21st Century Marketing and the Bottom Line

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Many equine practices are operating using a business model developed by default some 30–40 yr ago. They are doing so in the middle of a sea of untapped market potential. The economic environment has changed drastically, especially over the last 2–3 yr. Despite significant financial setbacks for many practices and the equine industry as a whole, there is much to be gained by reaching out to current and potential clients in ways that are relevant to today's marketplace. Doing so effectively can significantly impact practice growth; doing so efficiently can significantly improve the bottom line. This brief course is designed to aid the practitioner in assessing their practice and their clients and show how they can avail themselves of marketing strategies that can help build their business and improve profitability. Appropriate metrics of success are recognized in the short term by an increase in client base and in the long term by an increase in overall revenues. Authors' address: Equine Medical Services, PC, PO Box 392, Berryville, Virginia 22611; e-mail: emsdvmax@gmail.com. *Presenting author. © 2010 AAEP.

1. Introduction

Many equine veterinary practices struggle with the basic concept of marketing. The term marketing itself often has negative connotations in the minds of practitioners, especially many senior practice owners. However, most other business endeavors consider marketing a vital part of their business strategy. As much as veterinarians pride themselves on their commitment to practicing good medicine, skilled professional services cannot be provided if the bills are not paid. At its heart, every equine veterinary practice is a small business and must be treated that way to survive in today's competitive economy. The goal of this article is to explore various ways to improve a practice's market share so that profitability can be achieved or sustained in today's marketplace.

2. Discussion

We will highlight strategic marketing steps that are designed to improve the profitability of the average equine veterinary practice. This paper will highlight the five key principles of marketing (product, people, price, position, and promotion). We begin with a discussion of what the actual product is that may be provided in an equine veterinary practice. The information imparted includes: determination of the people that can aid in the marketing of the business, discussion of pricing and methods to determine if a practice is actually competitive, and knowledge of how to assess a practice's actual position in the current marketplace. Concepts for developing a practice brand that can help increase client recognition and establish a practice reputation that can be used in the promotion phase will be discussed. We will discuss how to use information gathered to formulate a strategic plan for practice growth—one that includes the use of modern social
media and electronic communications. Lastly, we will explore techniques for fostering and maintaining growth—leading to sustainability—through appropriate marketing strategies.

Today’s economy has forced many veterinarians to take a hard look at their business practices. How does one practice distinguish itself from others? What are the factors that enable one practice to be successful while others struggle? Can generally accepted principles of marketing and an overall marketing strategy be applied to the average equine veterinary practice to improve profitability? If so, how?

Extensive anecdotal information is available on tried and true marketing techniques such as client educational seminars, 4-H and Pony Club engagements, newsletters, brochures, and columns or guest spots in local media outlets. However, are these historically identified methods the most efficient ways to market a practice? Are there greater practice marketing opportunities out there, perhaps facilitated by modern communication modalities? Are there resources available within the financial scope of the average 1–3 person equine veterinary practice?

Determining a practice’s current reputation and position in a regional marketplace can be difficult. Client surveys are often subjective and unreliable. Focus groups can be time consuming and expensive. Asking the right questions to the right people is important to the development of an appropriate marketing strategy.

Fifty years ago, as many veterinary practices moved toward emphasis on companion-animal services, any practice that maintained even an interest in equine medicine was likely to be successful in building and maintaining a client base. As the 1980s arrived, specific areas of expertise became more and more important along with accompanying technological improvements. Additionally, from that period through the end of the century, clinical expertise was usually sufficient for developing recognition and for use as a marketing tool within equine practice. In the 21st century, clinical expertise is no longer a marketable entity that distinguishes one practice from another. Significant clinical expertise is now considered to be a given. In such an environment, the branding of a practice becomes crucial to its financial success. Gathering information as to your clientele’s wishes and needs is the first step toward appropriate branding. Then, you must determine the proper responses and identify action items needed for your practice to position itself most advantageously.

Marketing methodologies that were appropriate to practice branding in the past may no longer apply. Are newsletters and brochures still relevant? Most horse owners are now extremely internet-savvy. Written communication has largely been supplanted by web browsing and electronic interaction. Are you as up to date as you need to be? More to the point, are you using electronic methodologies in ways that just seem right to you or in ways that carry the most effective message to your client? Appropriate and efficient use of such resources is critical to successful marketing and improvement of the bottom line.

After a marketing plan is in place, regular assessment of its effectiveness is necessary. Use of standardized metrics to evaluate practice growth (or lack thereof) remains important. If growth has failed to develop, do not give up. Simply re-evaluate your strategy, beginning at the first step. If your strategy has been successful and the practice begins to grow, the last crucial piece of any marketing plan involves planning for continued growth. Do you have the necessary staff and resources to continue to execute successfully in the face of the growth that your marketing strategy has hopefully fostered?