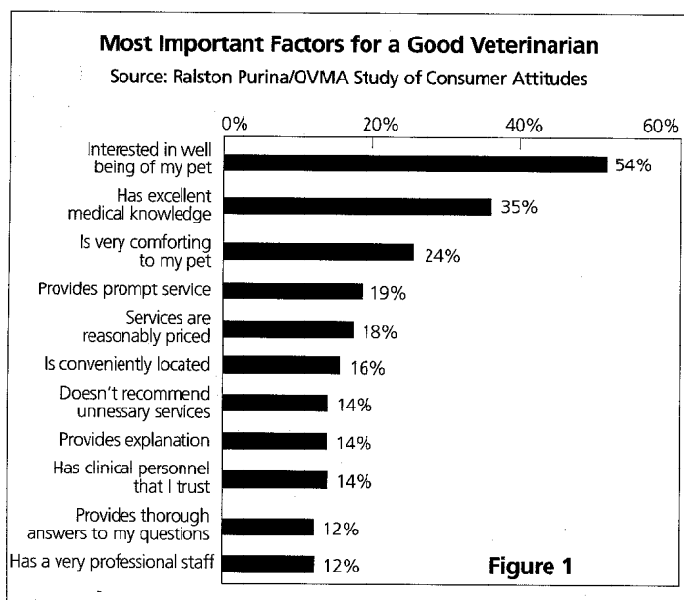


# Customer Service: Relationships are Still More Important than Price

by Ross Dawson, DVM and Darren Osborne, MA

Recent market research into pet owners' attitudes toward veterinarians shows that quality service and a caring attitude continue to remain important to clients, while the pricing of veterinary services remains far down on pet owners' lists of priorities.

In 1995, OVMA and Ralston Purina published *A Study of the Attitudes of Consumers of Veterinary Services in Ontario*. One of the key findings of the report was that clients placed a far greater value on caring, quality service than they did on price. When asked for the most important factors for a good veterinarian, the top four factors were *interested in the well being of my pet, has excellent medical knowledge, comforting to my pet, and prompt service*. Price ranked fifth in importance (see Figure 1). Not long after the OVMA/Ralston Purina Report was released, AAHA published a report with similar findings. The conclusions from these reports helped buttress the argument that increased fees were possible for veterinarians in Ontario.



Four years later, some veterinarians have called the conclusions from the OVMA/Ralston Purina and AAHA Report into question. After four years of fee increases, are pet owners still as uninterested in price as they were in 1995?

Two different OVMA studies undertaken this year both conclude that relationship and service issues continue to dominate when clients are making decisions about where to take their pets. Additionally, both studies show that price is as unimportant to clients today as it was four years ago.

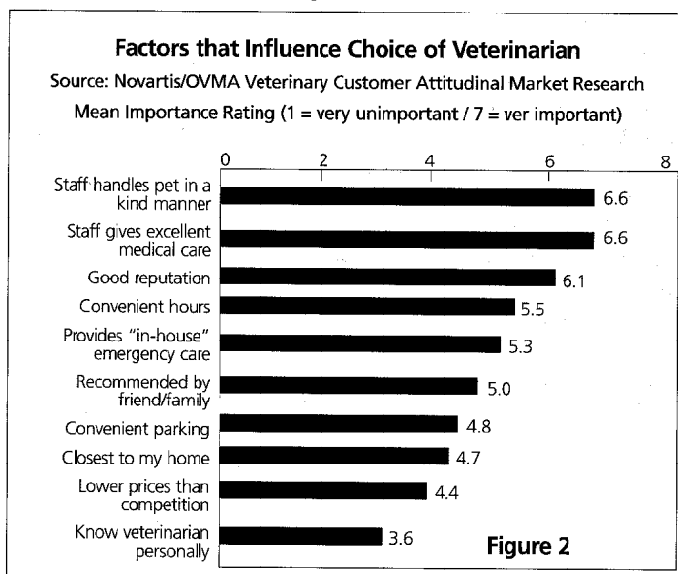
Following are the results of the two studies.

## Study One

### Novartis/OVMA Veterinary Customer Attitudinal Market Research

Earlier this summer, Dr. Ross Dawson led a group of MBA students in a Novartis-sponsored survey of pet owners from a large urban center in Ontario (Kitchener-Waterloo). Two thousand randomly-chosen households from four census areas were mailed a questionnaire on the importance of various veterinary service attributes and the degree of satisfaction associated with those service attributes. A 16.3% response rate provided results accurate to within +/- 6%, 19 times out of 20.

### Choosing a Veterinary Facility



Those factors that influence the choice of veterinarian ultimately determine individual market share. The Novartis/OVMA market research measured the importance of ten such factors on a 7 point scale ranging from *very important* to *very unimportant*. Echoing the findings from 1995, relationship issues dominated clients' decision-making process, and prices were ranked ninth out of a possible ten factors. The mean of the responses for the ten factors, in order of importance is shown in Figure 2. Higher figures represent higher importance when choosing a veterinarian.

The factors that influence the choice of veterinary service provider were grouped into two categories (Figure 3). The first category included relationship factors that affect service quality. The second category included factors that could create a drain on available practice resources if they were altered to improve service.

Relationship Factors	Resource Draining Factors
Kind Staff	Hours
Excellent Medical Care	After Hours Emergency Care
Reputation	Parking
Getting to Know Clients Personally	Prices

**Figure 3**

There is a considerably higher cost associated with improving service through resource draining services. Increasing hours, lowering prices and providing after-hours emergency services all have high price tags associated with any change. Alternatively, improving service through improved relationship factors can be accomplished with little or no increase in expenses. All of the relationship factors listed above can be improved with in-house training.

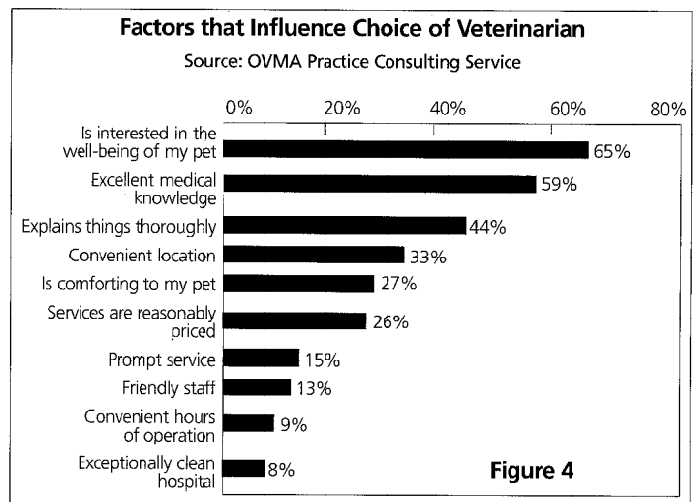
The Novartis/OVMA research suggests that there is more to be gained by concentrating on improving the relationship factors in a practice. Since pet owners put more emphasis on relationship factors when selecting a veterinary facility, improving relationship factors (eg. being kinder to clients and their pets) will achieve more satisfaction than extending hours or lowering prices. Increased levels of client satisfaction will increase market share as well as overall profitability for those who successfully confront the challenge.

## Study Two

### OVMA Client Satisfaction Surveys

Information from the OVMA Pilot Practice Consulting Service also provides information on how clients value the services in veterinary hospitals and how prices figure into the equation.

To date, 18 hospitals have gone through the OVMA Practice Consulting Service. Part of the Consulting Service is a client satisfaction survey conducted on behalf of each hospital involved. Each hospital received 150 client satisfaction surveys along with a self-addressed stamped envelope back to the OVMA. To create an incentive to complete the survey, Ralston Purina sponsored a prize of free pet food for a year. Each of the hospitals distributed the surveys to their clients. The results of surveys received from the 880 clients who provided feedback on their hospital is shown below.



### What is Important to Clients

Clients were asked to indicate which of the following factors were most important to them when choosing a veterinarian or veterinary hospital. They were asked to check off three of ten factors as most important. Figure 4 lists all ten factors along with the percentage of clients that chose each factor as most important. Higher percentages represent greater importance to clients.

Once again, the most important factors for clients when choosing a veterinarian or veterinary hospital are relationship issues. What is almost shocking is that after four years of fee increases, price is less important today than it was when the same question was asked in 1995 on the Ralston Purina survey.

In addition to the questions shown in Figure 4, the OVMA Practice Consulting Satisfaction Survey offers questions specific to each of the service areas in the hospital and asks clients to rate each service area. This information is then fed back the hospital so the veterinarians and staff can see how their service in each area of the hospital compared to the average and best service hospitals in the study.

So is price important? The question was tackled two ways this year. Through a study involving in-hospital surveys to veterinary clients the answer was clearly "no". Through a mass mailing to 2000 households the answer was an even more emphatic "no". From this most recent research, we can conclude that the current level of veterinary fees in Ontario is not deterring clients from seeking veterinary care. ■