

EDITION 1.2

BALANCING ACT:

Strike the Right Balance to Attract MORE Pet Owners

Product Pricing & Purchases

Dig deep into the details about where pet owners want to buy, what products and services they want from you and how you can hold on to your share of the pie.



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Background

Trone Research + Consulting (TRC), the brains behind Diggo, have been curators and creators of marketing research in the animal health and pet care industry for nearly two decades. We're passionate about pets and the people who care for them. And we're infinitely curious about uncovering truths. Through the years, we have identified a consistent challenge for veterinarians—there is a gap in knowledge between what pet owners state and what veterinarians believe to be true.

The value a Diggo subscription offers is three-fold:

1. You get exclusive research data about pet owners and what they want that isn't available anywhere else.
2. We translate the research data into action steps, helping you challenge your team's assumptions and identify new areas of opportunity.
3. You pay for your full year subscription by implementing just one idea a year that keeps one client with you or keeps one client from leaving.

Each Diggo brief topic is selected with valuable input from hundreds of veterinarians. Have questions about your clients? Let us know. You could inspire our next brief.

Looking back, the biggest changes in the world of veterinary medicine used to be related to groundbreaking medicine. If you've been in practice long enough, you'll remember when flea control and treatment was primarily provided with premise products, sprays and dips. When oral flea control was introduced it was a game changer—and an easy revenue driver. And for a number of years, game changing medications helped stimulate practice growth. But those days seem to be over. Now, when new medications are introduced, practices don't necessarily experience guaranteed revenue growth.

Today, technology is driving the key changes in the care of pets—particularly pet owners' access to pet products and pet health information. Your clinic is not competing with the veterinary practice down the street. You're competing with Dr. Google as an information provider, the big box pet specialty stores for product sales and pet owner education opportunities, the Walmarts and Targets of the world and a kajillion online retail outlets that offer food, toys, treats and more. Services are being provided through shelters and grooming and boarding facilities, and in less traditional settings and through newish channels such as in-home care, Walmart and telemedicine.

This could seem like a bleak recap. However, despite all these competitive pressures, our research indicates that veterinary visits are not in decline overall. Rather pet owners are obtaining veterinary services (and products) from diverse channels that go far beyond the brick and mortar private veterinary practice. (Get more data insights and action steps on this topic in the [Summer 2019 Diggo brief: "Cheating Pet Owners: Are Veterinary Visits Really in Decline?"](#))

Of course, your practice team will need to adapt to thrive in this new world of pet healthcare. So how do you compete?

Objectives

The primary objective of this research is to understand pet owners' preferences related to the products and services you offer. This study references both 2017 TR+C data and 2018/2019 Diggo data for comparison purposes.

Specific deep dive topics include:

1. Differences between actual pet owner expectations about the products you offer and what they cost vs. what veterinarians think pet owners expect. (Good news: the data shows pet owners believe your pricing is fair.)
2. Discrepancies between where (and why) pet owners are currently shopping vs. where they would prefer to shop. (They actually want to do more business with you!)
3. How pet owners' desires for product recommendations can impact your bottom line, even if you're recommending a product that's also available from retail outlets. (Really.)

NOTE: This research is conducted by an independent research firm and is not sponsored by any manufacturer, retailer or service provider.

Challenge Your Assumptions

As you review this brief, it may be easy to tell yourself that you're already addressing one or more of the suggestions. And if you truly are implementing the activities throughout, then congratulations! But before you give yourself a pat on the back, we recommend you do these two things:

1. Make a list of the specific steps you are currently taking within each action plan. Is there room for improvement?
2. Ask your staff what they perceive as being done well versus what you believe is working. Does your staff perceive things differently?

Veterinarians are Price Gouging!

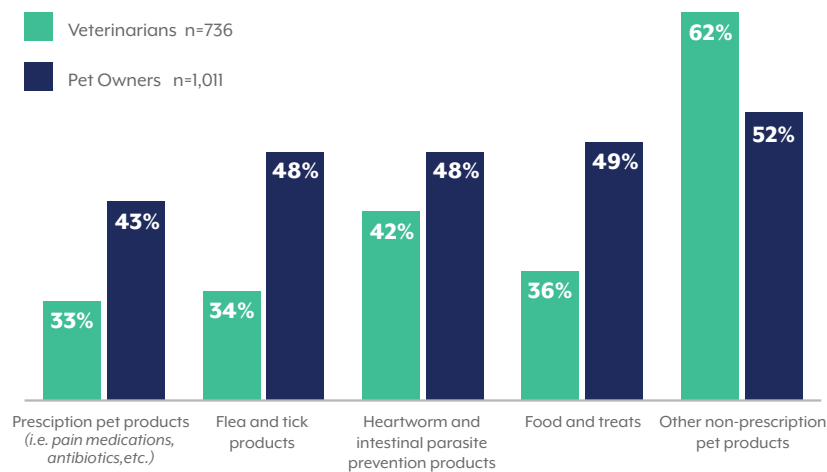
You see this occasionally on the news, right? And when veterinarians get together, it's clear that your colleagues generally agree that, overall, pet owners believe veterinarians overcharge for products and services. However, this is a detrimental overstatement of actual pet owner perceptions.

Research we conducted in 2017 compared pet owner and veterinarian perceptions on this pricing issue. That study shows that pet owners, across age groups, typically believe their veterinary clinic prices pet products "just right." Veterinarians, on the other hand, tend to overestimate how many pet owners will find their prices to be "getting expensive."

Figure 1

Veterinary Hospital Products are Priced "Just Right"*

In this chart, you can see the percentage of pet owners who responded that veterinary products are priced "just right," compared with the percentage of veterinarians who believe pet owners would say the products are priced fairly. On the whole, our pet owners value clinical products more than veterinarians think—and they're less likely than you think to believe you're overcharging. Of course, it's easy to let one vocal client color your view. And they're out there. So shake off that anecdotal evidence, breathe in this new data and work at feeling 8% more relaxed than you were five minutes ago. (That was a data joke. You got it, right?)



Source: 2017 TR+C research

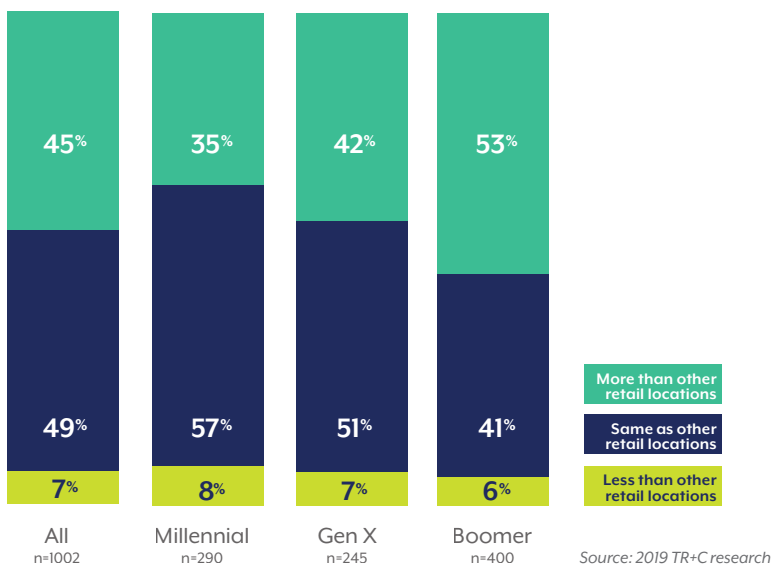
* At Trone Research + Consulting we care deeply about data. Our staff of PhD statisticians comb through the results of our research, helping us identify the most meaningful facts and maximizing the accuracy of the statements we make. It's those thoughtful folks who insist that we indicate the total number of people who answered each question in a specific way. You'll see that noted as "n=" So in the table above, 736 veterinarians answered the question and 1,011 pet owners answered the question. Want to know more? You'll find the full methodology explained [here](#).



Of course, you know better than anyone that you don't have the same volume purchasing advantages that Walmart or Target or Walgreens enjoy. So there are reasons that your prices on similar products would be higher. Our 2019 research reveals that Millennials are more likely than other age groups to expect veterinary clinics to charge the same prices online as other retail locations do. Boomers, on the other hand, are more likely than other age groups to expect their veterinary clinic's website would charge more than other retail locations if they were to offer the same broad range of products. In fact, 53% expect your price to be higher.

Figure 2

Here we asked pet owners how much they expect to pay at their veterinary clinic for a broad range of products that are also available at other locations.



Among those expecting their veterinary clinic to charge more than other retail locations, pet owners across age groups typically expect your prices to be 6% to 15% higher.

Just to be clear, even though clients expect your price may be higher, they might still ask for a better deal. It's human nature for consumers to try and negotiate on price, grimace a bit or even price shop. You do it. We all do it. But that doesn't mean your clients expect a lower price.

Rather than lowering your prices, provide options and work with clients to find the best balance between price and care for their situation. When providing alternatives, be collaborative, and clearly (and compassionately) explain the pros and cons of lower cost alternatives. Pet owners will thank you in the long run. They may even surprise you and comply with your original recommendation.

Bottom Line: pet owners are not overwhelmingly assuming that you charge too much for products. And when they believe your price will be more, they don't assume it will be crazy more. So you're not getting automatically booted out of the products game based on price.



Dig In With An Action Plan!

In general, resist the urge to lower your prices, and remember that clients value the know-how you bring to the table when you offer, endorse and discuss products.

Ready to tackle some specifics?

Ask a team member to do a one-time audit of pricing for products you offer that are also available at the two online and down-the-street competitors that you worry about most. Is your price higher? If so, how much higher?

Then, here are some things to think about:

- If it's about the same, does your whole team know that? They may feel more comfortable making a strong recommendation to use your site.
- If it's higher, does your team understand why? Have you talked about the added value a client gets when they buy from you? If not, consider discussing this issue at your next team meeting.

For Pet Owners, More is Better

Veterinary practices obviously offer a broad range of medications and health-related services. But the stories we hear make us think you may shy away from products (and services) that pet owners can easily get elsewhere. “I don’t need to carry regular pet food,” you may think. “They’re getting that down the street.” What our 2017 research shows, though, is that pet owners of all ages think it’s more important than veterinarians realize that their practice carry a range of products.

Or maybe you don’t offer boarding and grooming. (You know, because your pediatrician doesn’t offer daycare.) Pet owners also think it’s important that you offer a range of services. You

may knock these two, in particular, off the list because your former boss rolled his eyes when you mentioned it. Or because you have some facility limitations. Or because it’s a pain to staff for boarding and grooming. Or because you think the competition in this area is just too strong.

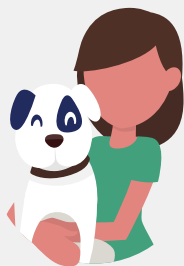
This is obviously a choice that has all kinds of ramifications for your business. You need to do the right thing for you and your team. But from a straight up data perspective, this is a place veterinary practices seem to have upside potential.

More on that later. For now, good job. You’ve probably got a pretty accurate view about how pet owners value a range of services.

Figure 3

How Important is it that Your Clinic Offer a Breadth of Products?

Almost 50% of clients say it’s important or very important that their practice offers a broad range of products—that’s 14% more than veterinarians expected.



49%
Pet Owners
(n=1,011)

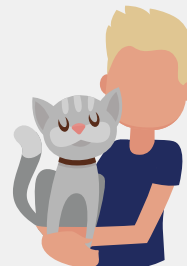


35%
Veterinarians
(n=736)

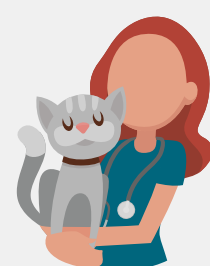
Figure 4

How Important is it that Your Clinic Offer a Breadth of Services?

Veterinarians more accurately judge how important a broad range of services is to pet owners.



74%
Pet Owners
(n=1,011)



67%
Veterinarians
(n=736)

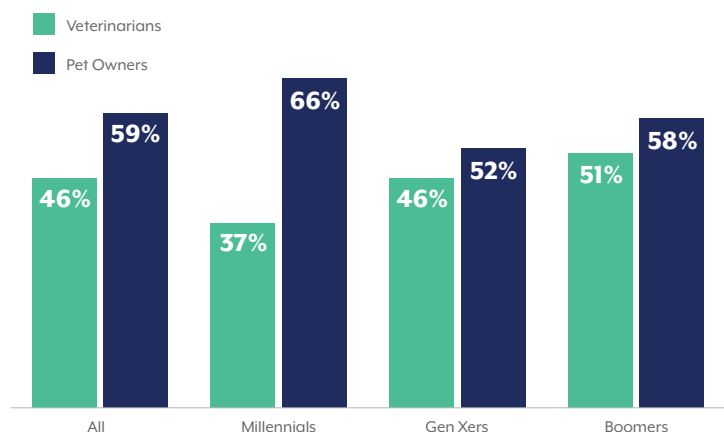
Some fine print: These charts—and others in this brief—show the percentage of respondents who checked the top two boxes on a 6-point scale. In this case, that means they responded “Important” or “Very important.” We asked the above question among pet owners and then for comparison, we asked veterinarians how important the issue is to pet owners and we’re reporting the top two boxes for them, too. In some cases, the percentage of respondents may reflect a top three box agreement on a 6-point scale.

Figure 5

Clients Highly Value and Appreciate Veterinary Clinic Products

So, clients value the products you offer. You can see in this chart that 59% of them say the products you offer are valuable. That’s good news. Here’s better news: Millennials value them more than any other age group, with 66% agreement. So, managed right, the opportunity should grow.

Source (Figures 3-5): 2017 TR+C Research



A More Complete Picture of the Value You Offer

Research shows that for veterinary practices today, the perfect sales strategy is really a beautiful balance of services, product sales and product recommendations.



Services. The 2017 research shows that veterinarians have a good lead on the value clients place on veterinary services. Still, there could be opportunity to provide more services or provide services in more flexible or convenient ways. And you may need to in order to offset loss of product sales to other cheaper or more convenient outlets. (If you're ready to dig into how to better align your veterinary services to pet owners' needs, check out the [Summer 2019 brief](#).)

Products. You want to make it easy for clients to provide the care your patients need, of course. So it makes sense that you'd always have medications on hand to send home with the client for acute issues.

While it's still not law that you hand a prescription to a client for any medication, someday it could be. The irony is that the more open you are with pet owners about where else they can get a product (besides from you) the more they trust you and the more likely they are to spend more with your clinic.

Then there are all the other categories of products. The less they carry labels like "medical" and "acute" the less likely that you carry them. And it's easy to see why. There are so many other places to get those products, and those mass merchandisers and pet specialty stores have all kinds of staff to track and sell and inventory. But this research shows you could have more product opportunity—particularly for a curated list of items you really believe in.

Opinions. If you're like your colleagues, you likely underestimate the value of your product recommendations, endorsements and reviews on a couple of levels. First, pet owners really want to know what you think. So offering an informed opinion on a range of products raises their trust in you across the board.

When you offer a recommendation, regardless of whether you carry the product, it boosts clients' trust and loyalty. If you also sell the product, you're more likely to get the sale. And if you don't, you still reap rewards down the road with more referrals, more trust, more visits and more services sold over the lifetime of the pet. (That's not us talking. That's what clients say.)

In the remaining segments of the brief, we'll talk about how to tune up your approach in each of these areas and get to the best possible outcomes for your clinic.



Services Can Offset Loss of Product Sales

Providing care to pets is clearly the core of what you do. So it makes all kinds of sense to offset loss of product sales with revenue you earn from services—providing more care that keeps pets happy and healthy and living life to the fullest. We hate to be the bearers of bad news, but loss of product sales is only going to get more dramatic over time as more channels make products more available. So even if you're not feeling particularly pained today, you need to take action to keep your practice financially healthy in the future. If it was as easy to do as it is to say, you'd have all this managed. So let's take a look at the opportunities we uncovered in our 2019 research.

Figure 6
What Base Services Clients Most Prefer to Get from You

In addition to providing typical services like wellness exams, surgery, emergency care and specialty care, 5 in 10 pet owners would most prefer to obtain their boarding services through their veterinary clinic and 3 in 10 would most prefer to obtain grooming services through their veterinary clinic. This is among clients already using these services somewhere, so these are realistic estimates.

Assuming all of the services were available from all of these sources at a reasonable price, where would you MOST PREFER to purchase	Veterinary Clinic	Mass Merchant/ Grocery/Drug Store	Pet Specialty	Other
Services				
Surgery (n=157)	94%	2%	0%	4%
Emergency Care (n=214)	93%	3%	2%	2%
Wellness Exam (including vaccines) n=775	92%	2%	3%	3%
Sick Pet Care (n=320)	90%	2%	2%	6%
Boarding (n=161)	53%	3%	36%	8%
Grooming (n=416)	29%	4%	58%	9%

Source: 2019 Diggo Research

Dig In With An Action Plan!

Of course, you already do a million things to make your practice and services convenient to clients and potential clients. And still, as the world changes, all of our expectations change. And technology is making so many things more convenient. You can get a ride with ride share services in places where a taxi was really never an option. You can have any number of necessities delivered to your door overnight. And you can see almost any movie or TV show anytime with no commercials—almost immediately. All that to say, the bar on convenience has changed.

Here are some places where that could mean new opportunities for you.

- **In-home care.** 38% of pet owners say that if they could, they'd like to get in-home care for their pets. And previous research indicates that 20% of pet owners whose cats are currently not receiving care say they'd take advantage of in-home care for them. So some level of in-home care could help you maintain loyalty—and it could grow your client base. Yes, it's a new nut to crack. But maybe you could start by offering in-home care one or two days a month.

- **Extended hours.** 22% of all pet owners and 28% of Millennials visit multiple places for veterinary care. That may mean more than one traditional veterinary practice. Or it could mean they got services from a corporate practice, a shelter or from a clinic inside a mass merchant like Walmart. One reason they may choose these other options is extended hours on weekends and evenings. To win some of these visits back, consider flexing your hours one day a week. For example, could you be open on Thursdays from noon to 8 PM? If you find this becomes a busy time in your practice, you could always expand to two days per week. (If you're ready to really dig in to how to better align your veterinary services to pet owners' needs, check out the [Summer 2019 brief](#).)

Add Core Services

You could also consider offering more core services, or focusing more in an area of particular interest. Consider these options:

- **Senior care.** Pets are living longer, and today there are more senior pets than pets of any other age group. Owners of senior pets tend to be very bonded. And older pets need some special types of care. If you don't currently make a special effort to reach out to clients with senior pets and educate them about their pets' changing health needs, this could be an area of real service to your patients and clients and an opportunity for your practice.
- **In-home hospice care.** 59% of pet owners expect their veterinary clinic to provide this service, yet less than 15% of clinics currently do. If a patient required cancer treatment from a specialist you would never say, "I don't really have a recommendation." End of life care is fundamentally no different.

Your practice team can increase sales and develop stronger emotional bonds with clients by providing this service—or at the very least recommending a company that does. The trust you build with the pet owner during this emotionally charged time makes all the difference. When they get their next pet, they'll be back.

- **Behavior modification.** On the other end of the life cycle, a specific focus on behavior could give you an opportunity to bond with clients as they adopt younger pets.

Of course, there are hundreds of other options. A technician who cares deeply about nutrition could become a dietary consultant for your clients. Or a new focus on rehabilitation could build your connection with a whole community of canine athletes. Who in the practice is passionate about a particular area of care? If you can find new advocates, you can find new opportunities.

Add Boarding and Grooming, if You Don't Offer those Services Now

Talking about boarding and grooming can raise the heat in a room of veterinarians. These services have specific facility requirements. They require different staffing. It can be a total headache when your flakey groomer calls in sick yet again. But we're not suggesting this idea lightly.

Nearly 40% of veterinarians say they don't offer any of the following services: boarding, daycare, grooming or in-home hospice care. Here's the thing: boarding and grooming do drive visits to your practice. And these visits could replace the loss of "drop by" visits from clients choosing to buy food (or treats, or flea and tick control) from other sources.

With increasing pressure against you in other areas, it may make sense to double down in these areas where clients naturally gravitate to you. Just like clients who drop by (or dropped by in the past) for food or flea and tick control, clients who visit the practice for boarding and grooming give you more opportunities for bonding, education and even a chance to spot health-related changes in a pet's behavior before a client might notice them.

The more your practice team gets to interact with a client and their pet, the easier it is for you and your team to build a strong connection with them and win their loyalty. And the more likely the pet owner is to ask you a question that could lead to five minutes of education, better compliance on regular care or lead them to schedule an appointment. (Of course, your whole team needs to be on the same page and provide consistent information and recommendations, so team training is key.)

On top of these benefits, the research shows Millennials are more likely than other age groups to purchase grooming from their veterinary clinic. So grooming could be a key door opener for you with this huge generation of pet owners. And the right groomer can even identify potential health issues. For example, maybe she notices the dog is stiff or even a little sore when handling its limbs. Bam. Recommendation to have that checked out!

Make sure your clients are aware that you offer these services.



Medication Sales—and What Pet Owners Wish You'd Offer Besides Medications

Here's the reality: there are more options for pet owners to buy medications and other pet health products than ever. Previous research shows that human health pharmacies are planning to expand their offerings of pet health medications. And that's a loop that's likely to feed on itself. As pet owners realize they can pick up their pets' prescriptions when they pick up their kids' allergy meds at Walgreens or Costco, the convenience could win new players a bigger share of the pie.

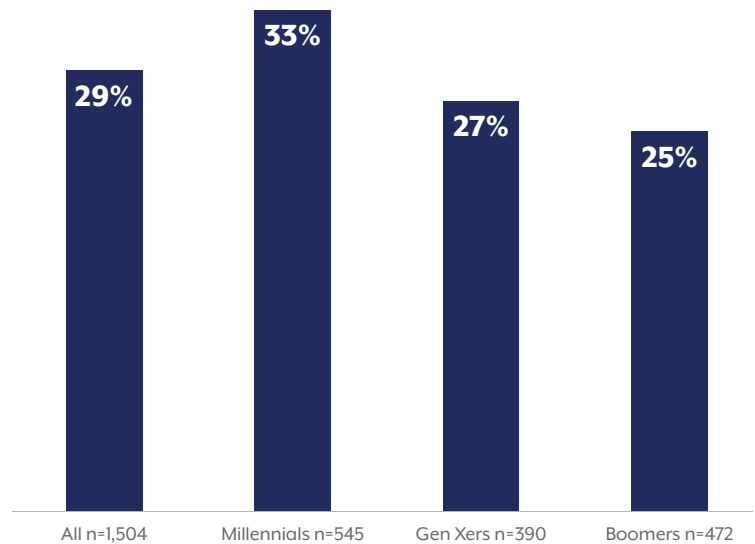
As if that weren't enough, Amazon announced its \$1 billion acquisition of PillPack this year, a medication delivery service that helps people with chronic conditions manage multiple daily medications. When you couple that with the company's growing penetration as a pet products provider, it's easy to see how chronic pet medication offerings could be coming.

It's not news to you that pet owners buying flea and tick control (for example) from other sources is a hit to your revenue. Those sales also may mean that your clients tend to stop by less often, which could cut other incidental sales opportunities, make it harder to build strong relationships with clients and cut your team's total number of pet owner education opportunities.

On the plus side, prior 2018 research reveals that less than one-third of pet owners are reducing their number of visits to their veterinary clinic because of the plethora of other options for purchasing products. On the minus side, Millennials are the most likely to report that broader purchasing choices are dropping their clinic visits. So the trend is likely to accelerate.

Figure 7

Between one-quarter and one-third of pet owners say they end up visiting their veterinary clinic less often because there are so many other places to purchase pet products such as food, supplements and vitamins.



Source: 2018 Diggo Research



Here's something you may not realize: offering your clients the option to buy meds from other locations increases their trust in you. And they say more trust makes them more likely to buy more at your practice and from your website.

All this to say, you should prepare by making sure clients know you, too, offer convenient online shopping. And keep in mind, your clients are likely less aware than you think. We found in our 2019 research that 63% of veterinary hospitals have an online pharmacy, yet only 16% of pet owners overall state their clinic has an online pharmacy. Given that sobering statistic, you just can't take it for granted that pet owners know you have a website, an online store or an online pharmacy.

Figure 8

Veterinarians Win Big on Medications

We asked pet owners where they'd prefer to purchase these medications if they were available everywhere at a reasonable price. Pet owners' responses to this question clearly show that you're still the preferred provider. (The data is combined across brick and mortar and online.) And yet, not that long ago, veterinary practices were the only source. As the options for buying medications get broader, both in person and online—and every indication is that they will continue to grow—your practice team needs to find the mix of product and service offerings that clients value most from you.

Assuming all of the products were available from all of these sources at a reasonable price, where would you MOST PREFER to purchase	Veterinary Clinic	Mass Merchant/ Grocery/Drug Store	Pet Specialty	Other (e.g., online-only retailers)
Medication				
Antibiotics (n=268)	86%	3%	3%	8%
Eye Ointments (n=111)	82%	11%	4%	0%
Pain Relief (n=197)	75%	7%	2%	9%
Heartworm Prevention (n=401)	70%	7%	3%	17%
Allergy Relief (n=128)	68%	13%	5%	14%
Wormers (n=164)	65%	13%	9%	21%
Anxiety Control (n=104)	55%	13%	9%	15%
Flea & Tick Prevention (n=617)	49%	18%	8%	23%

Source: 2019 Diggo Research

The Good News

The brick and mortar veterinary clinic is still the most preferred source for medications including flea/tick and heartworm prevention. However, there is substantial loss. Ah, for the good old days when veterinarians had a lock on pet products and know-how. *sigh*

Still, there are upsides.

The threat of online retail pharmacy options is not yet as pervasive as veterinarians fear. There is still an opportunity to drive your clients to your online pharmacy before an alternative behavior sets in and it's far more difficult to change.

It's true that clients have more options, but in Figure 9 you can see that in our 2017 research we found that pet owners are feeling the change less than veterinarians believe.



Figure 9

Pet owners have more options regarding where they buy pet medication than ever before.

Source: 2017 TR+C Research

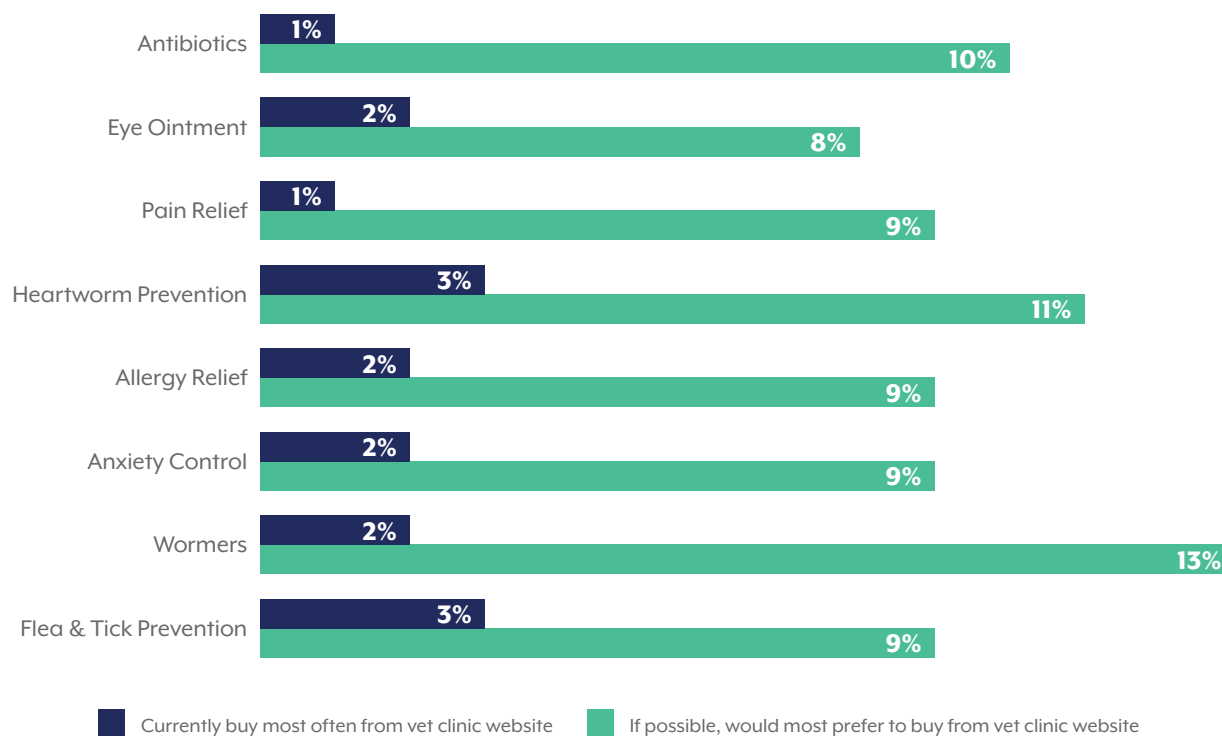


We found in our 2019 research that many pet owners would prefer to purchase medication from their veterinary clinic website but do not believe their clinic website currently offers this option (See page 14). So although pet owners' purchasing options are expanding, there's still room for incremental improvement if you can let these pet owners who'd rather buy from you know that's an option. And today, there are a ton that simply don't know.

Figure 10

More Pet Owners Want to Buy Medications from Veterinarians Online

This table shows you the percentage of pet owners that say they currently most often buy these medications from their veterinarian's website and the percentage of pet owners that would choose to buy online from their veterinary practice if they could. On the upside, you're likely already making this option available to your clients. But this shows you may need to do a better job making sure your clients know it's an option and keeping it top-of-mind. Tools like automatically generated reminder refills that link to your online pharmacy could really help close the gap.



Source: 2019 Diggo research



There Are Opportunities Beyond Medications, Give Them What They Want

As pet owners get more options for buying services, medications and products they'll use more options. To offset your losses, consider offering these products. (Or working harder at keeping your offerings top-of-mind if you do offer them now.) Why these? According to our 2019 research, more pet owners say they'd prefer to buy these from you than are currently buying from you. Math = opportunity!

- Pet food for weight loss
- Pet food for senior pet
- Skin and coat health supplements
- Joint health supplements
- Hairball relief products
- Oral health products

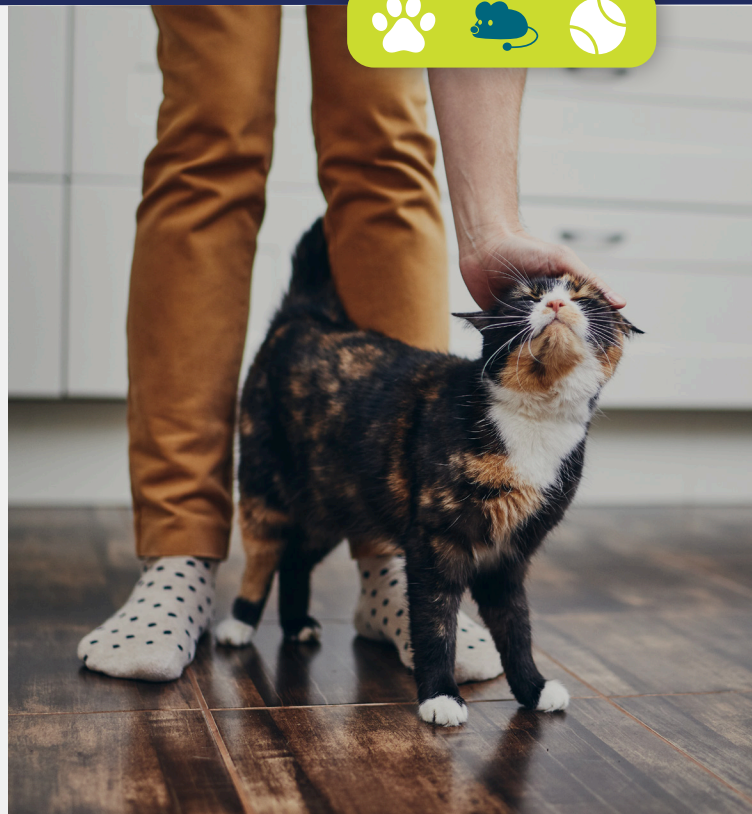


Figure 11

13% of the Weight Loss Pet Food Market is Nothing to Sneeze At

According to the Association for Pet Obesity Prevention, US pet obesity rates remained relatively unchanged in 2018, with 59.5% of cats and 55.8% of dogs classified as overweight or obese. That's a lot of client education that needs to be done and even more pets with a clear health issue and a need for a weight loss diet. (petobesityprevention.org) And you have a similar opportunity with diets for senior pets.

Assuming all of the products/services were available from all of these sources at a reasonable price, where would you MOST PREFER to purchase	Veterinary Clinic	Mass Merchant/ Grocery/Drug Store	Pet Specialty	Other (e.g., online only retailers)
Food/Treats				
Prescription Pet Food (n=141)	59%	6%	15%	32%
Pet Food for Weight Loss (n=102)	25%	26%	19%	42%
Pet Food for Senior/Aged Pet (n=204)	16%	35%	24%	28%
Pet Food for Puppy/Kitten (n=210)	9%	42%	24%	29%
Pet Food for Adult Pet (n=747)	7%	44%	21%	30%
Snacks and Treats (n=782)	5%	48%	19%	30%

Source: 2019 Diggo Research

Here's one thought to keep in mind: millennials are the age group most likely to purchase adult pet food from their veterinary practice and the age group least likely to purchase it from mass merchant/grocery/drug stores. We think that's one more data point in support of the idea that you could have greater opportunity in the area of nutrition.



Figure 12

Pet Owners Take (and Give) Supplements

And they want you to carry a certain subset of functional treats and supplements related to specific pet health issues.

Source: 2019 Diggo Research

Assuming all of the products/services were available from all of these sources at a reasonable price, where would you MOST PREFER to purchase	Veterinary Clinic	Mass Merchant/ Grocery/Drug Store	Pet Specialty	Other (e.g., online only retailers)
Functional Treats and Supplements				
Skin and Coat Health Supplements (n=124)	28%	23%	18%	37%
Joint Health (n=153)	31%	18%	14%	42%
Hairball Relief (n=110)	21%	31%	21%	33%
Oral Health (n=238)	19%	27%	23%	36%

There are many online opportunities. You can see in Figure 13 that 5% of pet owners who buy a weight loss diet say they most often buy from their clinic website. But 12% say they'd like to. That data from our 2019 research shows that it could be possible for you to more than double your sales of weight loss diets if clients could buy it online from you. But how?

If you already offer a weight loss diet on your website, work at doing an even better job reminding clients that you offer that option. One idea: you could set up automatic reminder emails that link to your website and deploy once a month to clients who've bought the food from you before.

Figure 13

More Pet Owners Want to Buy Pet Health Products from Veterinarians Online

Specialized diets, functional treats and supplements could all be areas of opportunity, as you can see in this table. As with medications, if you're offering these products online today, a significant number of your clients may not realize it or remember when it's time to buy. Think about your favorite product to buy. How is that brand reaching out to you? Could you leverage any of their strategies to reach out to your clients?

Total Veterinary Clinic (brick and mortar and online)	Currently buy from veterinary clinic most often	If possible, would most prefer to buy from veterinary clinic
Food/Treats		
Pet Food for Weight Loss	19% (14% brick, 5% online)	25% (13% brick, 12% online)
Pet Food for Senior/Aged Pet	10% (8% brick, 2% online)	16% (13% brick, 3% online)
Functional Treats and Supplements		
Skin and Coat Health Supplements	21% (19% brick, 2% online)	28% (22% brick, 6% online)
Joint Health	27% (24% brick, 3% online)	31% (26% brick, 5% online)
Hairball Relief	17% (15% brick, 2% online)	21% (15% brick, 5% online)
Oral Health	11% (11% brick, 0% online)	19% (14% brick, 13% online)

Bottom Line: While it may seem that the whole world of pet owners has already moved to buying pet medications from convenient online behemoths (or at their regular human pharmacy) that's not the case. There is still a better opportunity than most veterinarians think to drive your clients to your online pharmacy before an alternative behavior sets in. Of course, it's far more difficult to change an established habit. So acting now is better than acting later.

Source: 2019 Diggo Research

Figure 14

What NOT to Worry About Carrying

It may seem like we're advising you to carry absolutely everything related to pet care, but there are some notable exceptions in the general products category where competitors dominate.

Source: 2019 Diggo Research

Assuming all of the products/ services were available from all of these sources at a reasonable price, where would you MOST PREFER to purchase	Veterinary Clinic	Mass Merchant/ Grocery/Drug Store	Pet Specialty	Other (e.g., online only retailers)
General Products				
Odor Control (n=164)	10%	47%	13%	30%
Grooming Products (n=501)	9%	33%	28%	30%
Carriers/Crates (n=226)	4%	35%	23%	38%
Collars/Leashes/Harnesses (n=477)	3%	41%	24%	32%
Wearables (n=196)	3%	40%	23%	34%
Bowls (n=446)	3%	44%	20%	33%
Toys (n=723)	2%	42%	24%	32%
Beds/Bedding (n=453)	2%	40%	23%	35%
Litter/Litter Products (n=526)	2%	56%	15%	27%

Dig In With An Action Plan!

Evaluate the breadth of your current product and service offerings and consider expanding, particularly online. You can probably do that without needing to add any shelf space—and it's possible that the inventory can be managed by third parties.

Need more specific ideas? Think about adapting one of these:

1. Talk to your team about what products they think clients would like to buy from your practice that you don't currently offer. Then pick out two or three new products that you all feel have the best potential to sell. Add these to your online store.

Agree on a plan to get the word out to clients about these products during a set test period. Will you mention it to clients in person? Will you hand them a card that has your website URL? Will you send a special email promotion to your client base? How will you know at the end which of the efforts worked best?

At the end of your test period, evaluate the results and celebrate your wins. Keep in mind, just trying something is a win! And then set up a new test.

Some key things to remember: you have to give it some time. Don't throw in the towel after the first week. Give it at least a month. And if it doesn't work, that doesn't mean it won't work. It means you didn't hit on the right recipe yet.

It takes more communication than you'd ever dream for a pet owner to remember what you just told her. And more than that for her to remember a week from now. And even more if she's going to think of your site when it's time to buy heartworm medication in three months. Your team will need to build habits and process around checking in with clients and staying top-of-mind. And that kind of mindset takes time to develop.

2. It seems reasonable to think the world is trending toward more online pet product purchases—and while only 29% of pet owners right now say that's reducing the number of times they stop by the practice in a year, the number could go up. If that happens, you'll lose a valuable touchpoint with those clients—and you could lose the product purchase. What should you do?

- Evaluate your online store, test new products, commit to revisiting your strategy. Yup. We're still on that.
- Evaluate your communication efforts. You may need to lean more on digital solutions to build your relationships, reinforce clients' loyalty and slide in some gentle pet owner education.

3. Track client interactions with the clinic in the same way you track client visits. Your relationship today goes far beyond the face-to-face time during practice visits. Site visits, online purchases, social media engagement, email open rates and click throughs, plus calls, emails and texts to the practice are all indicators of clients' engagement with and connection to your clinic. You want to see those metrics grow.

Optimize/Expand Your Online Pharmacy/Store

From the previous section, it's clear that pet owners' lack of awareness that your clinic offers online purchasing could be holding you back. In fact, previous studies with veterinarians indicate approximately two-thirds of veterinary hospitals have an online pharmacy, yet fewer than 2 in 10 pet owners know that their clinic has an online pharmacy. (Millennials are twice as likely as other age groups to say that their veterinary clinic does offer an online pharmacy.)

But the bad math doesn't end there. Roughly one-third of clinics don't yet have an online pharmacy. And some veterinary teams limit their selection online to just a few items. Even practices that have online pharmacies clearly aren't getting good awareness from their clients. These numbers add up to dramatic losses in sales. Even if you could just convert clients whose pets need medications for chronic conditions you'd be doing a real service to your practice and your patients.

63% of veterinary hospitals have an online pharmacy, yet only 16% of pet owners say their practice has one.

#disconnect #ouch #morecommunicationneeded



Our 2019 research found that among pet owners who are aware that their veterinary practice has an online pharmacy, 70% purchase their pets' medications that way at least sometimes—and 22% always purchase that way. Not surprisingly, younger pet owners are more likely to buy online than older pet owners. (Which means the trend will only grow.)

But it's not just the young pups who present an opportunity. Across age groups, 8 in 10 pet owners who are not currently aware of their veterinary clinic offering an online pharmacy would consider purchasing their pets' medications that way and at least half say they are likely to do so.

Figure 15

Do Your Clients Know You Offer an Online Pharmacy?

About half of pet owners, across age groups, say their veterinary clinic doesn't have an online pharmacy and another 3 in 10 pet owners say they're not sure.

Source: 2019 Diggo Research

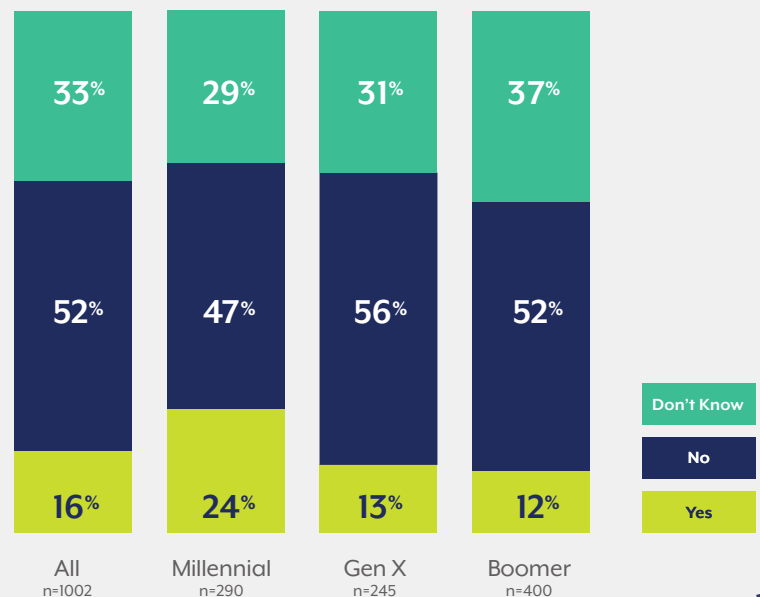




Figure 16

Do You Purchase Pets' Medication from your Veterinary Clinic's Online Pharmacy?

Among pet owners who currently buy pet medications online, 30% have never purchased from their veterinary practice's website. Look at that nice opportunity!

Source: 2019 Diggo Research

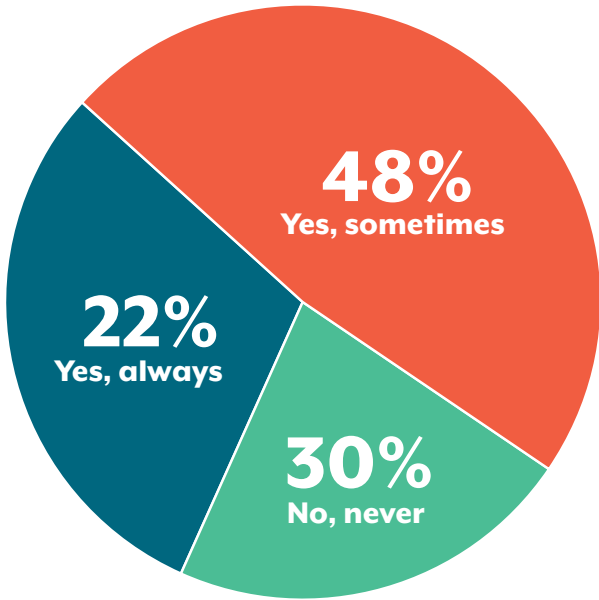
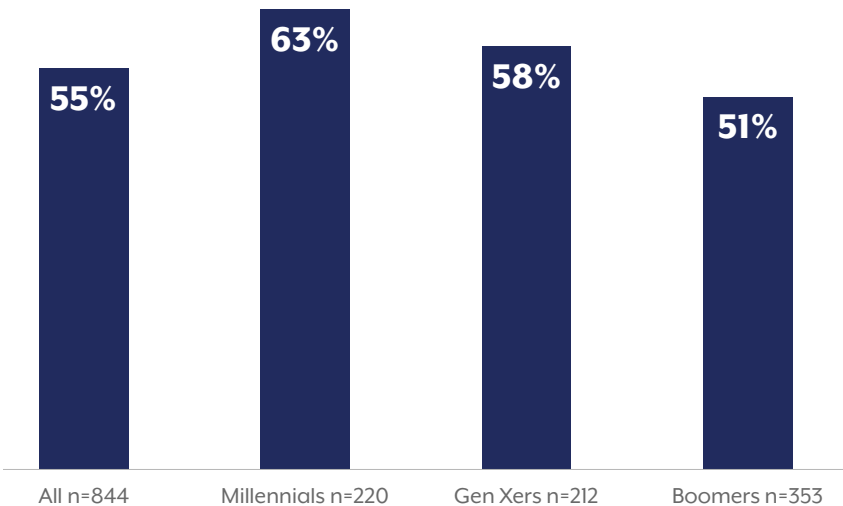


Figure 17

Clients Say They Would Buy Meds from You Online

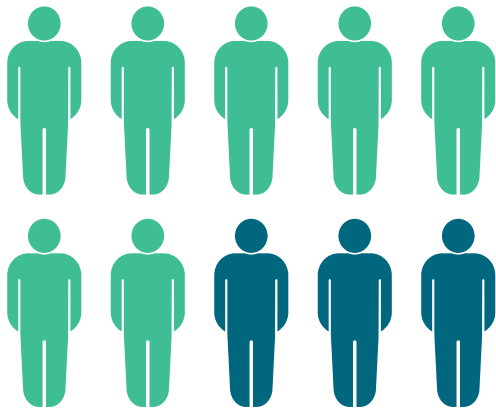
Respondents to this question didn't think their practice offered an online pharmacy. So we asked, if it did, would you buy your pets' medications there? More than half of pet owners said they were likely to. (Again, Millennials topped out the generations, with 63% saying they'd be likely to buy medications from their veterinary clinic's website.)

Top 2 Box



Source: 2019 Diggo Research





More than 7 in 10 pet owners want their veterinary practice to offer flea and tick control and heartworm prevention products online.

Source: 2019 Diggo Research

Figure 18

These Pet Owners Buy Products—and They’d Like Your Online Store to Offer Them

You probably offer some of these categories of product on your online pharmacy. And there are probably others that you steer away from. And with reason. It would be overwhelming to try to offer a comprehensive selection of products in each of these categories. Here’s another option: decide what products you really love in each category and offer only products that you’re happy to give an enthusiastic endorsement to.

Source: 2019 Diggo Research

	All	Millennials	Gen Xers	Boomers
Flea and Tick Prevention (n=617)	74%	78%	75%	72%
Heartworm Prevention (n=401)	74%	80%	72%	71%
Allergy Relief (n=128)	68%	67%	74%	61%
Anxiety Control (n=104)	66%	68%	73%	59%
Antibiotics (n=268)	63%	68%	67%	59%
Pain Relief (n=197)	61%	62%	67%	57%
Functional Treats and Supplements (n=514)	43%	50%	54%	30%
Grooming Supplies (n=501)	33%	30%	39%	29%
Snacks and Treats (n=782)	32%	44%	34%	23%
Food (n=1002)	31%	40%	31%	23%

Dig In With An Action Plan!

1. Across all generations, pet owners would prefer to get medications from you, and making it convenient increases the odds that they actually will. So if you do already have an online pharmacy, it’s critical that you triple down and make absolutely positively certain pet owners know about it. Maybe you’re in the happy minority that has done a great job creating awareness. But what if you’re not? How much revenue are you missing? If you’re not sure, what are you waiting for? This may be your easiest opportunity!

2. Consider broadening your online inventory. If you get more clients there, they may put one more thing in the cart if you have it there to buy. And over time, those impulse purchases could add up, helping offset losses in revenue that you might experience as pet owners take advantage of convenient one-stop shopping options. Also on the plus side, you may be able to have a third party fulfill the sold inventory, so you don’t have to make room for additional product in your practice.



Where Pet Owners are Buying—and How Often

Right now, veterinary practice websites are losing out. It will take focus, but you, too, can leverage the amazing power of the Internet.

Not surprisingly, Millennials are more likely than other age groups to shop online. And still only half of Millennials and one-third of Gen Xers and Boomers currently buy from their veterinary clinic's website. In fact, pet owners are more likely to shop every other online source than to buy from you. (Of course, if they don't know you have products for sale online, they won't think to shop with you.)

8 in 10 pet owners who are not currently aware of their veterinary clinic offering an online pharmacy would consider purchasing their pet's medications that way and at least half say they are likely to do so.

Source: 2019 Diggo Research

Figure 19

Millennials are the most likely to use your practice's website to buy products and services. But other online outlets are still beating you out. It's time to step up your game in the digital world. Sorry.

Where purchase pet products/services	All n=1,002	Millennial n=290	Gen X n=245	Boomer n=400
Brick and Mortar				
Veterinary Clinic	94%	96%	94%	92%
Mass Merchant/Grocery/Drug (e.g., Walmart)	95%	97%	96%	94%
Pet Specialty (e.g., PetSmart or independent)	90%	96%	90%	86%
Online				
Amazon.com	73%	84%	74%	68%
Online Merchant/Grocery/Drug website like walmart.com	65%	78%	67%	57%
Online Pet Specialty Retailer website like petsmart.com	62%	72%	65%	55%
Online only pet retail website like chewy.com	61%	68%	60%	58%
Veterinary Clinic website	37%	50%	35%	31%

Source: 2019 Diggo Research

The convenience of one-stop shopping drives pet owners to shop for pet supplies at mass merchants and grocery or drug stores more often than at any other channel. According to our 2019 research, 60% of pet owners responding say they shop there once a month or more often. In comparison, 66% of pet owners say they shop at their veterinary practice a couple of times a year or less often—likely when they're there for other care or services.



The online story is a little different. Among pet owners who shop for pet products online once a week, veterinary practices are in the mix with 3% of pet owners shopping at their online store weekly. That's likely to be a super engaged, indulgent pet owner. She's likely to be exploring pet products from all kinds of channels. The pet owners who buy from their clinic online most often say they make a purchase a couple of times a year, similar to in-person purchasing behavior. On the other hand, 47% of respondents say they rarely purchase from their veterinary clinic's online store. That's almost twice as many as purchase online from somewhere like Target or Amazon.

Now, you're clearly not going to become as popular to the world as Amazon. But this is the age of niche marketing. You don't need to win everywhere. You need to win with your current and target clients. Let's imagine for a moment that you're about to launch a specialty hat business. What would you have to do to find those amazing people in the world who want to buy a \$400 purple leather top hat? Now, bring that thinking to the things you and your team offer pet owners. Why do they pick you? How do you know when your ideal client walks in the door? Now, what do you have to do to get more of those great people to shop on your website? Of course, your current clients are the low hanging fruit. But your site is the front door for all your services these days. Be honest. How does it look? Want a real reality check? Sit with a Millennial while she shops for services online. You'll have a whole new outlook about details of your site that might cause a potential client to look somewhere else.

Dig In With An Action Plan!

There is clearly missed opportunity to convert online shoppers to your website. Remind your clients of your website on a regular basis to make this option more top-of-mind for them. Some options to consider:

- Regular product mentions in your e-newsletter(s) that link to your website
- Product shout outs on social media that link to your website
- Custom digital reminders to clients for product re-ordering.

This is a great place to get your team involved. Ask what ideas they have. Your digitally-minded employees can help you identify tactics that are being used in the world to influence them. Together you can modify those ideas to reach your clients more effectively.





Why Pet Owners Buy from Specific Sources

We found in our 2019 research that pet owners most often buy services at a location because it's convenient, they trust the staff and the business has a good reputation. As big box merchandisers like Walmart begin to offer veterinary services, the work you do to build relationships with clients and boost loyalty are more important than ever.

Dig In With An Action Plan!

Find your clinic's areas of opportunity by evaluating your marketing and communication plan.

1. Lean into services and medical products even more. Consider adding services such as boarding and grooming, home care or behavior modification.
2. Market key services with more focus. What's your marketing plan look like? Who's in charge of it? Would more time and money spent in this area pay off?
3. Test targeted, custom messaging. How could you use your database to send messages to clients about the specific care their pet needs?
4. Revisit your marketing positioning. How easy would it be for a client to tell a friend what makes your practice special? How easy is it for potential clients to understand your team's super strengths if they're perusing your website?
5. Think like a merchandiser. Test a seasonal display of products your team loves that pet owners may not even know exist or that have emotional appeal. Here's just one example: in the spring, you could put together a display that helps clients deal with mud. Dog booties that keep their pets' feet clean. A special spray nozzle that hooks to any faucet and can be managed with one hand, so you can keep hold of your pup's collar. And your favorite flea and tick control. You can offer all the products for sale. Or you can offer only some. The idea is to engage the client. They have emotion about dirty floors and muddy paws. Show them you understand and care. Provide solutions. It can be fun!





The Value of Your Recommendation

The intangible payoffs of a recommendation that sends a client down the street could easily outweigh the value of an immediate sale.

Many veterinarians worry that recommending a product or service that they don't offer will:

- harm the bottom line
- take time during visits away from other important topics
- take a lot of time to research without any real reward

Consider these upsides of making recommendations that don't lead to sales:

- You reinforce your role as the most knowledgeable source of pet health information.
- Answering all a client's questions builds trust and loyalty. Your patience in this area shows how much you care about your patients and your clients.
- You want pet owners to be willing to come to you with other kinds of questions. To get that openness, you need to reward all their questions with thoughtful answers.

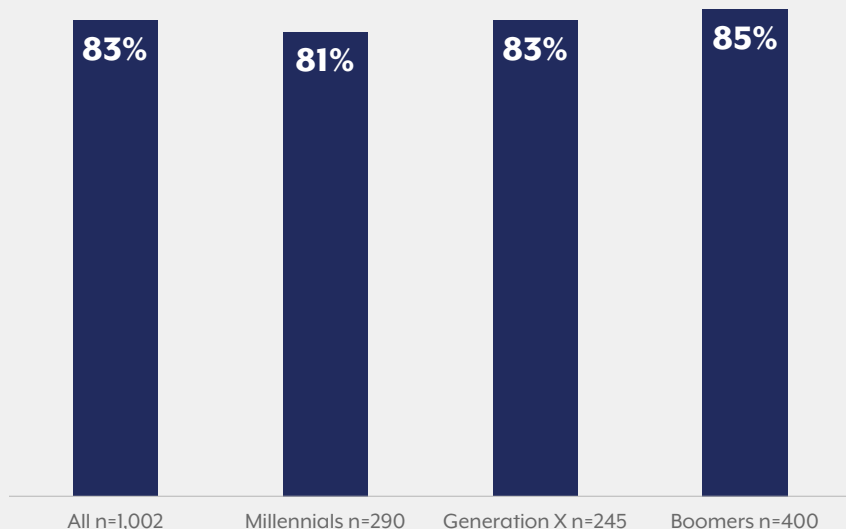
Our 2019 research shows that your clients not only want you to make these kinds of product recommendations, they expect it.

Figure 20

True or False? Clients Think it's Important that You're Willing to Discuss Products You Don't Carry

True! Across age groups, most pet owners believe it is important that their veterinarian be willing to discuss their opinions about various types of products or financial services that they do NOT offer in their clinic (either/both online and on premise).

Source: 2019 Diggo Research



Among pet owners who have purchased a particular product/service, at least three-fourths report that their veterinarian has provided recommendations about surgery, heartworm prevention, allergy relief, antibiotics, prescription pet food, pain relief, wellness exams/vaccine, sick pet care and anxiety control. And when asked what they want their veterinarian to provide recommendations about, these same products/services rise to the top.

However, these additional products/services are also mentioned by at least three-fourths of pet owners: flea and tick prevention, emergency care and joint health supplements.

Furthermore, at least half of pet owners want recommendations for eye ointments, wormers, pet food for weight loss, pet food for senior pets, oral health products, boarding, skin and coat health supplements and hairball relief. Keep in mind, these responses came from pet owners who actually purchase these products and services. So these aren't pie-in-the-sky answers from pet owners who just think they want everything!



Figure 21

Recommending More Recommendations

Here again, we asked pet owners what products they purchase. Then we asked them if their veterinarian provided a recommendation and whether they wanted their veterinarian to provide a recommendation. You can see that the less clinical the product, the more gap pet owners feel.

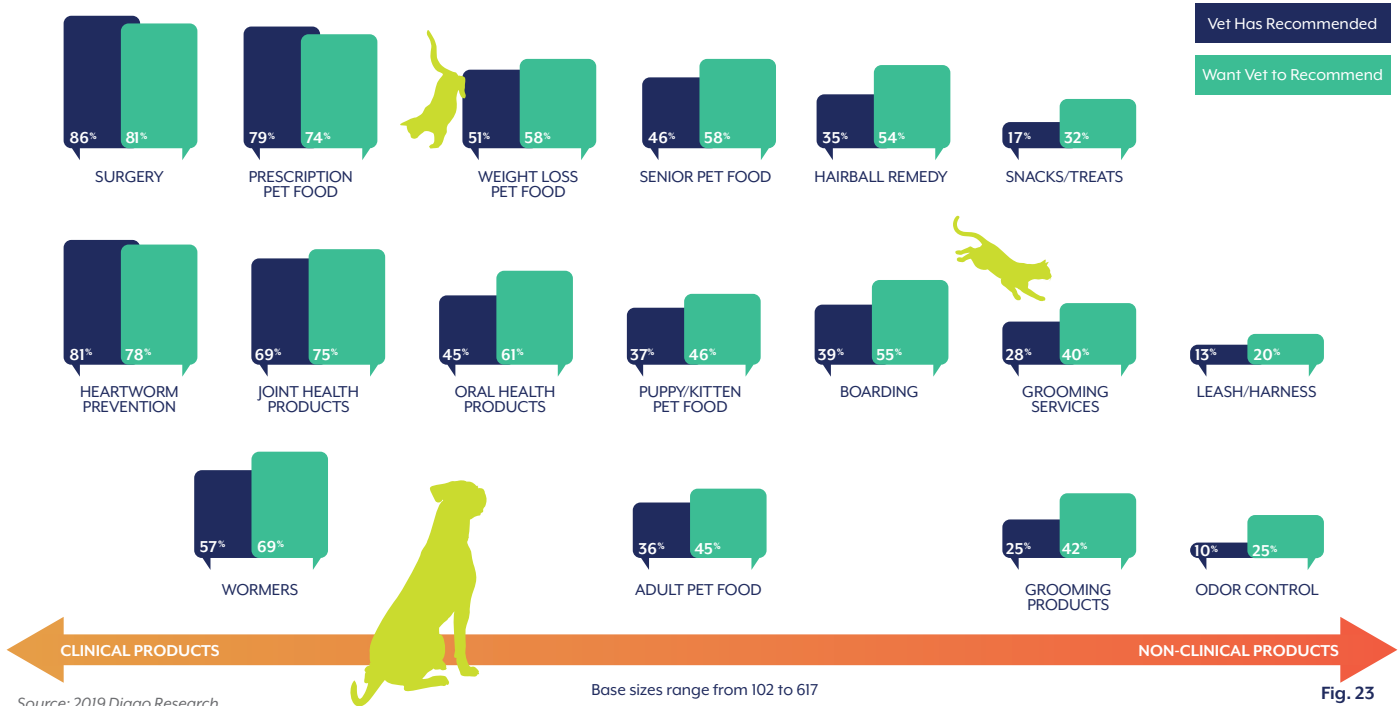


Fig. 23

Balancing Strong Recommendations and Clients' Options

Today's clients increasingly want you to partner with them in the care of their pet. Across all types of healthcare, we all have more access to information than ever before. We go to our own physicians with Google links and printouts at the ready, too. Pet owners today are armed with thoughts and questions and opinions that they just didn't have before.

This new world makes it more important than ever that you tailor your communication to the client in front of you.

It's not an easy job. You need to communicate their options for products, address all their questions, educate them where they've got gaps and still try to make a recommendation based on the gold standard of care. At the end of all that, pet owners will sometimes choose the most convenient option, sometimes the least expensive option or sometimes the very best option. And you have to stay resilient.

When you persistently feel like you care about your patients more than their owners do, it's difficult for you to come at the next client conversation with your judgement suspended. And that mindset of support and curiosity is what it takes to keep the conversation open and build trusting relationships.

Ideally, you'd explain the gold standard, and then do a lot of listening. You need to understand that individual client's situation. You have to go in with a mindset of exploration, with the goal of understanding. Armed that way, you're in a position to give a strong recommendation for the best care that particular client can give that specific pet on that day.

On several levels, we're talking about how to strengthen your relationship with clients and build loyalty. One way to build trust is to share opinions on products you don't carry. Perception matters, and this approach builds clients' perceptions that you care about their pets more than you care about your practice making a sale.

Answering all their questions also builds the relationship, makes them feel heard and makes them feel like you care. This is also not an easy thing to accomplish on the fly. So having some set answers about products arms you with top-of-mind answers on the day when feeder toys are the last thing on your mind. (And then share those with your team, so they can answer these questions, too.)

Trust, loyalty and strong relationships all help you develop advocates for your clinic. And advocates are what your practice needs to thrive. In fact, word of mouth recommendations are your single most powerful tool for gaining new clients.



Dig In With An Action Plan!

1. Decide what you think. Pick a recommendation that you'll feel comfortable making in each key product area, whether you offer that specific category of product or not.
2. Arm your team. You want the recommendations that your clinic team makes to align, so you're sending a clear, confident message to clients. Ideally, you have one or more product champions to whom you can delegate ongoing communication.
3. Use your "between visit" communication options to talk about products you carry and products you choose not to carry. For example, develop a "recommended products" section on your website. Feature one or more products in your e-newsletter. Put a product shout out in rotation in your social media plan.
4. Be ready to answer clients' product questions during visits, or pass them off to a knowledgeable team member who can answer all their questions.

Level Up Your Product Recommendations

We know at least one veterinary practice team that offers product recommendations based on where the pet owner most regularly shops. No matter what, you should start with the product you endorse with enthusiasm, and it would be great if they can buy that on your website. But then, if the pet owners needed to get a reasonable product at Walmart, what would you recommend? If they regularly shop at PetSmart, what would you recommend? If they're going by your local grocery store, what would you recommend?



It's Not All About the DVM

Arm your team to help you lift this load in person and online—and avoid the negatives that can come from not providing the recommendations that clients want.

Consider this case.

A cat owner with a cat in kidney failure asked the long-time receptionist if they provide in-home euthanasia. The receptionist responded, in a heartfelt voice, “No. We don’t.” The cat owner asked if they recommend anyone that does provide this service. The receptionist said, “No, I’m sorry we don’t. But we do provide that service here in the clinic.” The cat owner left feeling a bit lost and sad. The last thing she wants is to bring her cat to the place that makes her unhappy for her final moments.

The poor, well-meaning team lost her as an advocate after so much good work in other areas.

Pet owners assume everyone on your team knows what answer you want him or her to give—and that if they don’t,

they’ll defer to you. It’s tough to get that information exchange perfect. And yet, it’s truly worth the investment in time, training and communication.

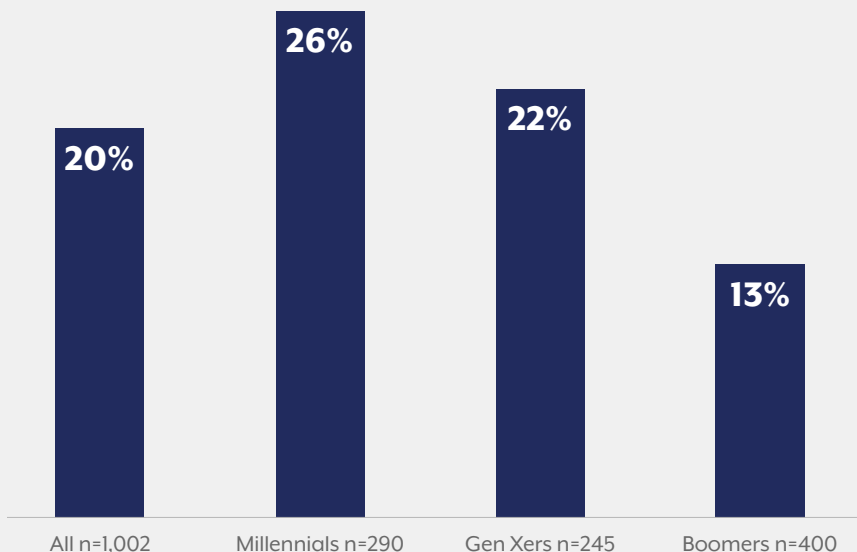
This particular case is more dramatic than some, because it’s an end-of-life situation. But these emotionally charged moments also have the potential to establish a lifelong client. And even in less difficult moments, our 2019 research shows that a miss like this can make a client feel you don’t care.

When you care so much and try so hard, this one more step in making additional product and service recommendations seems worth the effort. You deserve advocates. And you may have to stretch just a little more to get as many as you need.

Figure 22

How Far to Stretch?

Short answer: 20% of pet owners say they’ve asked their veterinarian for an opinion on a product or service and not been given an answer. (The chart below also breaks out the responses by generation.) The tough part: that could be just once in the pet owner’s experience with the practice, but it has significant repercussions.



Source: 2019 Diggo Research

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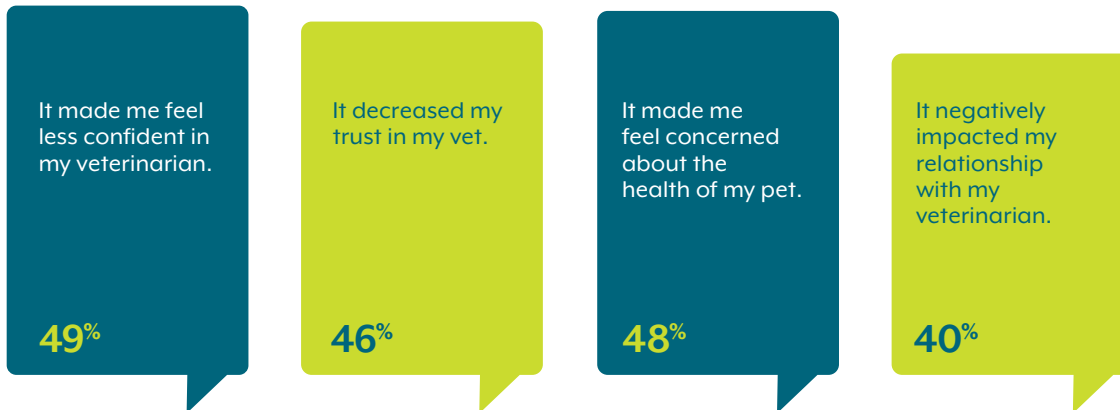




Figure 23

Sharing No Opinion Breeds Dissatisfaction

Almost half of pet owners who didn't get a recommendation they requested felt less confident in their veterinarian, felt less trust and harbored concerns about the health of their pet. Four in 10 said this experience negatively impacted their relationship with their veterinarian. (These negative emotional impacts are more common among Millennials.)



Source: 2019 Diggo Research

n=196 | Top 3 Box

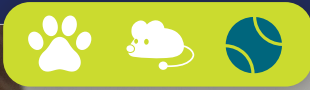
Dig In With An Action Plan!

1. You probably already know who offers which services in your area, because you pay attention to your industry and your competition. Both you and your team hear talk amongst colleagues and your clients about the reputations of various companies. Think about who has a great reputation and offers a service that you don't. Perhaps it's in-home hospice care or perhaps it's a mobile grooming clinic.
2. Between you and your clinic staff, surely you've tried dozens of products with your own pets and have opinions. After all, you have to make these same family decisions just like a regular pet owner does. So pool your collective first-hand knowledge.
3. Taking that extra bit of time to create a list and educate your entire team on these alternative sources so that they don't have to say "I don't know" to a client can really mitigate a potentially negative and consequential interaction.

You Can't Know Every Product

Let's say a client asked you what you think about Sheba Meaty Tender Sticks. (Feel free to substitute any product you don't know anything about.) If you just say "I've never heard of it," you leave the client hanging. Here's a better approach: "I'm not familiar with that specific product, but if you're looking for a meaty cat treat, I like [insert preferred meaty treat] because my cats love it, it's grain free and it's low calorie."

#boom #thinkingonyourfeet #productlove



Your Opinion is Worth More than You Think

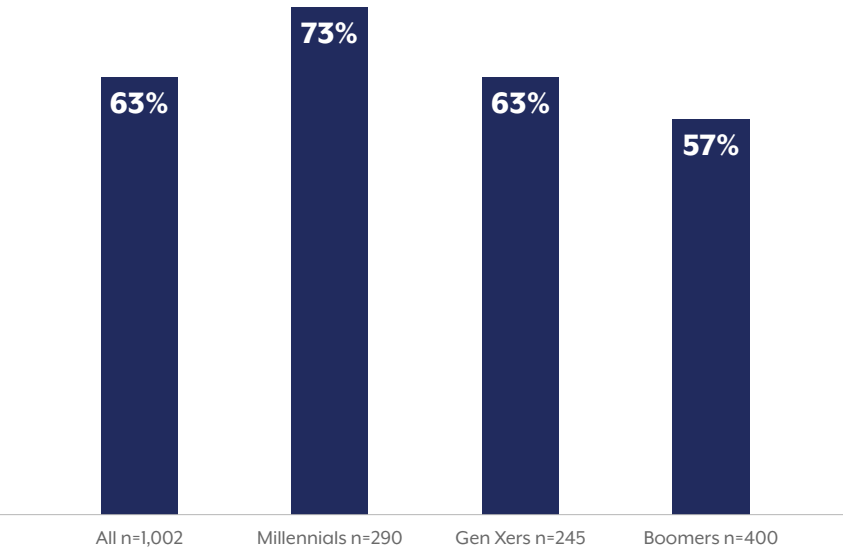
So, let's recap. Pet owners value the products you carry in your veterinary practice. They care what you think about pet health products in general. They want to know what you think about both the products you carry and those you don't. When you discuss or recommend a product that you don't carry, you build trust. Here's the next bit: they would be interested in buying products from you that you love.

That lens could help you get your arms around a wider range of product categories. It's overwhelming to think about carrying every product a pet owner might be interested in. But you might be able to carry just one or two products across a broad range of categories and accomplish quite a bit. It's great to steer pet owners to the things you really think are great for their pets (and away from the ones that aren't). And they might buy those things from you, giving you a revenue boost in a crowded, competitive area.

Figure 24

What Will You Sell in Your Teeny-Tiny Boutique?

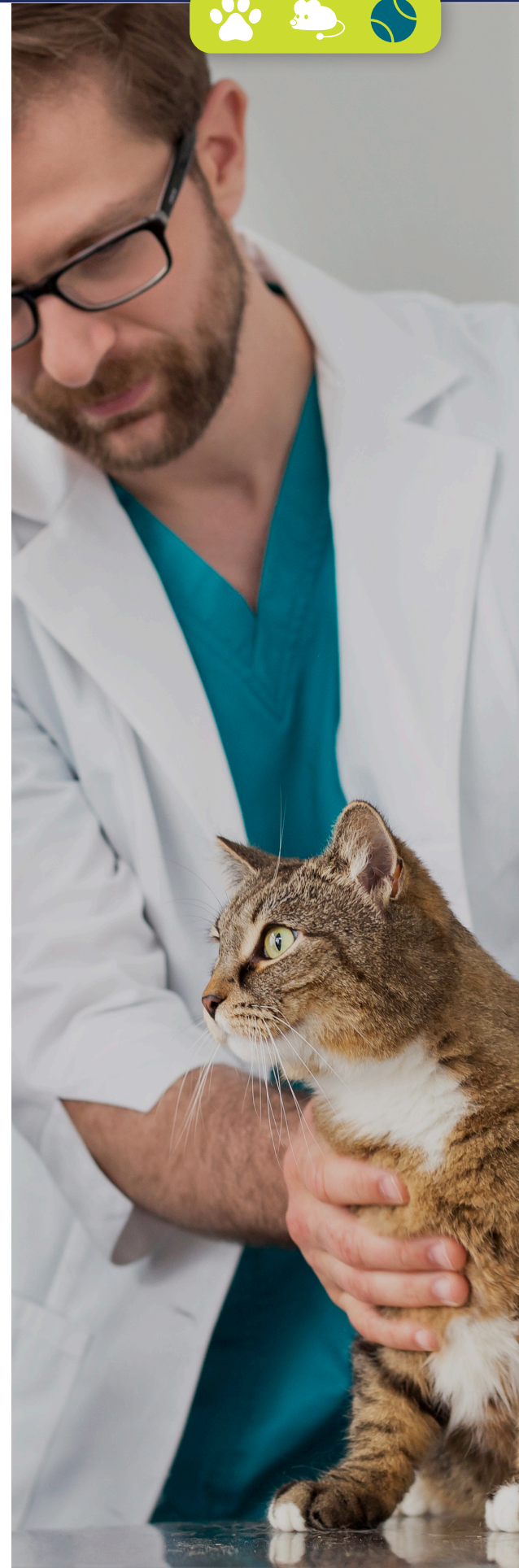
The majority of pet owners are interested in having their veterinarian offer products in their online clinic store that they specifically endorse, but Millennials are more interested than the other age groups.



Source: 2019 Diggo Research

Top 3 Box

According to our 2019 research, among those pet owners who are interested in having their veterinarian offer products in their online clinic store that they specifically endorse, 6 in 10 across age groups would check out the clinic website to see what was recommended. Half of Millennials and Gen Xers, and 4 in 10 Boomers would actually purchase products from the website. And 4 of 10 Millennials would even pay a premium for access to those products that were endorsed by their veterinarian.





Product Endorsements Can Lead to Increased Online Sales—For YOU

Figure 25

Your Version of Oprah’s Favorite Things

Millions of people wait with bated breath to see what Oprah puts on her annual favorite things list. And you have some of that superpower status in your own way. In fact, the majority of pet owners who are interested in your personal recommendations say they’d go to your online store to see what you recommend. And nearly half said they’d purchase products from your store.

Source: 2019 Diggo Research



As you saw previously, pet owners go to their veterinary clinic for products and services because they trust the business and the staff, the clinic has a good reputation and they believe you offer high quality and reliability. And they feel those qualities are particularly important when they’re buying medical services, medications and financial products.

They also focus on trust and reliability and business reputation when buying functional treats and supplements. So if you decide to offer more supplements, for example, play on that strength when you’re marketing that new, or existing, service to clients.

In fact, it’s worth thinking about how you’re managing pet owners’ perceptions about your clinic in general. How do you reinforce your practice’s great reputation in your marketing, e-newsletters and social media?

For pet food and general pet products, pet owners focus more on competitive pricing. That means it’s key for you to do things like promote manufacturer rebates and bundling opportunities. But they also focus on convenience, and that’s where you may compete better by promoting the convenience of your clinic website.

Of course, step one is to have a clinic website that offers products for sale. Another key step is to hit the perfect mix of products available there.

Non-prescription pet food for weight loss or for senior pets might be a good place to expand. 58% of pet owners say they’d like their veterinarian’s recommendation on what food to buy. If you’re already making the effort to give your endorsement, why not sell the product?

And they’d like your opinion on more than diets. The majority of pet owners are interested in having their veterinarian offer products in their online clinic store that they specifically endorse.

If you’re just not ready to expand your product line that far yet, know that pet owners still expect you to be able to provide recommendations for these products. Work with your team to arm up for those conversations differently. As we’ll discuss in the next sections, offering your opinion is key to building clients’ trust.

Even without additional product sales, recommendations can keep pet owners engaged, which keeps your clinic top-of-mind—which can increase clinic visits.

Dig In With An Action Plan!

- Think about positioning. Does the language that you use to talk about your practice and what makes it unique include elements that reinforce clients’ feelings of trust and confidence?
- Evaluate your marketing strategy. Do you get manufacturers’ offers out to clients effectively? Do you include endorsements for particular products on your

site and in your direct communication to clients and prospective clients?

- Send three people to your site whose opinions you trust and get some feedback. What would they expect if your site was the only thing they knew about you? How easy is it to buy something from your site? If your Millennial daughter ran your website, what would she do differently?

Conclusion

What does true success in selling look like for veterinary hospitals? Although the mix may be different for every practice, the research shows opportunities to develop a winning combination of services, products and opinions.



Services

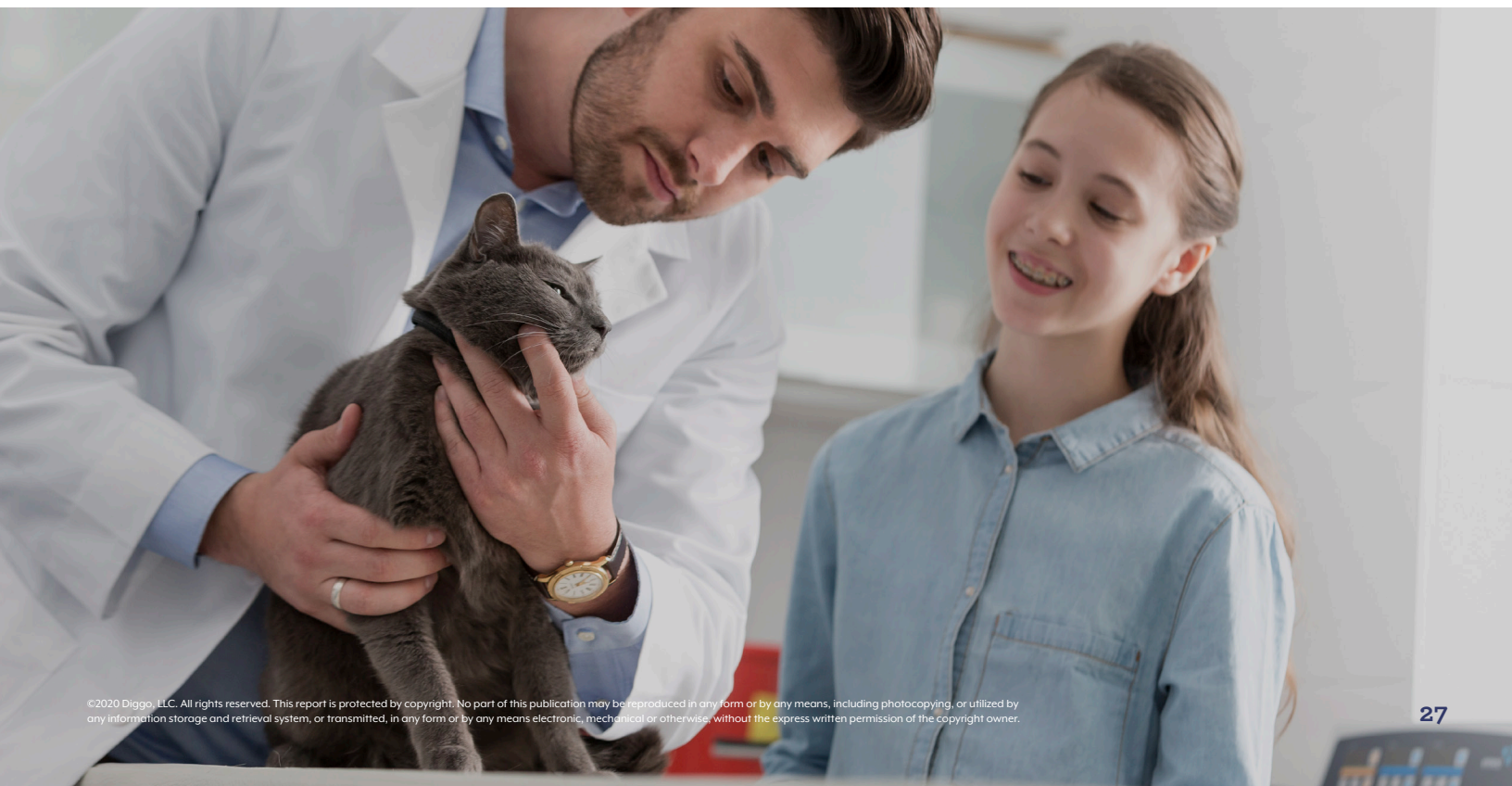
Veterinary hospitals regularly focus on providing high-quality medical services. Increasing competition for product and medication sales make it even more important to focus on client education and to consider an even broader range of services, including boarding and grooming.

Products

Pet owners value the products you offer, and they'd like you to provide more breadth. You can't sell every pet product under the sun, of course. But you can develop a list of products in key categories that you really do love.

Opinions

Build clients' loyalty by sharing your opinions, recommendations and endorsements—even for products and services not offered by your clinic.



Key Takeaways

As products (and services) are becoming available through more outlets, there is not a silver bullet or a one size fits all solution that will keep your clients coming to your practice. In almost every area of our lives as consumers, we're getting more custom information, offers and solutions. It's each pet owner's preference that will drive the next sale. That means you'll have to stack up more and smaller tactics to win their hearts. But all together, these single items can add up to big opportunities for your practice.

Here are the steps that this exclusive new data suggests offer the lowest hanging fruit:

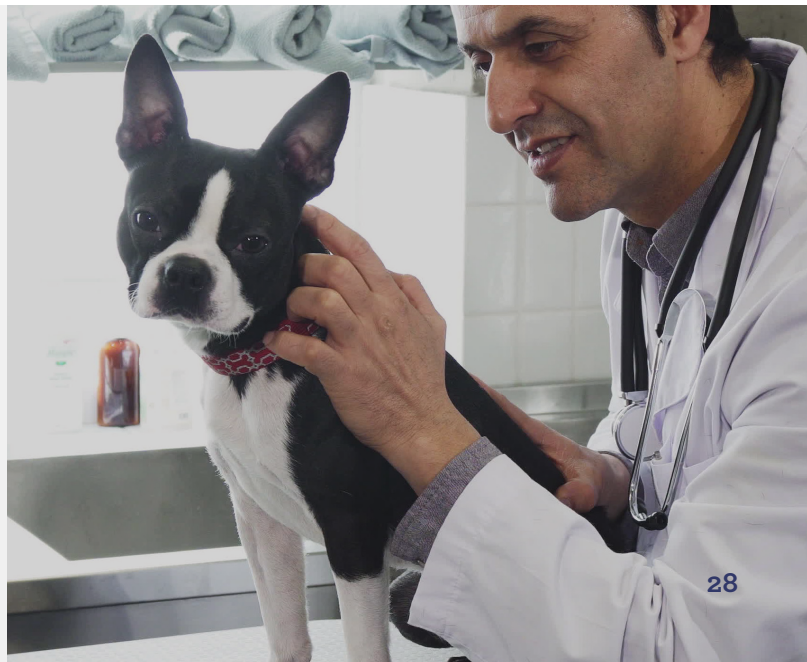
- Consider expanding your services to include boarding and grooming, home care or behavior modification or other services that you don't currently offer. Pet owners trust you more than anyone for services and medications, and broader offerings build their perception of value and loyalty to you and your team.
- Bump up your marketing efforts to bring more targeted, more relevant education and offers to your current clients. It's critical to consistently remind clients about the services you offer beyond routine exams and vaccines. If you decide to add a service like in-home hospice care, grooming or boarding—or anything else—you need to shout it from the rooftop. (Again, and again, and again, and again. And then some more.) Think about what you could do to make it a habit to visit your practice for these services. A loyalty program for ongoing services could be one option. "Get 5 grooming services and get the 6th free." "Board your pet for 10 days in any year and get the 11th day free." You get the idea.
- Be ready to answer clients' product questions during visits, or pass them off to a knowledgeable team member who can answer all their questions. Ideally, you have one or more

product champions to whom you can delegate ongoing communication about product categories you carry—and also those you don't. Even when you're not selling the product you recommend, pet owners care about what you think. And they give you credit for pointing them in the right direction that pays off in trust and loyalty—and even future purchases.

- Agree on three new strategies or behaviors that your team will use consistently to build trust and relationships with pet owners that seem like weak spots for you now. And no matter what three steps you decide on, make sure everyone's on the same page so you know your team is being consistent.
- Revisit your marketing strategy for potential clients, and audit your positioning statements and website messaging. If someone had never met your team, would your marketing messages be enough that they understand what you offer that other sources of products and services don't? How do you speak to the convenience, quality and reputation that your practice offers?
- Raise awareness about your online pharmacy—and consider expanding to offer more products. Particular areas of opportunity may include weight loss diets, senior care diets and functional treats and supplements. Yes, it's obvious, but if clients don't know you offer stuff, they won't buy. And if you offer only one or two products, they may not come back.
- Develop a list of products you love to endorse outside of medications. Be prepared to talk to clients about every category of products. Find ways to share your faves in person, online and through client outreach efforts. Remember that offering clients products you don't carry builds trust—and that they really value the products you do carry.

Where Are You Ready to Commit?

Diggo briefs are about two big things: data and action. Our philosophy when we develop these tools is that executing on just one idea from one brief (or adding or saving just one client) should way more than pay for your full year subscription. But for that to work out, you have to pick an idea to adopt. Just reading is not enough! We want to help you earn more, feel in-the-know, feel more control over your destiny and stay at the cutting edge of veterinary practice. (Yeah, yeah. Low bar.)



The Diggo Point of View

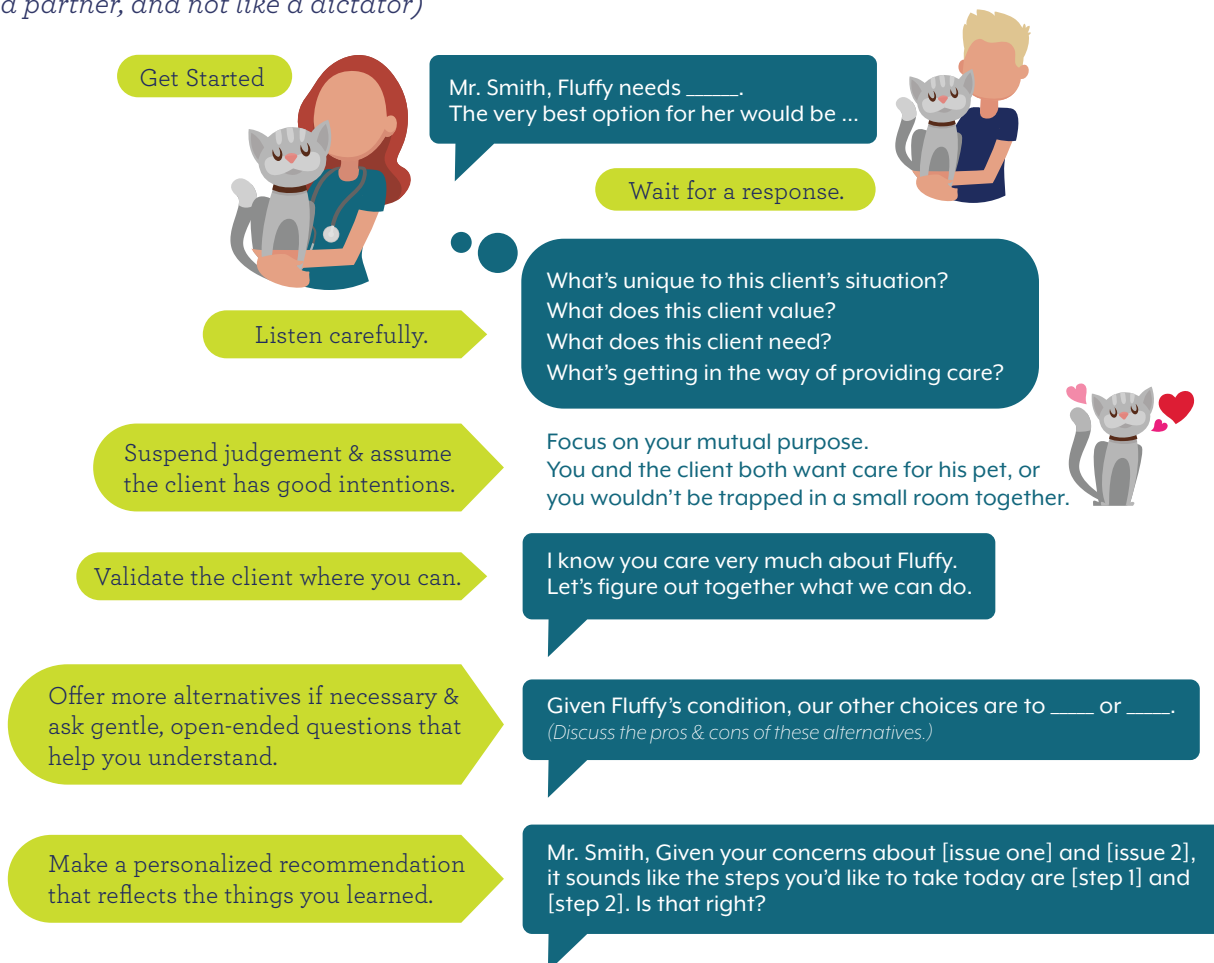
The Cycle of Change

Your practice is perfectly designed to deliver exactly the results it delivers now. So to change the outcomes, you have to change the elements. That's why change is harder than it seems. You have to look a little deeper to see how your team is rewarded by the current situation, how your current processes may get in the way of the change you want and where you or your team may experience some loss if you make the change you're considering. Here's what it takes to get a change in behavior to stick: everyone involved needs to understand the logic of the decision, feel excited and inspired about the new approach and (eventually) be in a situation where it's easier to do the new thing than to do the old thing. Go. Fight. Win!



Making a Strong Recommendation

(Like a partner, and not like a dictator)



Methodology and Analysis

Methodology

Much of the data in this brief came from a 15-minute online survey that was fielded in Summer 2019, with a large sample size of 1,002 pet owners balanced across US geography. This sample size allows for 95% confidence with a margin of error of +/- 2.53. Respondents were screened to ensure they owned and were the primary decision maker for veterinary healthcare for either a dog or a cat.

This data is self-reported by pet owners (not transactional data). The survey includes all instances of seeing a veterinarian. It is not exclusive to private practice or traditional brick and mortar establishments.

Analysis

Attitudinal questions were asked using a 6-point Likert rating scale. When reporting results, it is often helpful to report "Top Box," which is the percent rating the top point (6) on the scale, or "Top 2 Box," which is the percent rating the top two points (5 or 6) on the scale. We use a 6-point scale to force respondents to choose a positive or negative side.



In these report findings, pet owners are sometimes grouped according to their age. These are the breakdowns we used when defining each generation.

Millennial
1981-1996



n=290
Age: 23-38

Gen-X
1965-1980



n=245
Age: 39-54

Boomer
1946-1964



n=400
Age: 55-73



Respondent Demographics

Number of Pets

- 45% Own 1 dog
- 19% Own 2 dogs
- 8% Own 3+ dogs
- 33% Own 1 cat
- 19% Own 2 cats
- 14% Own 3+ cats

Age of Pet

- 25% Pet is <= 1 year old
- 29% Pet is 2-4
- 12% Pet is 5-6
- 21% Pet is 7-10
- 14% Pet is 11+

Demographics

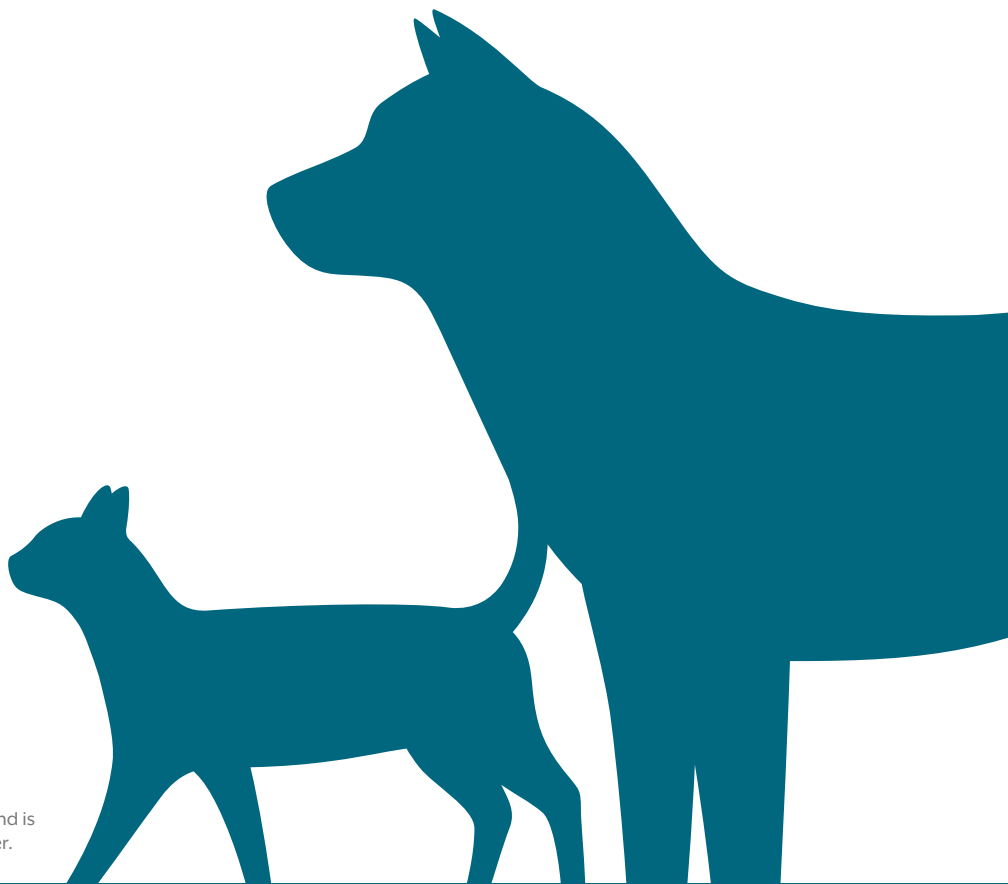
- 75% Female
- 25% Male

Household Size

- 68% No Children <18 years in Household
- 32% 1+ Children in Household
- 19% 1 Adult in Household
- 52% 2 Adults in Household
- 30% 3+ Adults in Household

Annual Household Income

- 12% Under \$25,000
- 25% \$25,000 to \$49,999
- 22% \$50,000 to \$74,999
- 17% \$75,000 to \$99,999
- 15% \$100,000 to \$149,999
- 6% \$150,000 to \$200,000
- 3% Over \$200,000



This research is conducted by an independent research firm and is not sponsored by any manufacturer, retailer or service provider.