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National Equine Veterinary Economic Study

Business/Management Practices in Use



Conducted by:
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www.ismypracticehealthy.com

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- ▶ **The Situation/Assumptions**
 - Economy has challenged the equine industry
 - Number of horses has declined an estimated 32% since 2007
 - Veterinary compensation/earnings are flat at best since 2007
 - Equine industry revenues and activities have declined since 2008
 - Equine participation and ownership rates have declined sharply as well



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▶ The Need

- Little data is available that defines the trends and key drivers of equine veterinary practice.
- There is a need to capture and assemble this data to help equine practices develop new and better strategies to grow their practices.
- This initiative is intended to bring together leaders and resources to conduct this study and make it available to the industry.



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▶ Objectives

- Conduct an in–depth economic study of the equine veterinary industry
- Determine the current status and economic trends in equine veterinary practice
- Research the current attitudes of veterinarians regarding the economics of equine veterinary practice and its future
- Assess current management practices used in equine practice to learn what is needed to help equine practices operate in a more profitable manner



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▶ Team

- Merck Animal Health
 - Brett Whitehead
- Henry Schein Animal Health
 - Jeannie Jeffery, Kim Allen
- American Association of Equine Practitioners
 - David Foley and team
- Researchers
 - Edward L. Blach, DVM, MS, MBA
 - Andrew R. Clark, DVM, MBA



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- ▶ **Methodology**

- Online survey sent to members of the AAEP
(n=497 respondents)



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▶ Results

- All Respondents (n= 497)
 - Practice Owners (n=214)
 - Veterinary Associates (n=156)
 - Academic Veterinarians (n=53)
 - Industry Veterinarians (n=14)
 - Students (n=51)
 - Retired Veterinarians (n=5)



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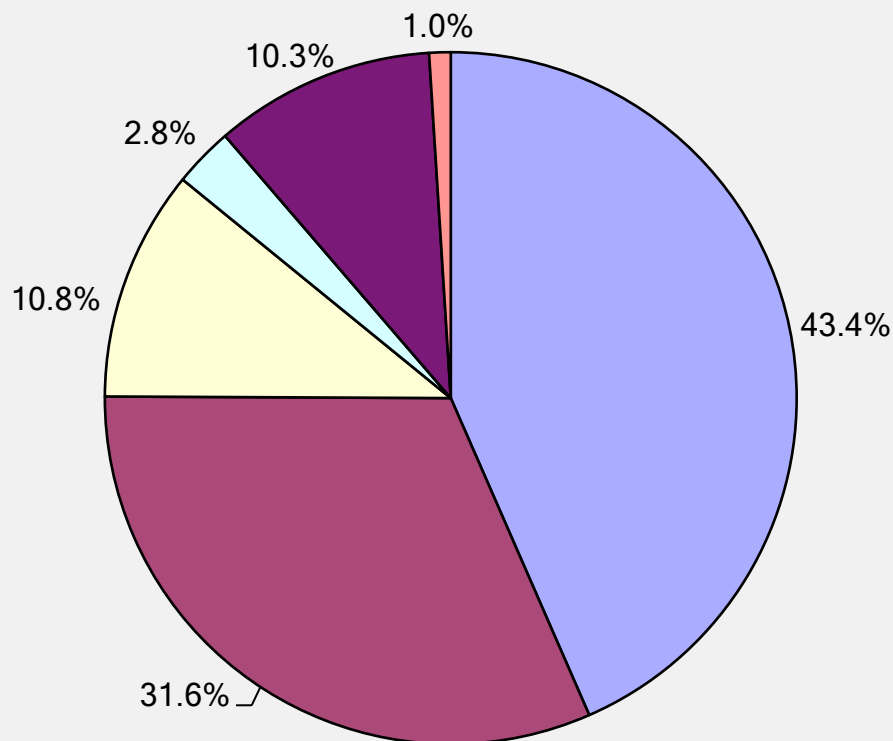
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Which of the following best describes your role?



Respondent Profile

- I am a veterinarian and owner of my practice (at least part owner)
- I am an associate veterinarian. I am not a shareholder/owner in the practice in which I work.
- I am a veterinarian with an academic institution.
- I am a veterinarian, working, but not currently in practice, privately or in academia.
- I am a veterinary student
- I am retired



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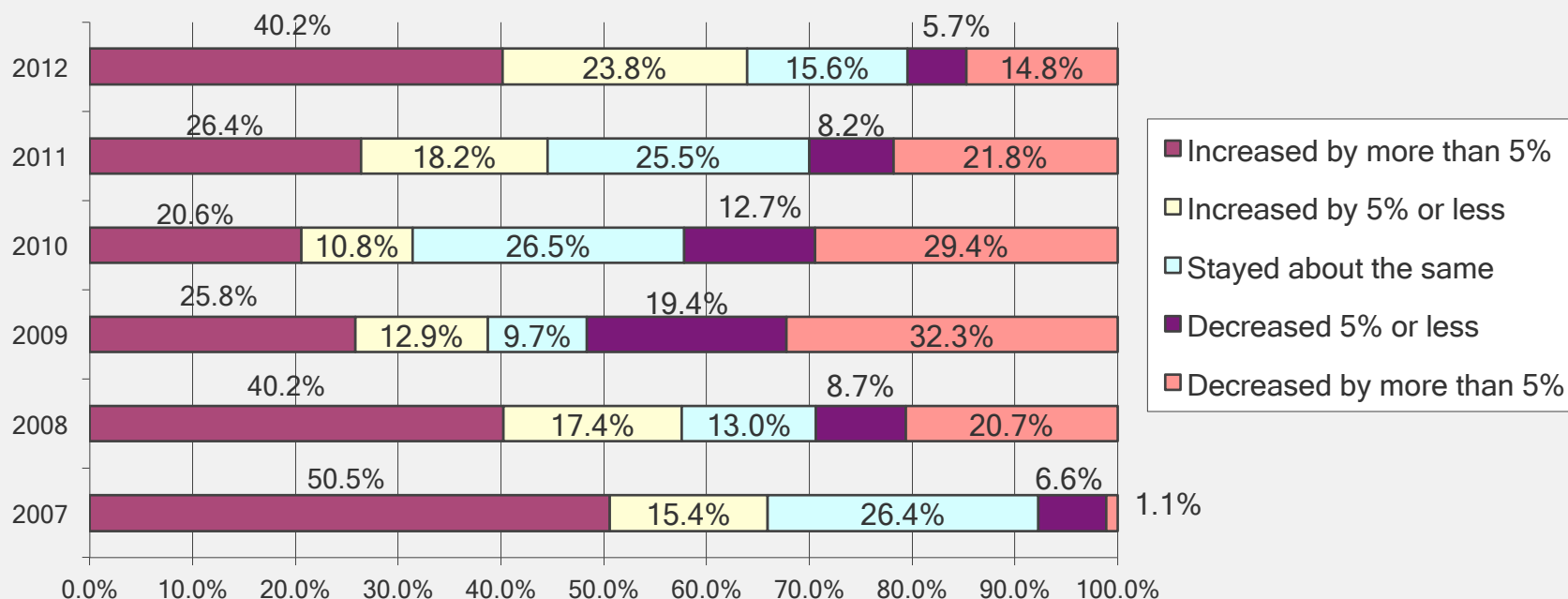
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Please indicate below whether total (gross) revenues for your practice increased, decreased, or remained the same for each year listed compared to the previous year.



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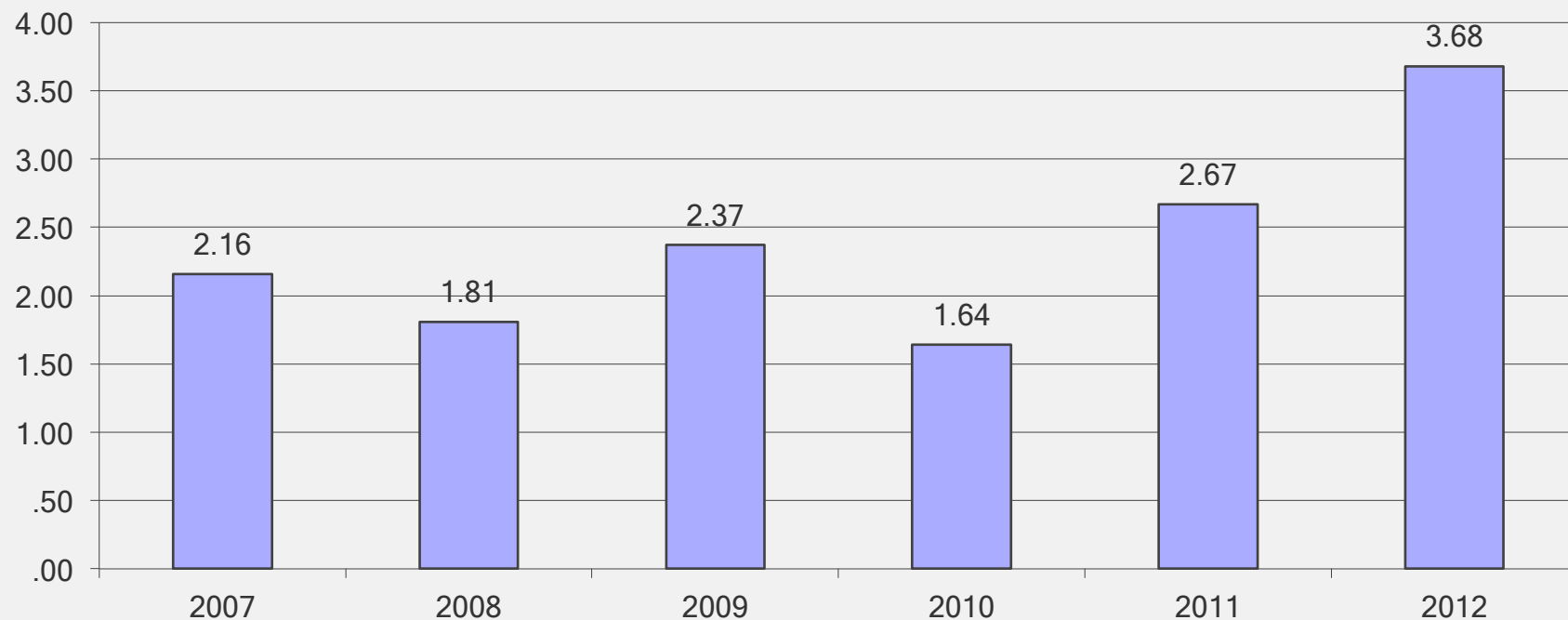
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What fee increases, on average, have you implemented over the last six years? (enter the percent increase, decrease (-), or 0 for none; enter whole numbers, no commas or % symbols.)



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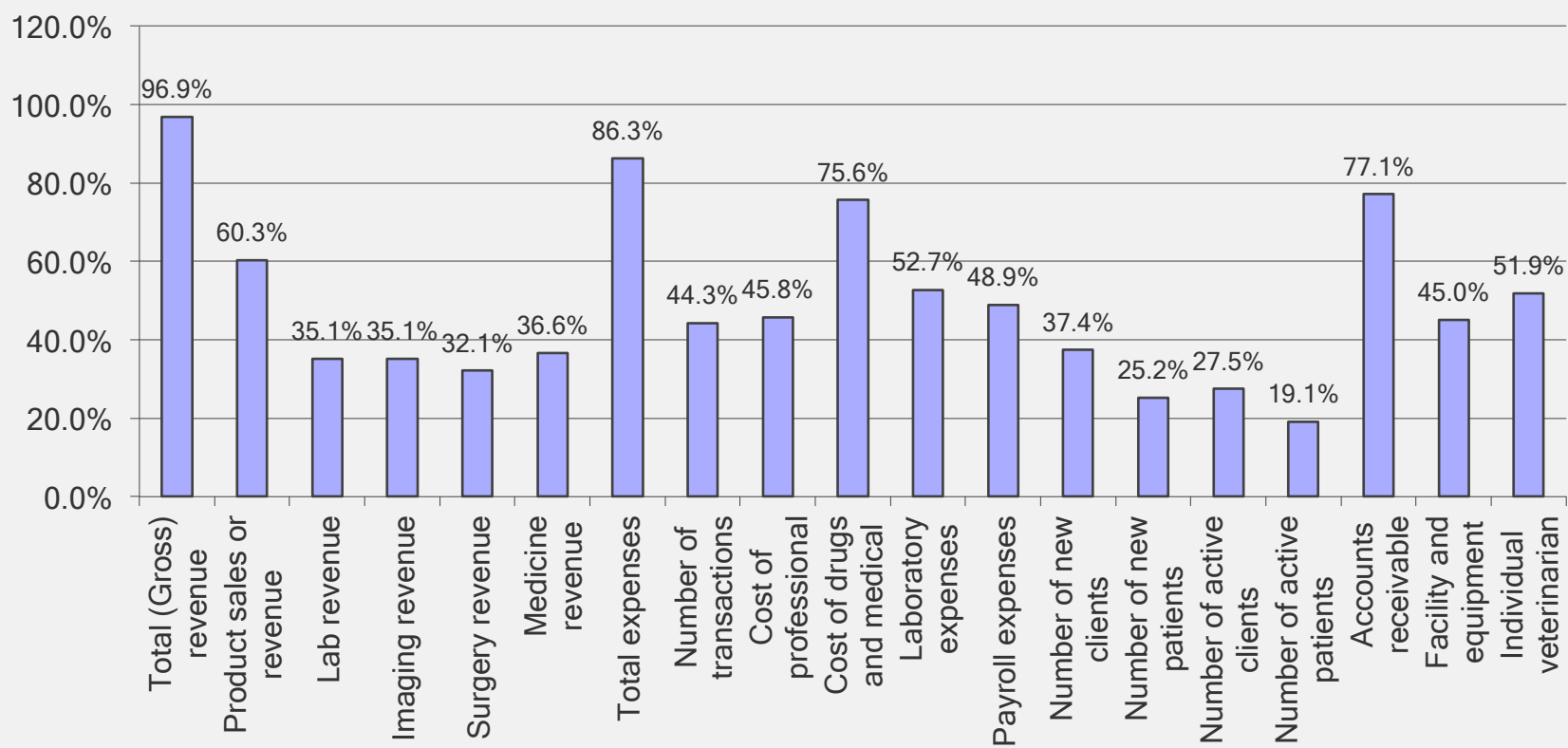
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Which of the following does your practice track routinely as a measure of the health of the practice? (Select all that apply.)



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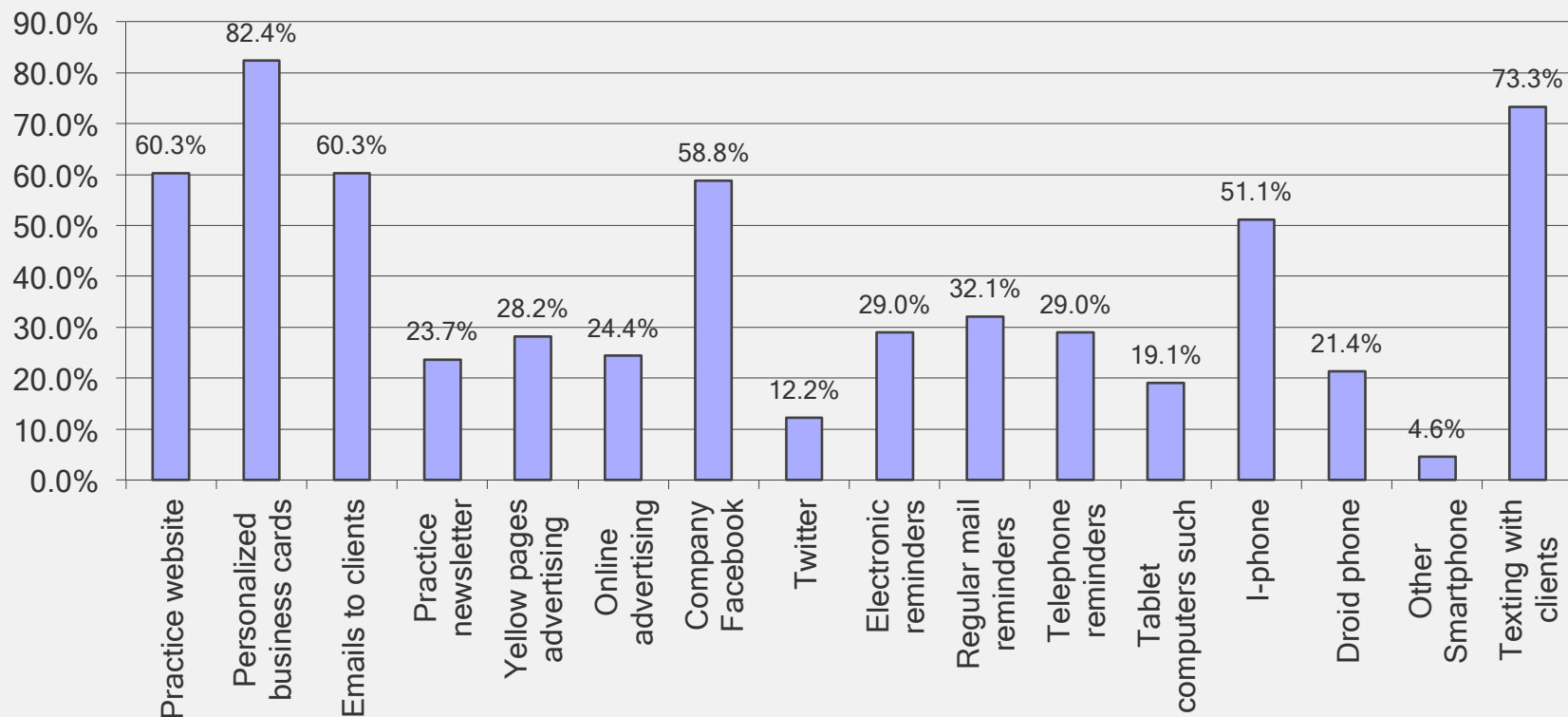
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Which of the following communication tools does your practice utilize routinely?
(Select all that apply.)



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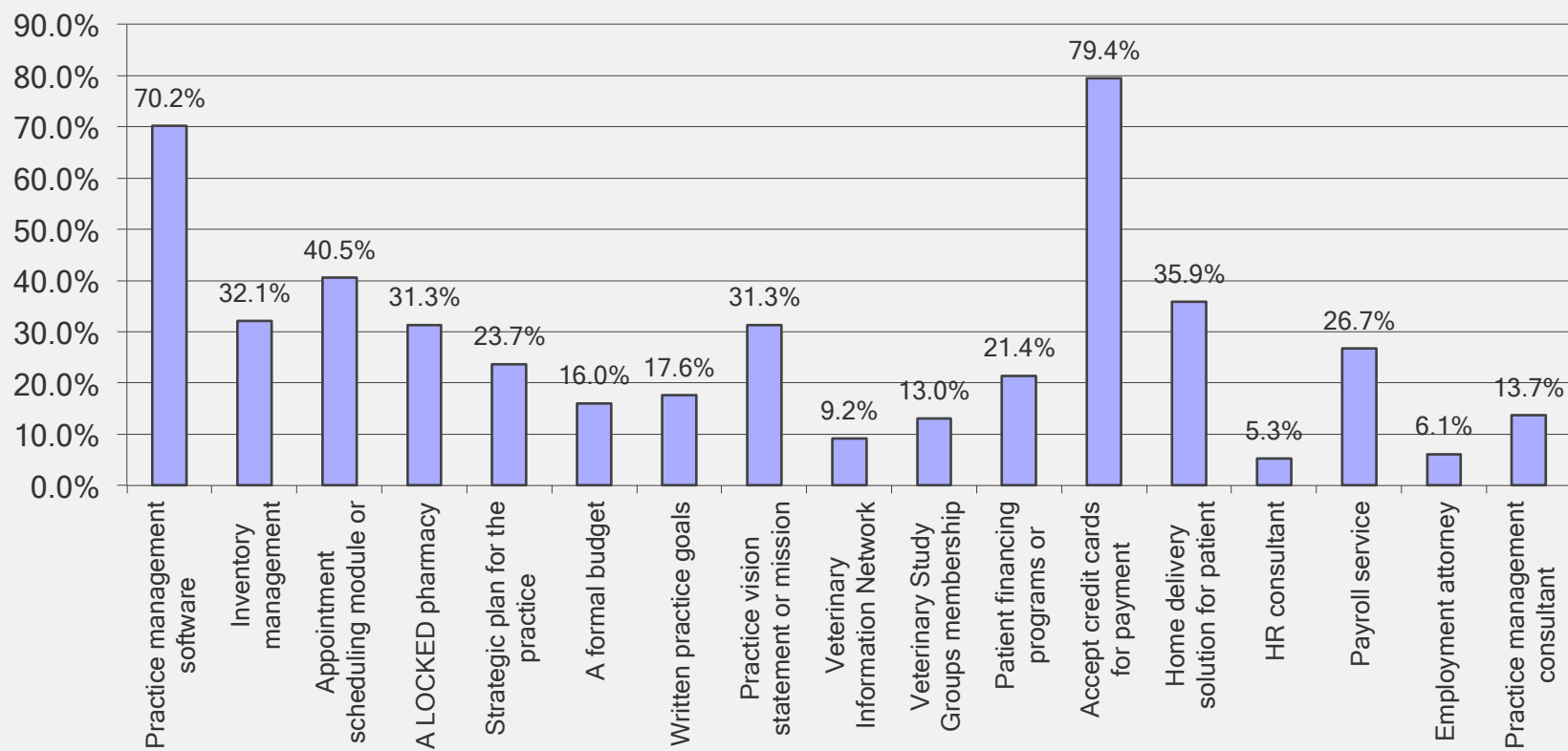
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Which of the following management tools or programs does your practice utilize routinely? (Select all that apply.)



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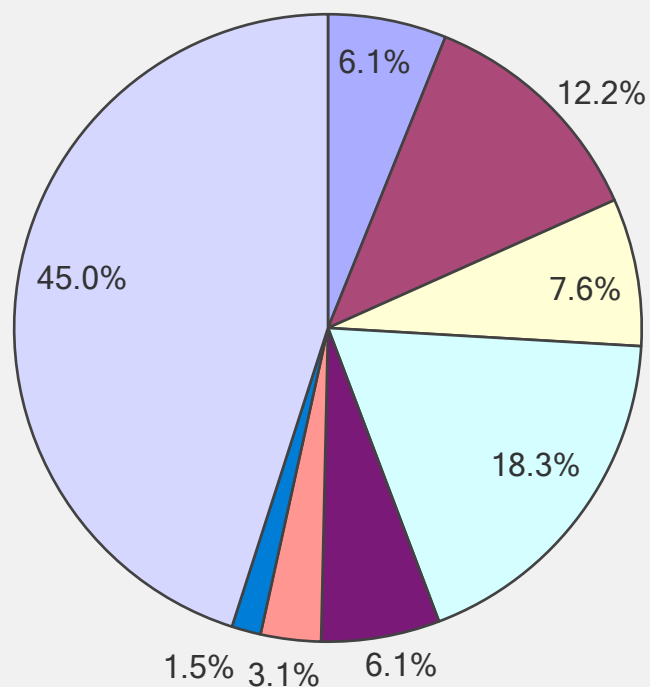
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How frequently do you hold staff or team meetings? (Select the best response.)



■ Daily

■ Weekly

■ Every two weeks

■ Monthly

■ Quarterly

■ Twice per year

■ Yearly

■ We do not hold staff or team meetings



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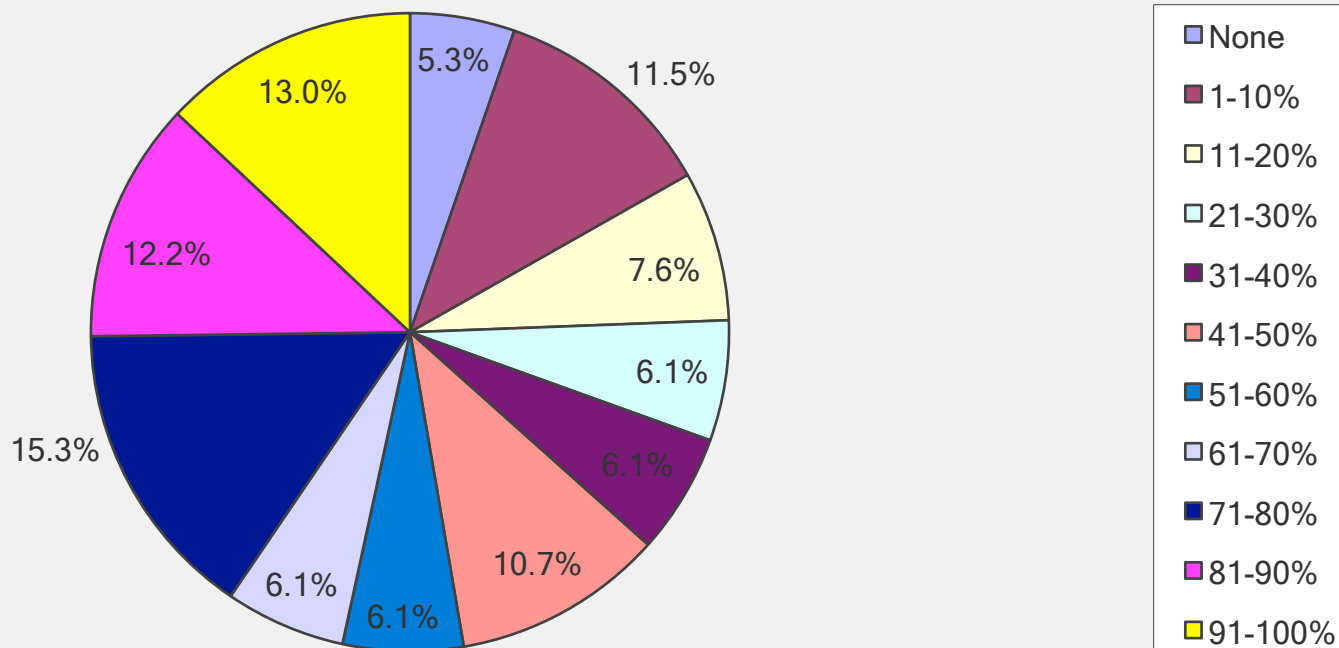
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For what percent of your clients does your practice have an active email address?



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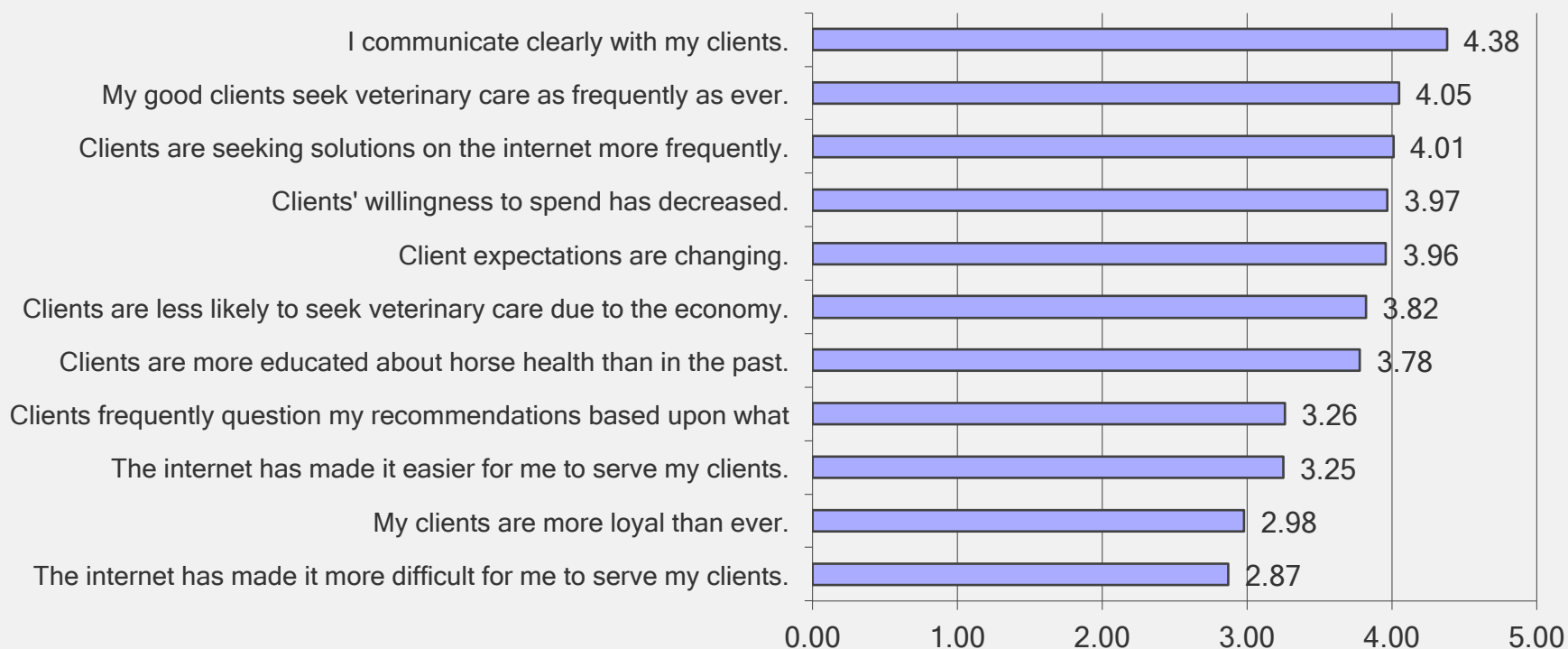
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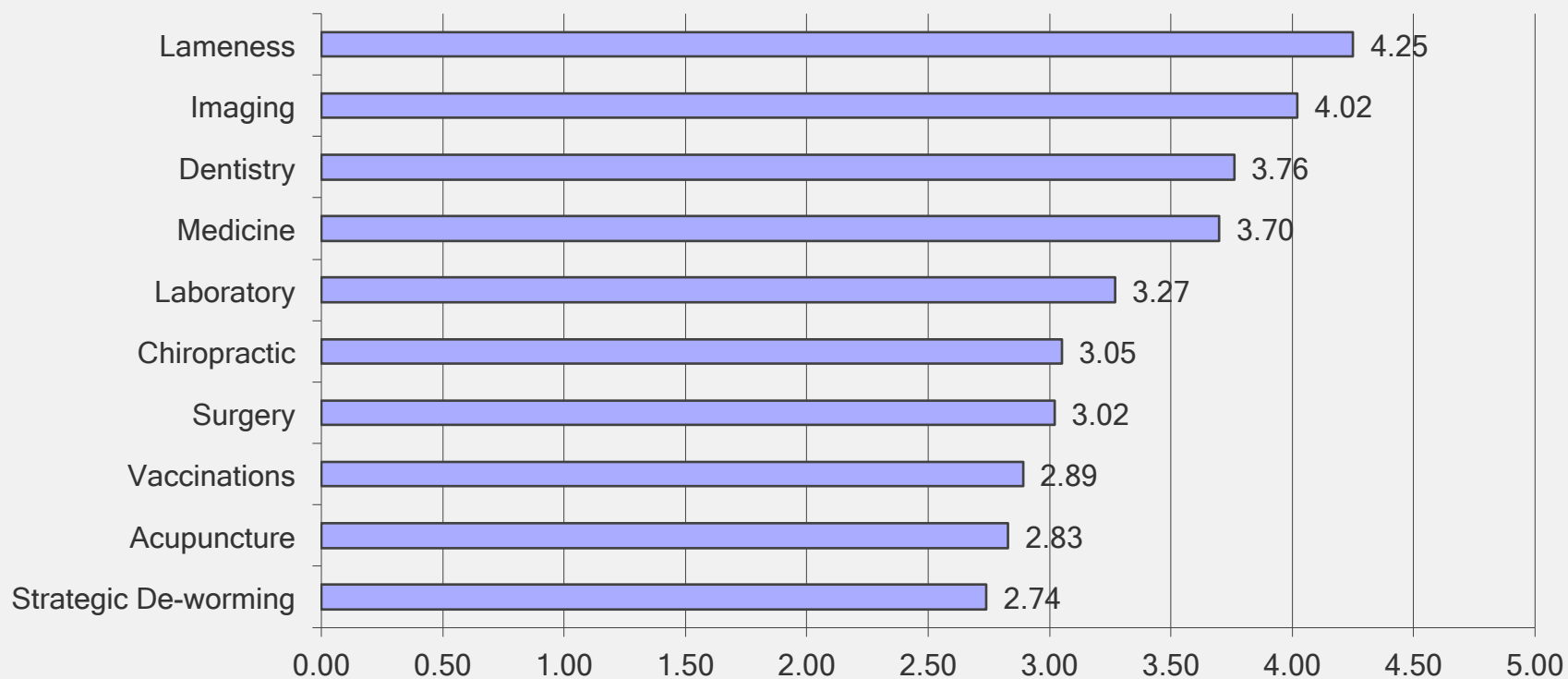
Please rate your level of agreement with each statement below regarding your clients.



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Please rate each of the following regarding their potential to help you grow your practice: (1=Low, 5=High)



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▶ Results

- Improved practice management skills and focus on best practices are needed
 - Low percentage of owners monitor COPS (Cost of Professional Services)
 - Low percentage of owners monitor payroll expense
 - Low percentage of owners monitor number of transactions, clients, patients, invoices
 - Relatively low percentage that use emails to clients (60%)
 - low percentages use reminders
 - Only 60% have a practice website
 - >60% are solo practitioners with one or fewer employees
 - 2X as many practices have a vision/mission statement than a budget



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