

The A-List

Finding—and keeping— high-value clients

by Jen Reeder

A VETERINARIAN'S FIRST ETHICAL PRINCIPLE is “Do no harm.” So it can be a challenge when clients decide against a recommendation that would provide the best care for their pet, such as extracting a painful tooth, because it’s “too expensive” or because they don’t think it’s worthwhile.

That’s why clients who not only care for their pet in a crisis but also seek preventive treatment, follow nutrition suggestions, and have regular checkups can boost a veterinary practice’s morale—as well as its bottom line. When clients are fully compliant, often they are spending money on their pet’s healthcare.

Stacey Santi, DVM, managing veterinarian at AAHA-accredited Riverview Animal Hospital in Durango, Colo., said that in 2013, 12 percent of her clients generated 42 percent of total revenue. On average, these loyal clients spent \$2,740, while regular clients averaged \$562. She said the analysis showed her two things.

“I learned it is extremely important to take care of that 12 percent. If I lose one of those clients, I have to get five more clients to make up for that one,” she said. “And the other thing I learned is I have a great opportunity for converting my regular clients, the remaining 88 percent, into a loyal client group.”

No matter what such clients are called—loyal, A-list, high-value, gold, or VIP—they are integral to the success of a practice. Santi printed out a list of approximately 400 “loyal” clients (out of nearly 3,000) and shared it with her staff.



"I told my staff, 'If any of these people call, you better do what they need,'" she said. "If we've identified you as someone who loves your dog and loves to take the best care of him, we'd better take care of you."

In some ways, Santi provides an extra level of service for A-list clients that includes personally calling with test results rather than having a staff member call, consulting on difficult cases during her lunch break, calling clients by their first names, sharing her cellphone number, and texting the client after business hours to check on a pet.

She said the practice tries to offer a high level of care to all clients, but they don't always accept it. For example, recently a man called to say his dog had had a laceration for a week. Her team offered to schedule an emergency visit, but he declined, preferring to "wait and see" how she was in a week.

Typically 10–20 percent of clients generate 80–90 percent of total business, according to Jessica Lee, CVPM.

"It's hard in the industry to not get judgmental of the people who don't take care of their pet the way you think they should—especially if they're driv-

ing a nice car," Santi said. "You've got to be careful to not project that onto anyone, because you have no idea what they're going through."

So, instead of dwelling on the negative, she focuses on cementing her relationships with high-value clients, which ultimately helps the pets.

"I definitely think the animals that hit the jackpot by having these people as pet parents live longer, happier, and healthier lives."

Trust is key

Tom Bowen, executive vice president and co-founder of Practice Coach, a veterinary consulting group in Lincoln, Neb., said animal hospitals should "absolutely" make an effort to identify and reward high-value clients. This can be accomplished through client reward programs, referral recognition programs, special scripting in examination

rooms by the veterinarians to emphasize the value placed on lifelong relationships, and the marketing rule "If you want someone to know something, tell them."

"Make crystal-clear to clients and potential clients what values and elements we consider most important for healthy lives with our pets, and take every opportunity in your marketing plan—internally as well as externally—to make these things clear," Bowen said. "This will slowly but surely weed out clients that are a wrong fit and therefore increase the percentage of client base in the high-value category. And target very specifically new clients that will tend to be in this category as well. That is a 'double whammy' that will continue to bias your client base toward high-value clients over time."

He said trust is the defining characteristic of an A-list client—"They have a mentality of trusting their providers rather than suspecting them," which leads to compliance and referrals. But it is crucial to offer top-notch service to all clients.

"It is the mission of the practice to provide a defined and uncompromised level of care and caring to all it serves—that's a management thing. The opportunity to leverage that commitment in a more educational and targeted fashion, however, is a marketing thing (management and marketing are not even remotely similar, although they're both thrown under the fictitious catch-all phrase 'practice management'). So management assures we have defined who we are, and marketing leverages definition."

Donnie Langley, COO of AAHA-accredited The Village Vets (which has three locations in Georgia) and practice manager at the office in Decatur, Ga., said staff gives high-quality care and customer service to all clients, but that the practice has identified 266 VIP clients who receive special treatment.

"VIP clients are loyal to our practice, provide optimal and compliant care for their pets, refer more clients to our practice, and have built long-standing relationships with the veterinarians and staff of our practice," he said.

These clients receive an "extra special greeting" in the lobby, private cell phone numbers of veterinarians, and a 5–10 percent discount. The practice also offers discounts for teachers, military personnel, seniors, local businesses,

and pet rescue organizations and has a loyalty program on the hospital's app to encourage repeat business from all clients. When clients refer a friend, they get a \$10 credit.

"Client referrals are our number-one source of new clients," Langley said.

Jessica Lee, CVPM, and practice management consultant for Brakke Consulting, a management consulting firm headquartered in Dallas, Texas, said most practice management software (such as Cornerstone and AVImark) allows animal hospitals to identify their top spenders. She said typically 10–20 percent of clients generate 80–90 percent of total business, but that money isn't everything—compliance and loyalty are more important. And numbers can be deceiving, such as when a regular client spends much more in a year because of an expensive surgery or ailing elderly pet.

"There's a difference between dollar value and value," Lee said.

So she suggests that management post a list where employees can suggest other high-value clients that deserve something special, such as highlighting their pet on social media or in the practice's newsletter. Once identified, employees can make notes on the pet's chart of what the clients like, and then send a gift card to a favorite restaurant or coffee shop as a thank you for things like referrals.

She said referrals from top clients are valuable and should be encouraged since high-value clients tend to refer other responsible pet owners.

"And because they're expecting a good experience, they're more likely to have a good experience and become loyal."

She suggests practices staple a "Care and Share Card" to invoices, a referral card on which clients can write their name and then give to a friend. When the new client brings it in, they both receive a \$10 credit at the practice.

"I believe that's more valuable than sending them a mug or a pen or something like that," Lee said, adding that thank you cards should always be handwritten—never preprinted—and personalized.

She said several marketing companies, such as Animal Care Technologies, offer electronic surveys that animal



The Practice Coach Fundamental Rules of Marketing

1. You have to know yourself to market yourself. Know exactly what it is that makes you incomparable, and market that understandably.
2. If you want people to know something, tell them! Never assume that clients will simply figure it out or that they will deduce it on their own. Tell them!
3. If you want someone to do something (like remain loyal to your practice, refer others, or notify you if he or she can't make an appointment), ask!
4. Minimize risk, and you'll maximize interest. The less clients have to lose by complying with your recommendations, the more likely they are to do what you recommend.
5. Name everything to market it. This is about branding and brand extension—brand the practice, the services, and the programs to be uniquely recognizable and valuable even to people who don't know what you know!
6. If it's good for the patient/client, it's good for the practice!

Source: Tom Bowen, executive vice president and co-founder of Practice Coach

hospitals can send to clients. When respondents give a practice positive rankings, the survey will ask them if they would like to post a review to online websites like Yelp.

“It makes it easy for them because it gives them direct links,” Lee said.

Different methods

Jessica Speas, CVPM, PHR-CA, and hospital administrator at AAHA-accredited Crescenta Cañada Pet Hospital in La Crescenta, Calif., said she is uncomfortable with the term “high-value client” because she doesn’t want to pass judgment, preferring terms like “longtime” or “well-bonded” clients. She does use Cornerstone software to mark the top 20th percentile of spenders (“The 80/20 rule totally applies to our client base,” Speas added) so that staff knows who has supported the practice, but her practice doesn’t offer any special gifts to them so that no one has their feelings hurt.

“I’m personally not comfortable with preferential treatment,” Speas said.

Instead, in December 2013, she introduced a loyalty card on the practice’s app (from app company Vet2Pet), so that rewards are offered across the board to clients. Clients get a stamp for every \$100 spent at the practice, as well as for microchipping, buying six months of parasite preventives, fecal and heartworm testing, and referrals. They receive a \$100 credit once they have 16 punches. Client feedback has been positive.

“Overall, most of the clients want to do the right thing. So validating them for making the best choice or protecting their pet... it’s appreciated,” she said. “And at a super basic level, it’s just really fun.”

The practice also offers a paper version of the loyalty reward card for people who don’t have smartphones or who prefer not to download the app.

Jennifer Hennessey, DVM, CVJ, and owner of Animal ER of Northwest Houston, which opened in March 2014,

cannot use a loyalty program for pet owners since she has an emergency practice—most of her clients are visiting for the first time. So she starts by assuming they are A-list clients since they have already taken the step of following their veterinarian’s advice to seek additional services.

“I present the care that would be ideal for the pet that is a valued family member and recommend the most complete evaluation and treatments that I feel are necessary for me to give the pet the best prognosis,” she said. “My A-list clients listen to recommendations rather than negotiate for care options and willingly purchase the best they can afford for their pet.”

To keep clients happy, she and her team constantly communicate with the family of a pet undergoing treatment, checking on them in the exam room or lobby every 15 minutes to keep them updated or to offer beverages. For hospitalized pets, they call with updates every 12 hours and email clients photos of the animal in ICU to reassure them that their pet is comfortable and relaxed.

“I feel like I’m almost a pediatrician when I talk to them: ‘What can I do for the baby?’”

Hennessey also works to keep referring DVMs happy, since they are so important to an emergency practice. About once a month, she sends her employees to meet

her top 20 percent of referring practices with brochures and magnets so that they can “see that what they do impacts the clinic, not just the client.”

“We need to respect that relationship,” she said.

She also asks referring veterinarians how much communication they would like regarding referred clients so they have the opportunity to weigh in on cases. One of her high-value referring veterinarians likes to be notified as soon as one of their clients arrives at the ER and to have detailed information during treatment, so Hennessey and her staff mark those charts with a colored sticker to ensure constant updates.

“The value to the practice may not just be the amount of money spent, but how they promote the aloha spirit of our practice in recommendations, referrals, and attitude.”

—JOHN ABELLA, DVM, DABVP (CANINE AND FELINE), CVMA

"I want [rDVMs] to feel confident in referring to me based on the type of practice and care that we provide, not just out of convenience," she said.

John Abella, DVM, DABVP (Canine and Feline), CVMA, and co-owner of AAHA-accredited Aloha Animal Hospital in Vista, Calif., said he doesn't put much time into identifying high-value clients because they're easy to identify based on monthly or quarterly financial reports and client interactions.

"I'll run a periodic top 10 percent list of clients. However, the value to the practice may not just be the amount of money spent, but how they promote the aloha spirit of our practice in recommendations, referrals, and attitude," Abella said. "An incredibly nice client that brings the staff's spirits up can also have some serious value to my day. Actually, there are many patients that do as well, like the Canine Companions for Independence dogs (an assistance dog nonprofit)."

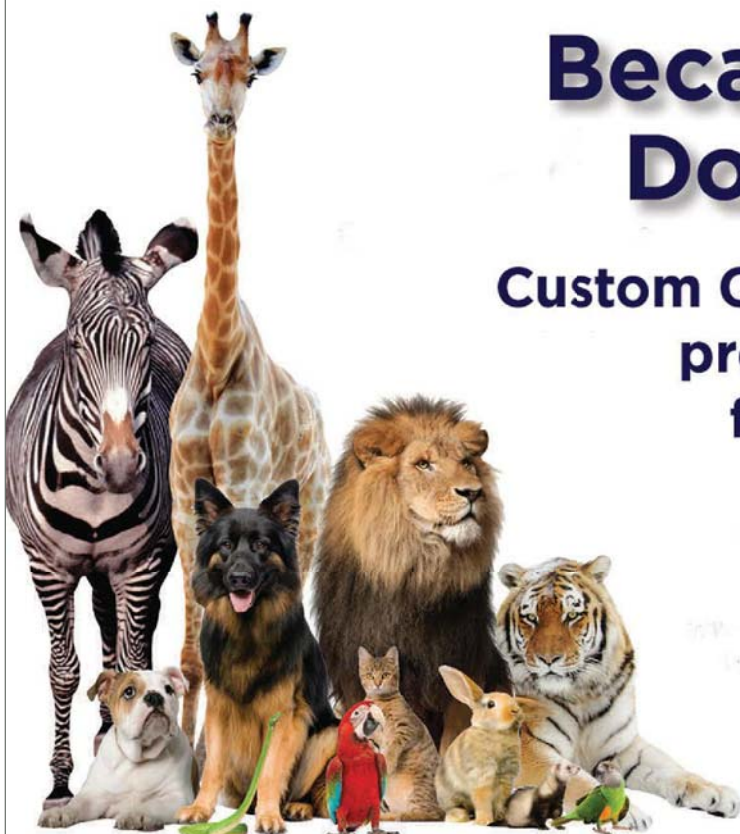
He said his practice retains high-value clients by providing optimal client service and communications, such as making himself available via email and text message after hours, offering discounts, and providing a loyalty reward program on the practice's app (punches are available for money spent as well as birthdays, Yelp reviews, Facebook likes, and referrals).

Offering individualized service to clients is what separates the veterinary field from many other professions and can elevate a small practice, according to Abella.

"I think there will always be room for small practices as long as there is need and recognition of individualized, ideal health care," he said. "A high-value practice based on high-value clients." ✱



Freelance journalist Jen Reeder is considered an A-list client by her veterinarian because she is openly obsessed with the health and happiness of her Lab mix, Rio.



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