

Learning Your Clients

Many of us have been operating veterinary practices for years. We feel for the most part that we provide quality service for our clients and we assume that the majority of our clients who have been on the receiving end of our efforts and have expressed their gratitude will subsequently be loyal to our clinic. WRONG! Clients are consumers and, like you and I, they are influenced by the same factors that affect consumers of any product or service. At best, if a client leaves your practice being very satisfied with the service they have received, the reality is that with time the memory of this excellent service will decline until eventually it will be totally forgotten. Unfortunately, this decline in memory is fairly rapid in most instances unless the stimulus, i.e. the impression you stamp on your clients minds, is very strong.

The study of consumer behaviour seems foreign to veterinarians but it may be worth considering why large companies spend such vast amounts of money on research. They wish to create what are termed 'brand loyal' customers. Really, that is what we are aiming to achieve in veterinary practice! We want to get a good client base, ensure that they keep coming back to us on a regular basis and they recommend us to others.

Some facts about *Loyalty*

- **Loyalty is learned** – not just acquired!
- **Loyalty is declining** - studies have shown that good old-fashioned loyalty has been declining in all areas of service over the past 20 years. This includes in the medical, law and veterinary professions. Today our clients will collect information from many sources other than the trusted traditional methods.
- **Establishing service loyalty is difficult** - studies have also shown that it is more difficult to establish service loyalty than it is to establish product loyalty.
- **Loyalty is not shared equally** - further consumer studies show that loyalty is not shared equally between major and minor players within any industry. Smaller players are at a disadvantage to larger players for many reasons that include the fact that, when in doubt, many clients automatically assume larger players are a 'safer' choice. Think about how many times you have searched for something in the Yellow Pages and selected based on an advertisement that was bigger and more prominent because you in some way felt that this reflected a safer choice!
- **Disadvantaged smaller players** - experience with client numbers is further exacerbated by studies that have shown that not only do smaller players have fewer clients but these clients attend and purchase less frequently. Therefore smaller practices must make a bigger relative effort than larger practices to establish the same level of genuine client loyalty
- **Loyalty requires perceived differences** - loyalty mostly occurs when a client perceives a difference between two or more choices. If they see no difference between the choices available then they are less likely to be loyal. No doubt you have heard the message for years about differentiating your services. You need to provide some aspect of business that really stands out and will make your client believe that you offer something unique.

Message from Rob White



Firstly, I would like to thank the 384 practices that participated in the inaugural MPV Annual Fees Survey 2006. From the feedback it would seem that it was very well received. Already MPV Consulting has taken on board some suggestions that were offered for improvement so that the Fees Survey for 2007 will be even better again!

In mid-July we will be sending out the **MPV Annual Veterinary Performance Survey**. This survey will allow practices to see how they are performing from a marketing and statistical point of view compared to other practices. It will be a tool that practitioners will find valuable in their practice management. Like the fees survey this will be broken into profile groups to make the comparative information on veterinary performance both valuable and meaningful to all types of practices within the veterinary industry. This survey will be another low cost survey that should truly represent value to all practice owners.

This current newsletter addresses the area of loyalty of consumer behaviour in veterinary practice. It is a small newsletter but of extreme importance to those that wish to generate 'brand loyal' clients. There are many aspects of consumer behaviour that are worth examining in veterinary practice and from time to time I hope that we can address these in future newsletters.

Regards

Rob White B.V.Sc. CDE

■ **MPV Annual Veterinary Performance Survey - due out mid-July 2006**

- **Intentional client loyalty** - should not be confused with spurious client loyalty. Spuriously loyal clients attend veterinary clinics simply because it is convenient or they have not yet considered other options. These clients will change to an alternative much quicker than intentionally loyal clients should the opportunity arise.

- **Higher knowledge results in higher loyalty** - the more a client knows about a product or service, a brand, a veterinarian etc the more likely they are to be loyal. This is known as client 'involvement' – basically the more involved a client becomes the more likely they are to be loyal! This reinforces the knowledge that client loyalty is learned!

So how do I "Learn my clients to be loyal"?

The ultimate aim of any marketer is to get their 'brand' installed in the long-term memory of their clients. Long-term memory can last from a few minutes to many years depending on the type of stimulus applied, the intensity of stimulus and the number of repetitions of stimuli that are involved. Think how many times have you looked up a telephone number and have to repeat it to yourself multiple times just to remember it long enough to dial the number?

- Cognitive learning involves a client using thinking or problem solving as a means of learning rather than passive mental participation. If a client can be stimulated to use cognitive learning methods then they are far more likely to store the service, brand and the provider into long-term memory. Higher levels of cognitive learning and higher levels of involvement are complimentary!

- Further studies have shown that the level of involvement of an individual will greatly influence the method of storage of information in the human brain. Highly involved individuals will interpret messages in a positive manner that are consistent with what they already know or believe and are likely to interpret messages in a negative fashion if it is not consistent with what they believe. This means that they have established a 'position' and require strong messages to encourage change from that position. Low involvement clients are more receptive to external messages, will not adopt a firm position and are easily changed. This group will often be spuriously loyal rather than intentionally loyal and may easily react in a random fashion to low-level stimuli such as vaccination reminders.

- Involvement may store a message in long-term memory but it will fade with time. Repetition is necessary to ensure the message is re-enforced on a regular basis.

So what does this mean for vets?

In summary this means for vets the following:

1. Once a client is prepared to take a position they are more likely to be loyal to your practice. For a veterinarian to get a client to take a position it is best to get the client more involved.

2. To get a client highly involved, cognitive learning principles are one of several learning methods that can be used. This involves provision of staff who are literate, well trained and can talk confidently and intelligently to the public. They need good product knowledge and should be supported by literature that is highly informative, well documented and easily read.

3. Veterinarians need to provide client-friendly and relevant information in their waiting and consultation rooms. You are about promoting YOUR brand not the brand of drug companies! Ideally, you should have literature that is on your own letterhead with your own brandings clearly visible so that you receive the credit for the effort and you develop the loyalty benefits rather than someone else.

4. Those practices that do not promote high client involvement will inevitably acquire clients with lower involvement. These clients are:

- a. Less loyal to your clinic
- b. Less likely to respond to routine stimuli such as vaccination reminders, dental care, specialty diet considerations etc
- c. Less likely to consider pet care as being important

5. Once a client is involved, repetition of messages is essential to maintain it in memory. Once a year vaccination reminders is not enough! It is arguable about what frequency of message constitutes enough without being too much, but no message reinforcement at all is **disastrous** for client loyalty! Once a client leaves your premises their long-term memory is fading from when they walk out the door. Ideally, each practice should have a system in place that will incorporate various forms of contact with clients that will reinforce messages that were delivered when they attended your clinic. This could be in the form of planned post-treatment telephone follow up, appropriate reminder systems, provision of occasional quality documentation that is relevant to the clients needs and so forth. Ensure that the client does not see all the contact as being some form of revenue raiser. The highly involved client will respond more to information rather than price incentives!

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"Did not participate in the
MPV Annual Fees Survey?"

We are still accepting
late entrants!

To request a late participation
please phone or email.