

The Customer Service, Revenue Feedback Loop

If two different veterinary hospitals can provide the same high quality medical care at a similar price, but a client must choose between them, how will she make the selection?

The answer, of course, lies in the service the client receives. While customer service is important from a business perspective, the main reason to deliver excellent service is, quite simply, because our clients and their pets deserve nothing less. They are putting the health of their pets – their family members – in your hands. They trust your advice and expertise in making expensive, life-altering decisions. Dignify that trust and evince your professionalism through the service your business delivers to its customers.

As a practice management consultant, I have been to countless facilities where, from the moment I drove into the parking lot, I knew we'd have a lot of work to do. The grounds have weeds, litter, or pet waste in plain view, you could write your name in the grime on the windows, and the floors look prehistoric. The distinctive aroma of caged animals offends the nose. Exam rooms are drab and in desperate need of fresh paint, while outdated magazines, desiccated plants, and dust bunnies larger than your client's pet Thumper litter the gloomy waiting area. Couple these physical problems with a disinterested, gum-chewing receptionist who won't get off the cellphone, and you now have a picture of a frighteningly large percentage of the practices that I've evaluated over the years.

What's strange is that these problems seem to persist everywhere I go, despite how easy it is to correct many of them cheaply and quickly. Why is this? One obvious reason is money: hospital owners seem to be more preoccupied with keeping prices down and saving their clients money (out of the misguided belief that slightly lower costs will drive up business) than with generating appropriate revenue. It's really hard to pay your staff competitive salaries, make physical improvements to an aging clinical space, or bring in consultants when your profit margins are trimmed to the bone. Believe me, I lived this reality for over twenty years while running my hospitals, and made all the mistakes that most owners do.

Interestingly, I visit many facilities that set appropriate prices, but then fail to charge for many of the services they provide. This was one business mistake that I eventually corrected, and saw significant gains. I created reasonable procedure charges for that ear cleaning, tick removal, or skin scraping, and lab charges for looking at the specimen or a urine dip. This isn't usury; it's honest business, as long as your prices are fair. As you begin to generate more revenue, you can then make the upgrades and hire the staff to deliver a top-quality customer service experience.

We all know, however, that change is difficult. Sometimes it's due to our own inertia. Other times it's because we didn't even know change was an option (had it ever occurred to you to charge for ear cleaning?). This is where a professional business consultant may be able to help. A fresh set of experienced eyes can identify issues that

you no longer even see because you're so used to them, and can offer business strategies to improve your revenue stream and build your client base. I would also recommend that you attend the NAVC, and avail yourself of the diverse lectures by expert physicians and businesspeople on how to stimulate growth and satisfy clients. Consider taking your education even further with intensive training at the NAVC Institute. Its multiday curriculum emphasizes small-group interactive classroom teaching with specialists and includes plenty of hands-on experience, allowing you to master new clinical and procedural skills. Your practice can then offer broader services, and create new sources of revenue.

But the point of this is not just to rake in more greenbacks. It's about creating a thriving animal hospital, with sparkling clean facilities, new equipment, and happy staff that project competence, energy, and a passion for animal welfare. Clients will reward you with their business and their word-of-mouth advertising, which is unbelievably valuable. The scenario I've described is not some pipedream; it is a positive feedback loop that I have seen take off many times when the right changes are made. So what are you waiting for?