%</td>
<td>1074</td>
<td>$170</td>
</tr>
<tr>
<td>Kentucky Veterinary Hospital</td>
<td>5</td>
<td>$2,445,530</td>
<td>11000</td>
<td>6367</td>
<td>64%</td>
<td>1300</td>
<td>$157</td>
</tr>
<tr>
<td>Texas Veterinary Clinic</td>
<td>5</td>
<td>$2,929,136</td>
<td>6333</td>
<td>3786</td>
<td>66%</td>
<td>1018</td>
<td>$239</td>
</tr>
<tr>
<td>Texas Veterinary Hospital</td>
<td>5</td>
<td>$3,054,957</td>
<td>12430</td>
<td>7296</td>
<td>62%</td>
<td>1636</td>
<td>$159</td>
</tr>
<tr>
<td>Ontario Veterinary Hospital</td>
<td>5.5</td>
<td>$3,059,777</td>
<td>7085</td>
<td>4866</td>
<td>64%</td>
<td>1247</td>
<td>$203</td>
</tr>
<tr>
<td>Ohio Animal Clinic</td>
<td>7</td>
<td>$3,709,901</td>
<td>26158</td>
<td>15314</td>
<td>50%</td>
<td>2355</td>
<td>$128</td>
</tr>
<tr>
<td>Mississippi Veterinary Hospital</td>
<td>9</td>
<td>$4,870,669</td>
<td>14764</td>
<td>9218</td>
<td>64%</td>
<td>2288</td>
<td>$177</td>
</tr>
</tbody>
</table>

- The bolded practices in this list are VetSuccess members included within the five sections of this resource. The remaining practices are members that also gave their permission to anonymously share metrics pulled from their Practice Overview Reports. Hopefully this list of 40 practices provides you a unique opportunity to compare your own Practice Vitals.
We hope you’ve gained some helpful insights from the new case study resource from *VetSuccess Data Snapshots & Solutions, Volume 1*. In reviewing this resource, we’re sure you can see the value VetSuccess membership can bring to your practice. As a token of our appreciation, we have a unique offer exclusively for practices that download this e-book.

Save $100 on a 45-minute professional telephone consultation on your Practice Overview Report!

Our mission is to help veterinary practices be more successful by offering data-driven practice management solutions. Professional consultation on your practice overview report delivers insights, guidance and recommended action steps to help set your practice on the path for greater success. Want to hear what others have to say about their experience with VetSuccess consultations? Check it out.

For more information, call us at 866 408 8554, email us at support@vetsuccessinc.com or click here to get started now!