



# Summary of MPV Business Index Survey

*July 2010*

Website: [www.mpvconsulting.com.au](http://www.mpvconsulting.com.au)



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This is a summary of the results of the MPV Business Index Survey of July 2010. A total of 119 practices submitted data that has allowed MPV Consulting to analyse the information. We sincerely thank these practices and hope that you will get some valuable information from this results summary.

## Participants Summary

Chart 1 below gives a breakdown of the participants by State, Type, Size and Location. All sub-cultural groups were reasonably well represented considering the population sizes of each group.

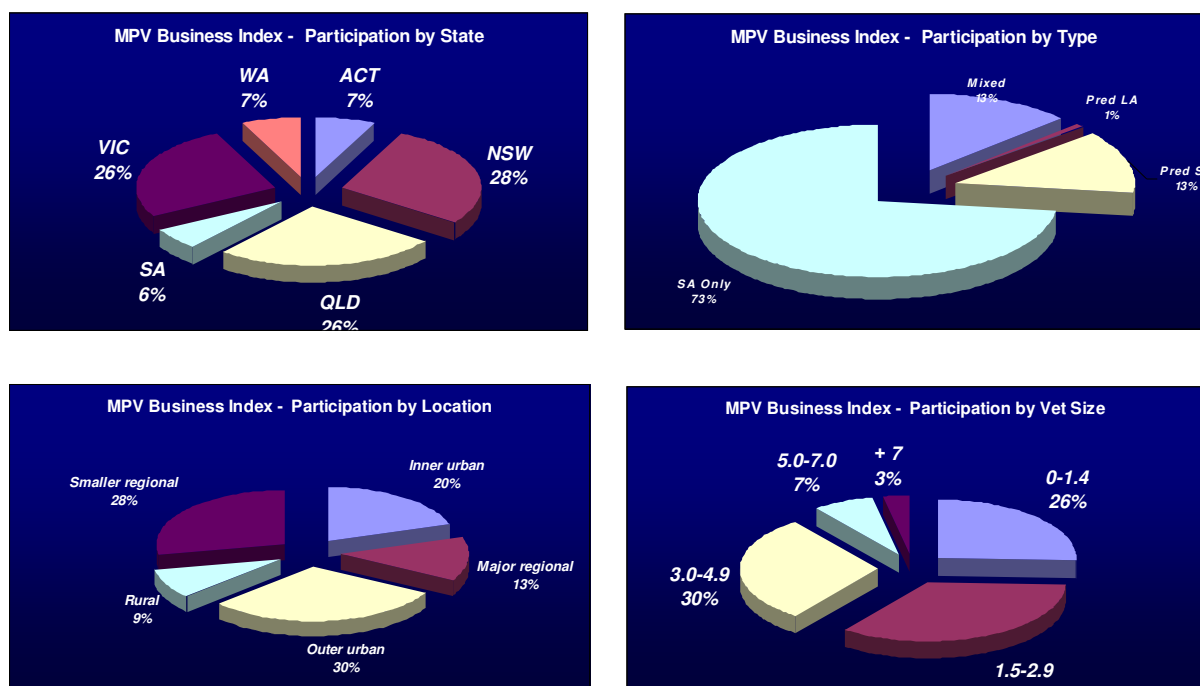
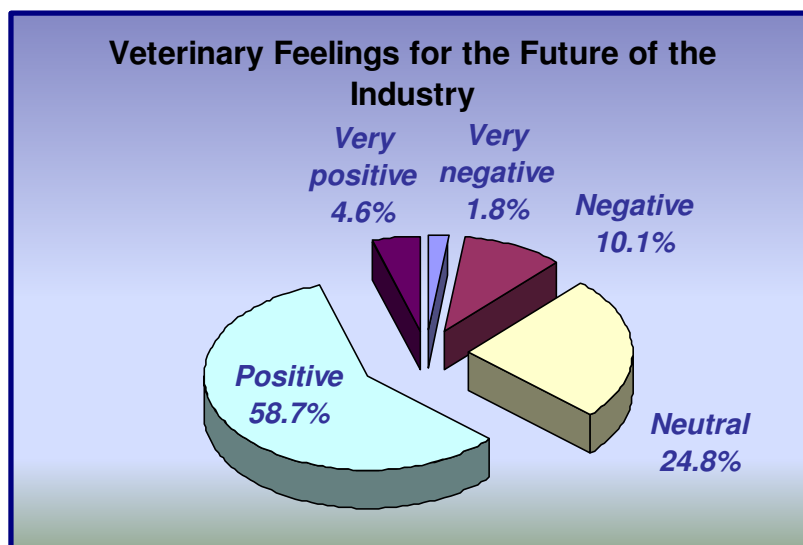


Chart 1: Demographics of participants

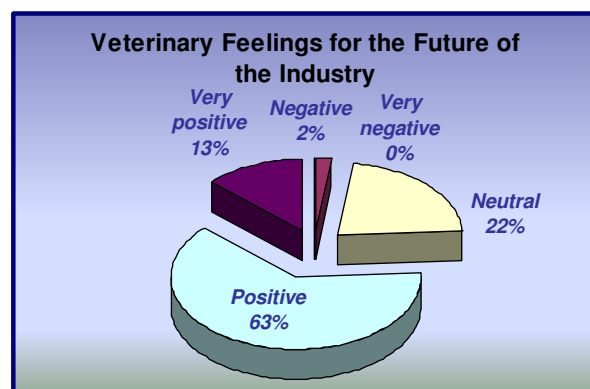
## Section 1: Industry Sentiment

### Feelings of Practice Owners for the Future of the Veterinary Industry

Well there has certainly been a decline in the feelings for the future of the veterinary industry compared with the feelings in October-December 2009. Chart 2 shows that in October-December 2009 only 2% of veterinary practice owners/managers felt *negative* and NO ONE felt *very negative* about the future. In the April-June 2010 period this has grown to 1.8% of veterinarians feeling *very negative* and 10.1% feeling *negative*. A higher percentage of veterinarians now feel negative than during the middle of the GFC.



Current survey: April – June 2010



Last survey: October - December 2009

It is important to note that a general industry sentiment is still positive but the industry as a whole has shifted relative to where it has been for the past 18 months.

Chart 2: Feelings for the future

| <i>RESULTS</i>          |       |
|-------------------------|-------|
| April – June 2010       | 63.3% |
| October - December 2009 | 76%   |
| July - September 2009   | 73%   |
| April - June 2009       | 65%   |

Table 1: Feeling *positive* or *very positive* about the future of the veterinary industry.

## Industry Performance for the BAS Quarter

Due to the fact that MPV Consulting was unable to perform a survey in April, we have performed a double-header this time. The graphs below show BAS growth for both the January-March 2010 and April-June 2010 periods. Growth in the April-June quarter was limited to just 4.4%. This is in fact the lowest growth quarter that MPV Consulting has identified since starting the Business Index Surveys. It is interesting to view how each different sector has performed. It does appear that *mixed practices* have been consistently outperforming other types of practice.

Chart 3 shows the consistent decline in growth within the veterinary industry since April-June 2009.

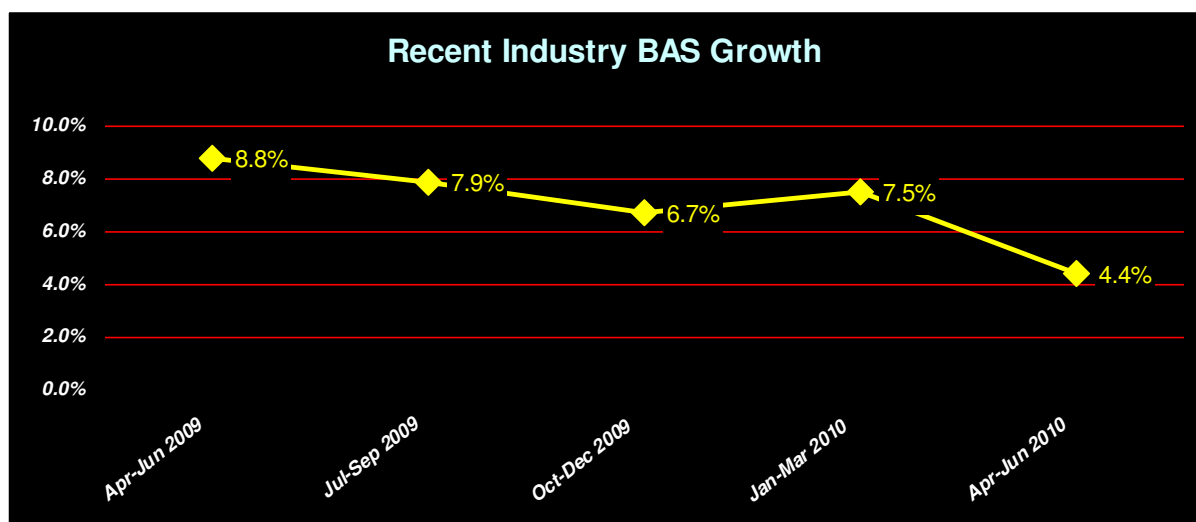
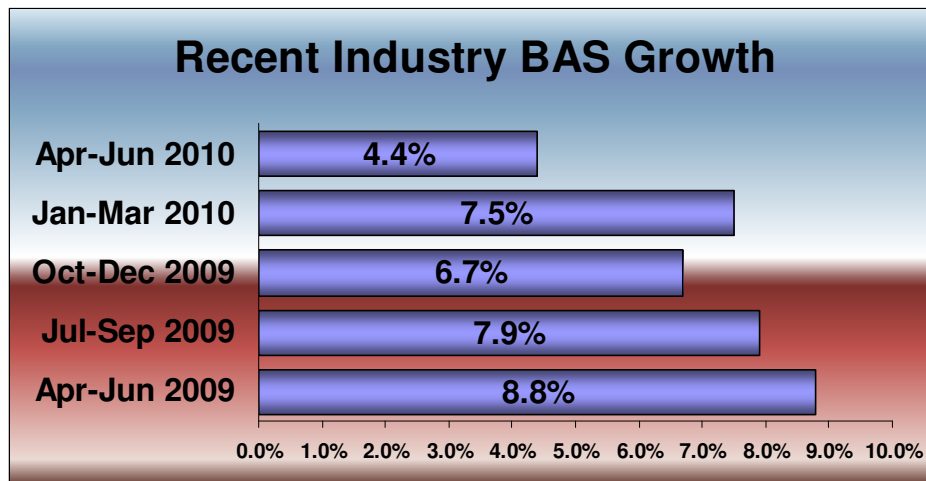


Chart 3: BAS growth for current and previous periods

**Note:** how BAS growth is continuing in a positive manner but the rate of growth has been declining for the past 3 quarters.

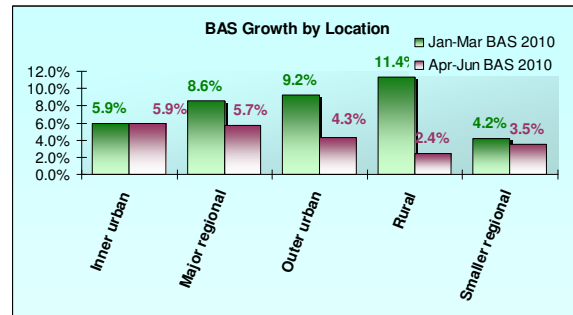
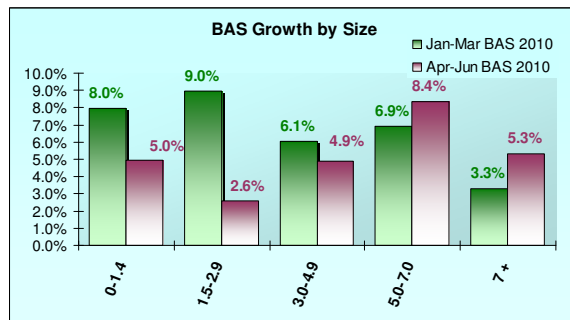
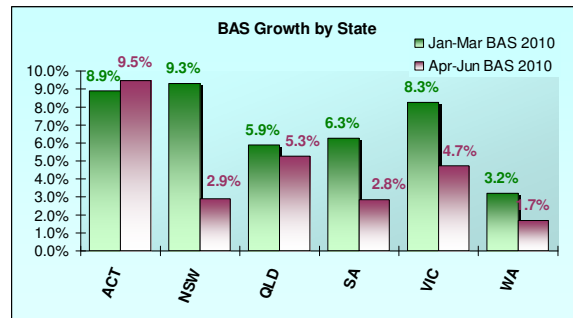
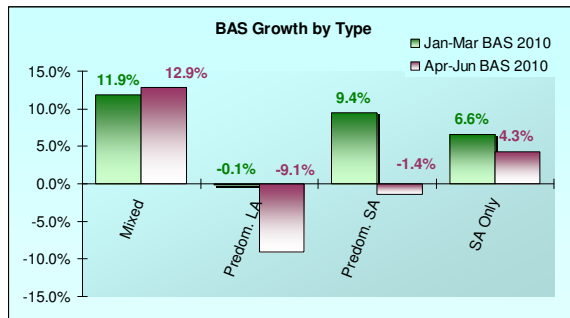


Chart 4: Current BAS quarters by profile groups

**Mixed practice:** The winners for the quarter were yet again *mixed* practices. They are the only group within the veterinary industry that has been maintaining double digit growth consistently for the last 18 mths. It would seem that mixed practices are doing very well in the current environment. It is interesting to note that *mixed* practices also performed well in the previous two BAS periods.

| Period            | Growth |
|-------------------|--------|
| Apr – June 2010   | 12.9%  |
| Jan - Mar. 2010   | 11.3%  |
| Oct. - Dec. 2009  | 9.5%   |
| Jul. - Sept. 2009 | 10.5%  |
| Apr.- June 2009   | 16.5%  |

**Small animal only practices:** Growth within *small animal* practices has been erratic. Overall the growth is positive but the level is declining as time goes on.

| Period            | Growth |
|-------------------|--------|
| Apr – June 2010   | 4.3%   |
| Jan - Mar. 2010   | 6.6%   |
| Oct. - Dec. 2009  | 7.2%   |
| Jul. - Sept. 2009 | 8.0%   |
| Apr.- June 2009   | 6.6%   |

**Predominantly small animal practices:** *Predominantly small animal* practices have been inconsistent when compared to other groups. This trend continues what has happened in the previous two quarters. I have no doubt some practices are suffering more than others especially those in what is often called the *mortgage belt*.

| <i>Period</i>           | <i>Growth</i> |
|-------------------------|---------------|
| Apr – June 2010         | -1.4%         |
| Jan - Mar. 2010         | 9.4%          |
| October - December 2009 | 3.5%          |
| July - September 2009   |               |
| April - June 2009       |               |

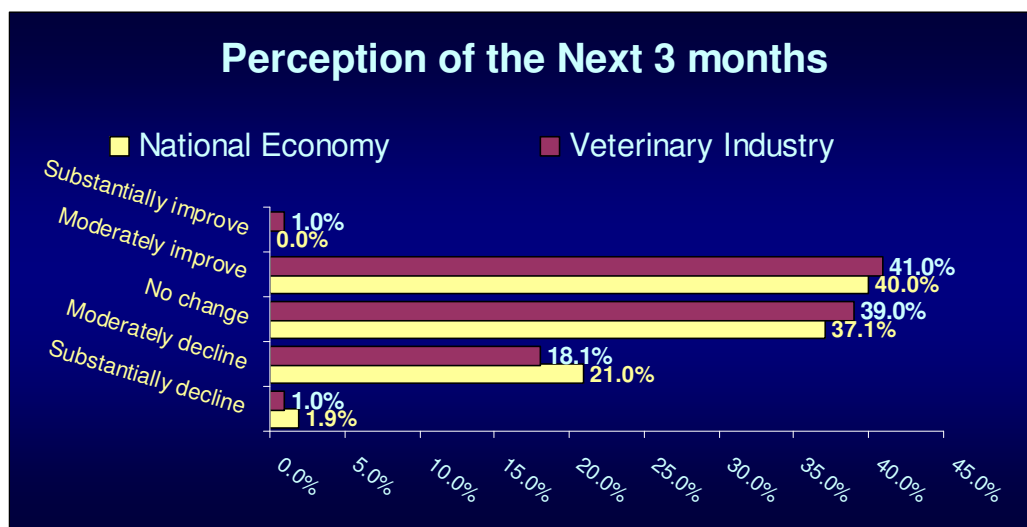
This is for the industry as a whole and does not reflect what specific individual practices or groups of practices may be experiencing. It is unfortunate that some practices are in fact suffering considerably whilst others have done very well. I would recommend for those that are suffering should not be disheartened and may consider more promotional activity to see if your practices can weather this storm as well as possible.



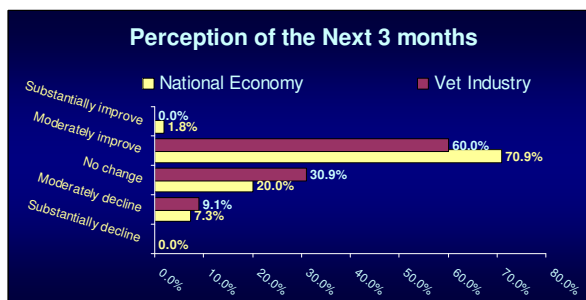
## Veterinary Practice Owner / Manager Feelings for the Future

In the survey questionnaire veterinarians were asked their opinions of how they see the future of both the national economic situation as well as the future of the veterinary industry. This included the next BAS Quarter (July-September 2010) and the next 12 months (2010/11 calendar year).

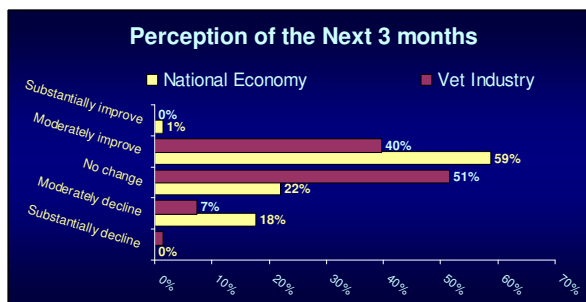
### Next 3 months



Current Survey: April-June 2010



Last survey: October – December 2009



Earlier survey: July-September 2009

Chart 5: Perceptions for the next 3 months

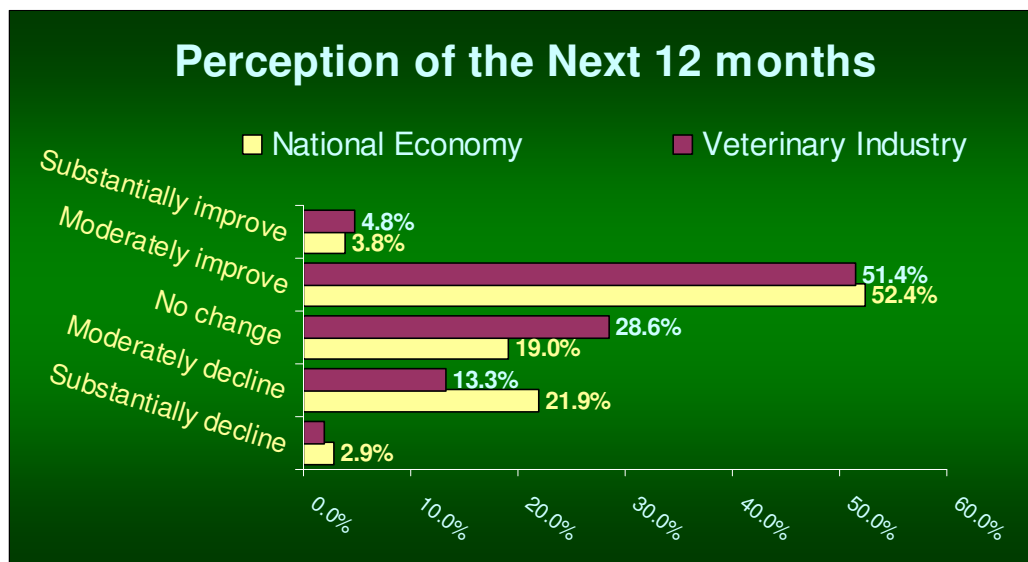
Well how things change - hey! The veterinary industries perception of the future has been changing dramatically compared to previous periods. I have left the last two surveys for you to view the change of sentiment for yourself and make your own interpretation.

| <i>Period</i>     | <i>National</i> | <i>Vet Industry</i> |
|-------------------|-----------------|---------------------|
| Apr – June 2010   | 40.0%           | 41.0%               |
| Oct. - Dec. 2009  | 70.9%           | 60.0%               |
| Jul. - Sept. 2009 | 59.0%           | 40.0%               |
| Apr.- June 2009   | 19.0%           | 38.0%               |

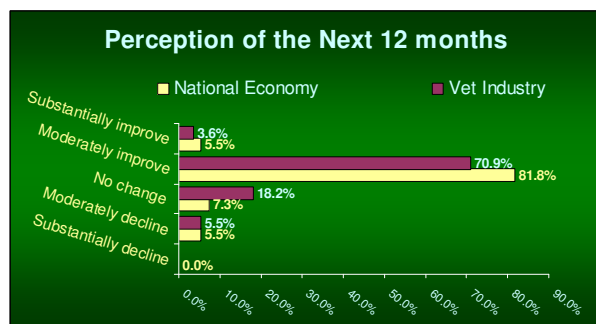
Table 2: Respondents feeling *moderately positive* about the next three months

Where is it heading?

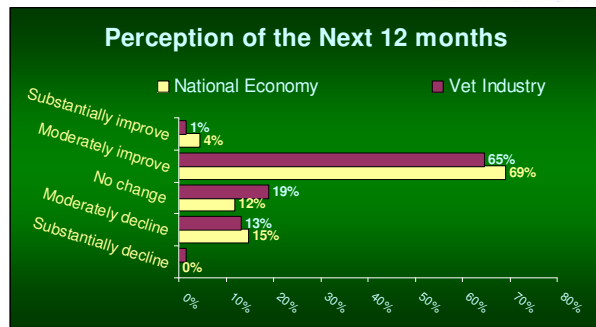
### Next 12 months



Current Survey: April-June 2010



Last survey: October – December 2009



Previous survey: July-September 2009

Chart 6: Projected future of veterinary industry for next BAS quarter and next 12 months

These results confirm the negative sentiment that is growing within the industry. Even so the veterinary industry is still growing currently at 4.4% which is a significantly greater rate than the rest of the national economy.

## Section 2: Annual versus Triennial Vaccination in Dogs

### General

There is currently quite variable opinion about the use of various vaccination protocols within veterinary clinics. This survey is aimed at finding out what is ACTUALLY happening in practice. This survey is simply to compile statistics and does not in anyway have the intention of expressing or influencing the opinions of veterinarians.

Due to the controversial nature of this topic I have decided it would be better if I did not make comment on each specific question subject. I have simply provided the text of the question and a graph of the answers. It is then best if you interpret how you see the results. I am more than happy to compile a list of comments from individuals and publish these as a separate report should I receive enough *feedback comments*. So please feel free to send your comments in.

### Legend

|           |  |
|-----------|--|
| Annual    | = vaccinations that are given on an annual basis |
| Triennial | = vaccinations that are given every 3 years      |
| C3        | = distemper, hepatitis, parvovirus               |
| C2i       | = leptospirosis & coronavirus                    |
| KC        | = bordatella & parainfluenza                     |
| Other     | = any other vaccination option                   |

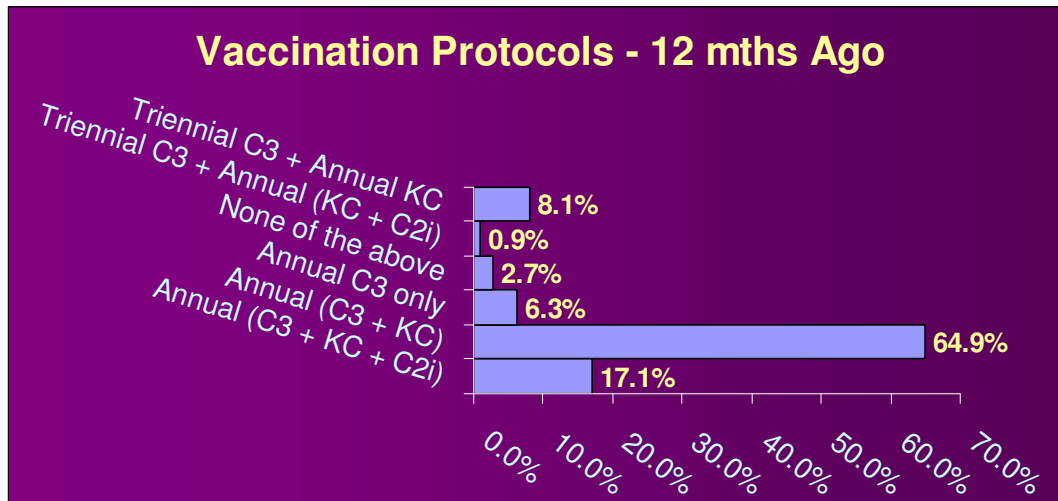
### General Comments

- This survey was directed at practice owners / managers and thus does not necessarily reflect the general population of AVA members. Respondents are over-representative of AVA members (94% are members compared to around 50% of veterinarians) and around 4.6% of Australia's veterinary practices are represented in the responses.
- Whilst respondents have shown a strong swing to triennial vaccinations for dogs in the last 12 months, 63% of respondents continue to recommend annual core vaccinations.
- The main reasons for this appear to be that those recommending annual vaccinations are unconvinced that triennial vaccinations are better or safer than annual vaccinations.
- The most influential factors in decisions on vaccination protocols are the safety and effectiveness of vaccines, followed by convenience for the client.
- There is significant concern about the health effects of less frequent veterinary visits resulting from the use of triennial vaccines and the impact this may have on patient health. It's also understood that fewer patient visits can have an impact on a practice's finances.
- There is virtually unanimous agreement that annual health checks are very important for pets, and that vaccines are generally safe.
- There is concern about the health effects of less frequent veterinary visits resulting from the use of triennial vaccines.

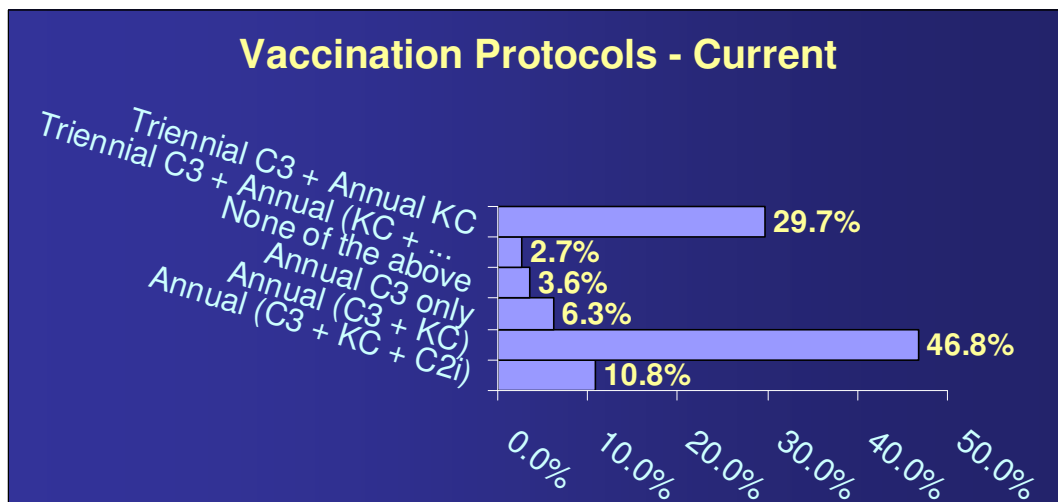
## Your Clinic Vaccination Protocols

Assume that the patient is a healthy mature dog, middle aged and in good health with no vaccination reaction history

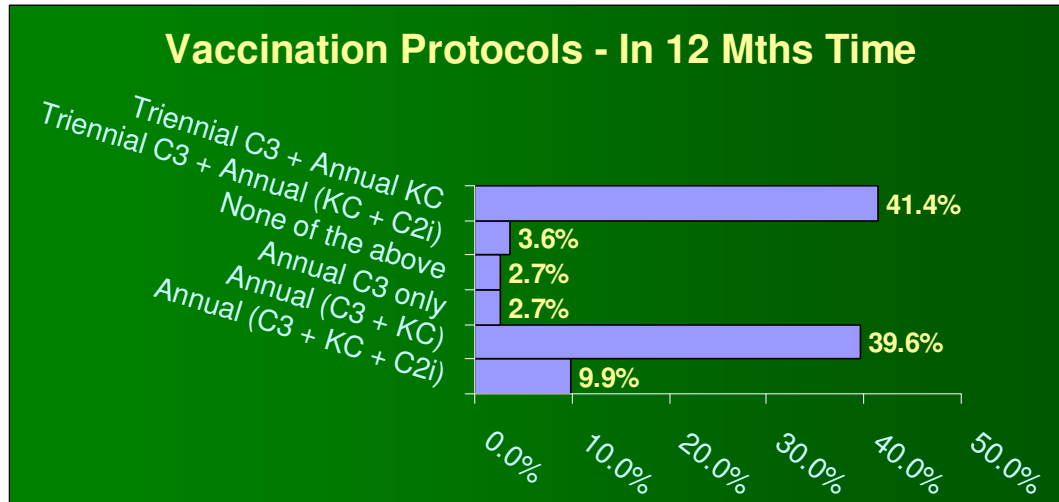
Question 1: What was your clinic primary vaccination recommendation for dogs 12 MONTHS AGO?



Question 2: What is your clinics primary vaccination recommendation for dogs CURRENTLY?

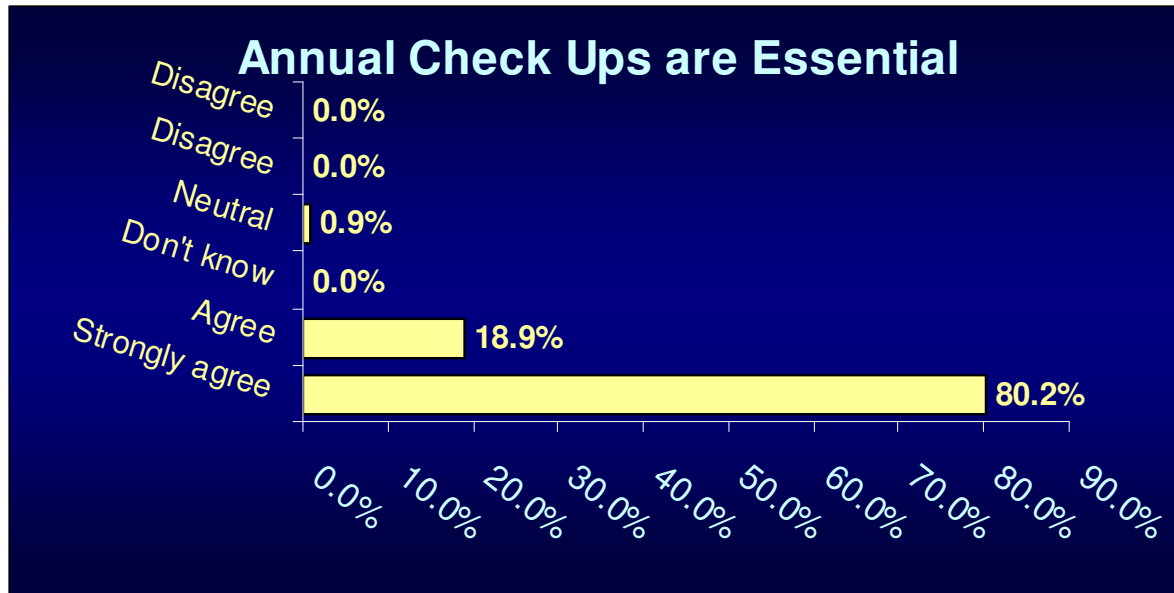


Question 3: What do you expect will be your clinics primary vaccination recommendation for dogs IN 12 MONTHS TIME?



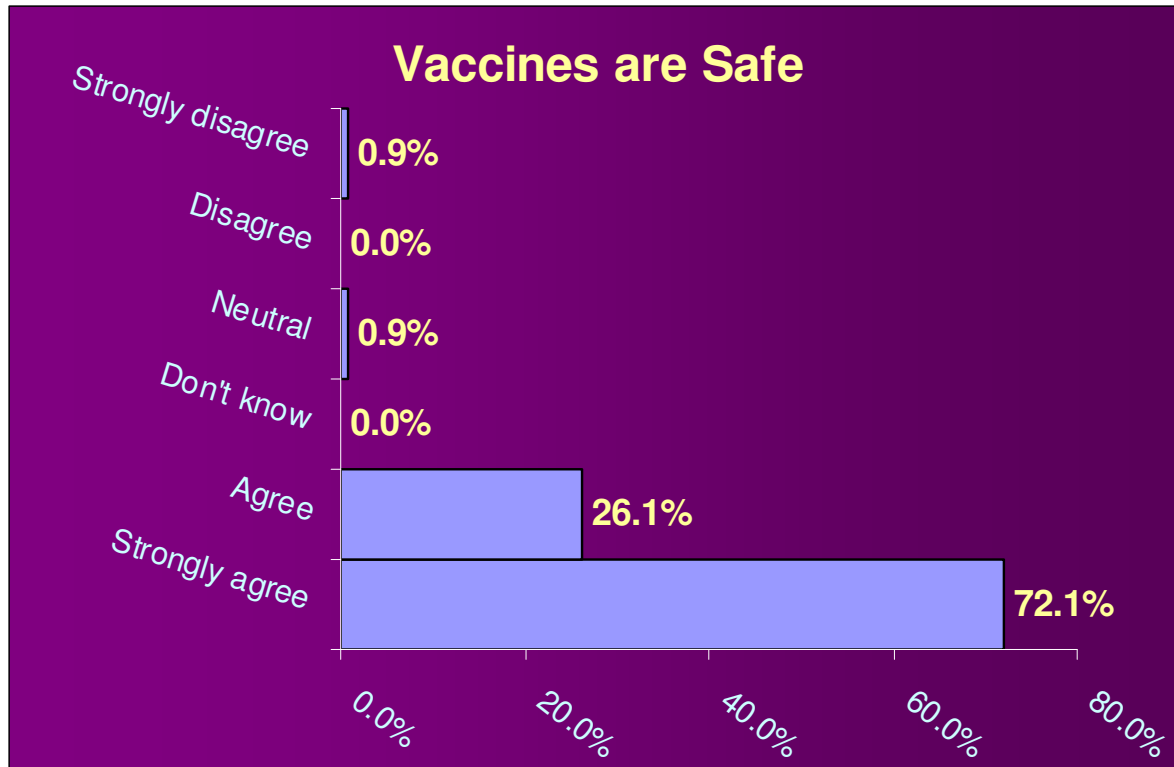
### ***Influencing factors in vaccination protocols***

Question 4: Do you believe all patients should visit your clinic/surgery for an annual check up?



**Do you believe that....**

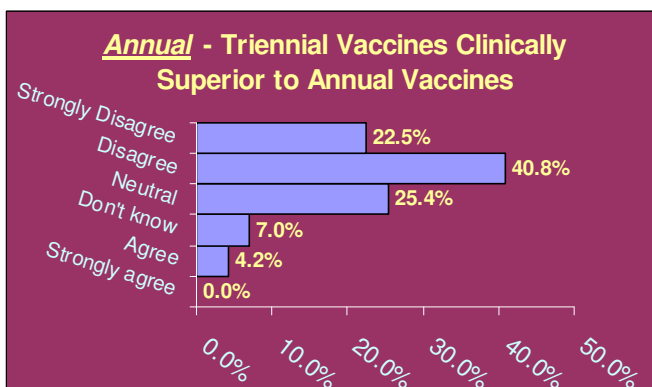
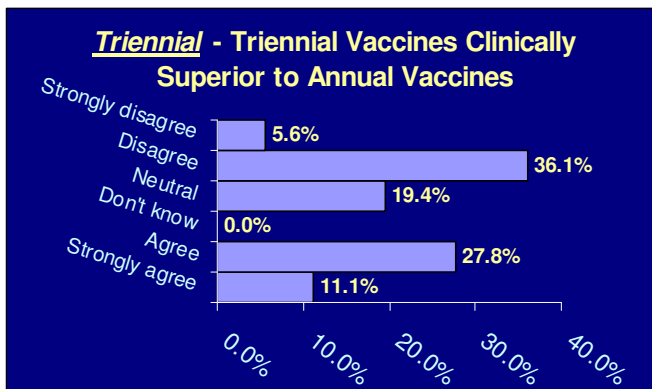
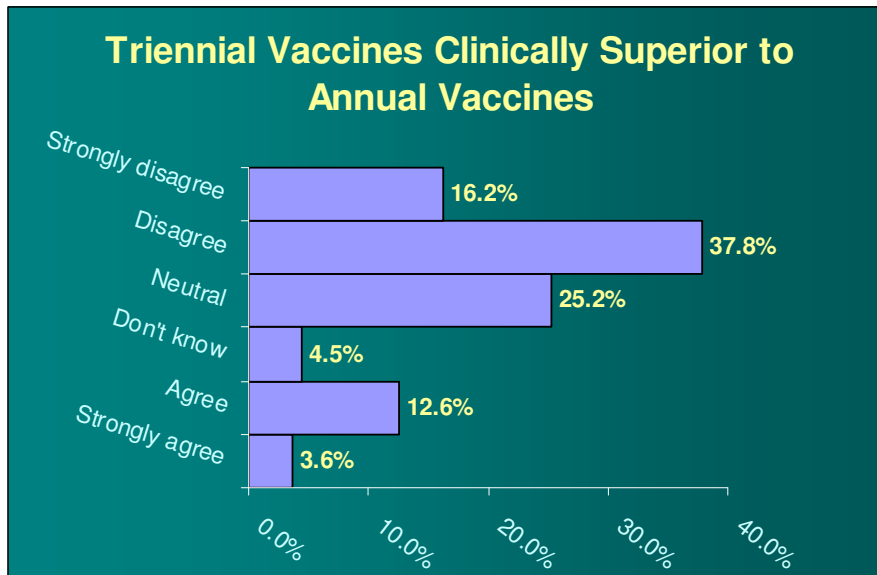
Question 5: ..... vaccinations generally are a safe procedure for your patients?



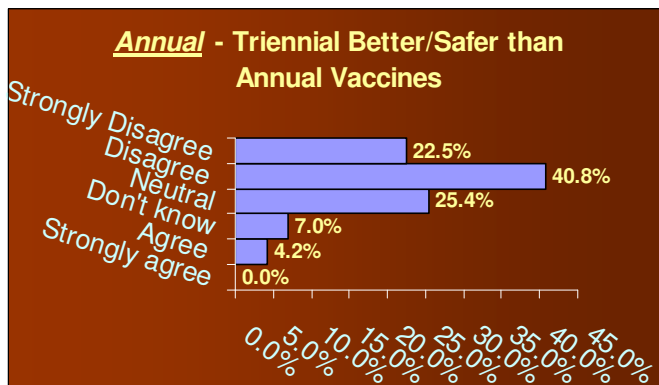
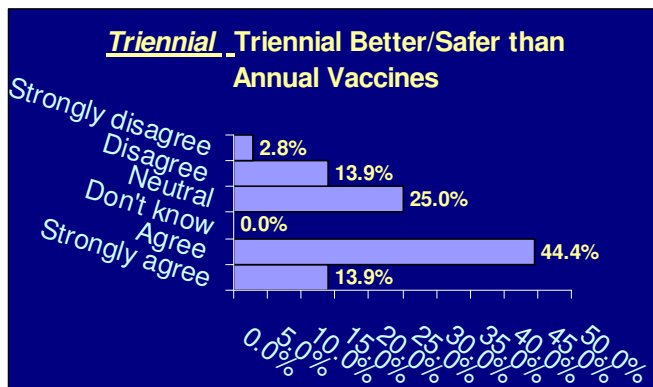
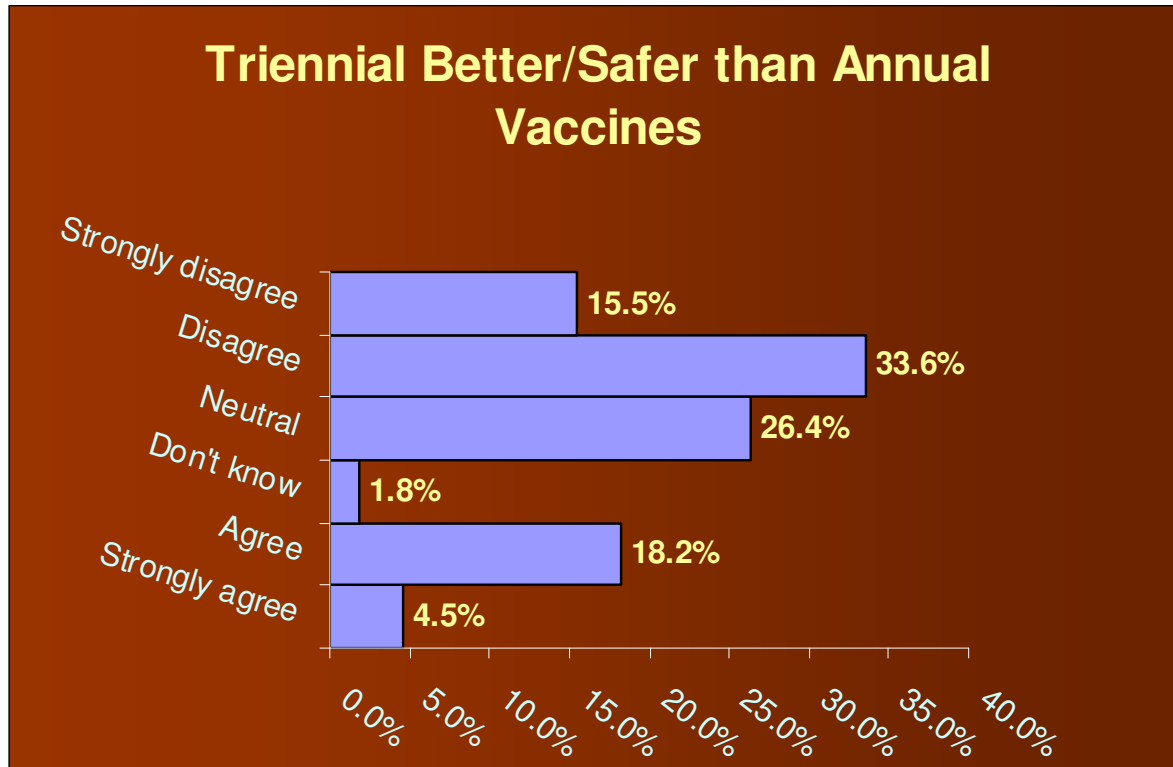


**NOTE:** In this section each graphs shows the overall group of answers followed by a graph displaying the answers for current triennial vaccination users and current annual vaccination users.

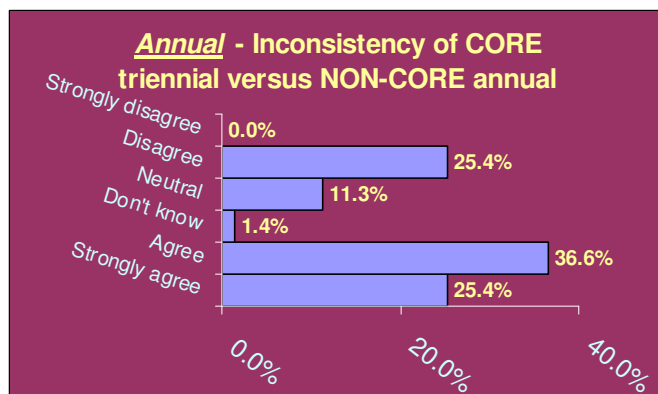
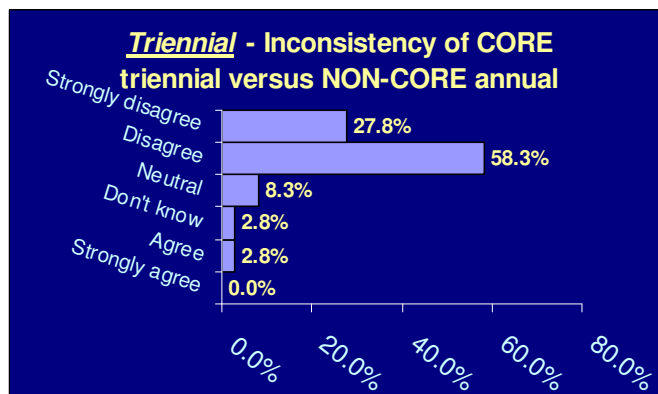
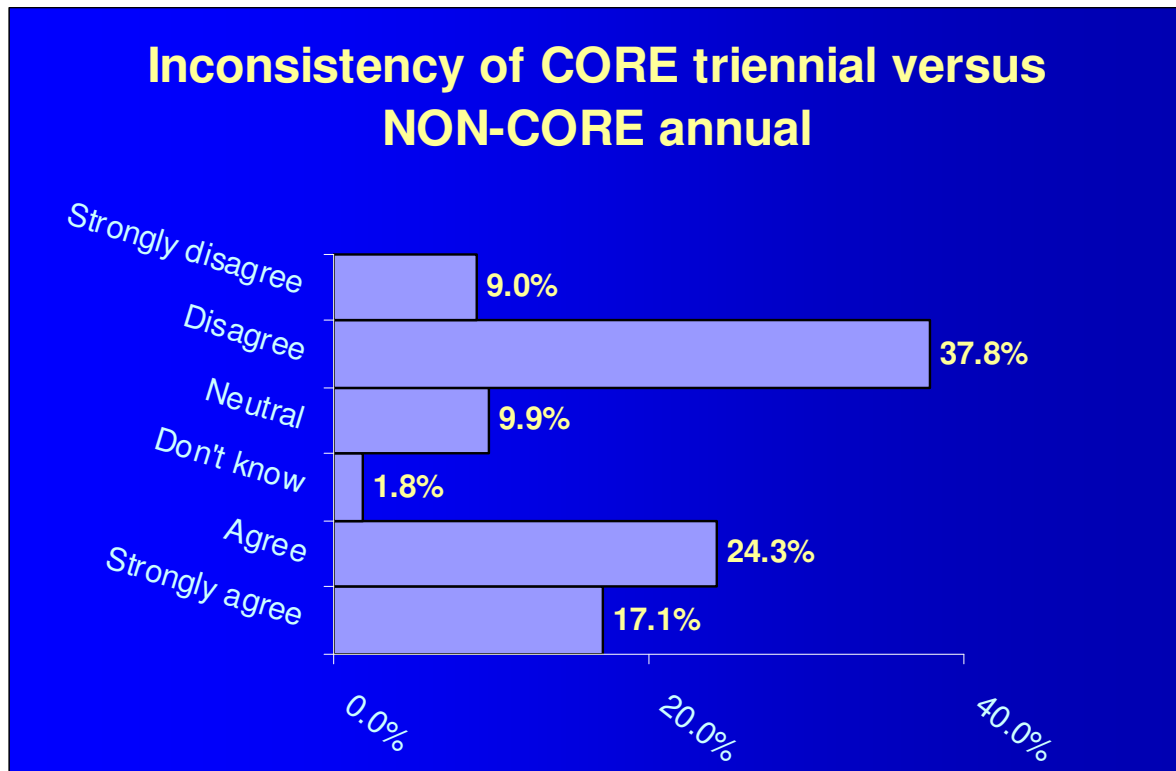
Question 6: ..... Triennial C3 vaccination is a clinically superior vaccination to Annual C3 vaccination?



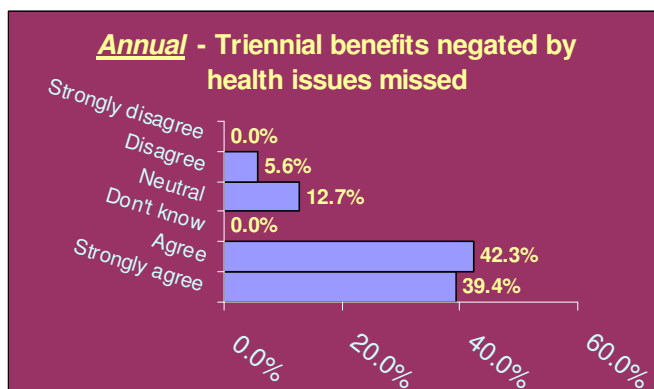
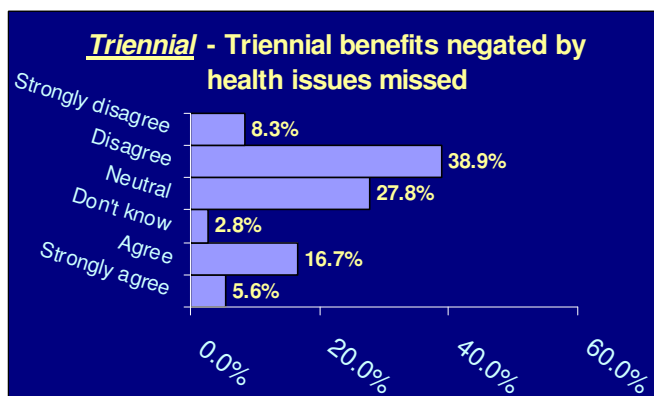
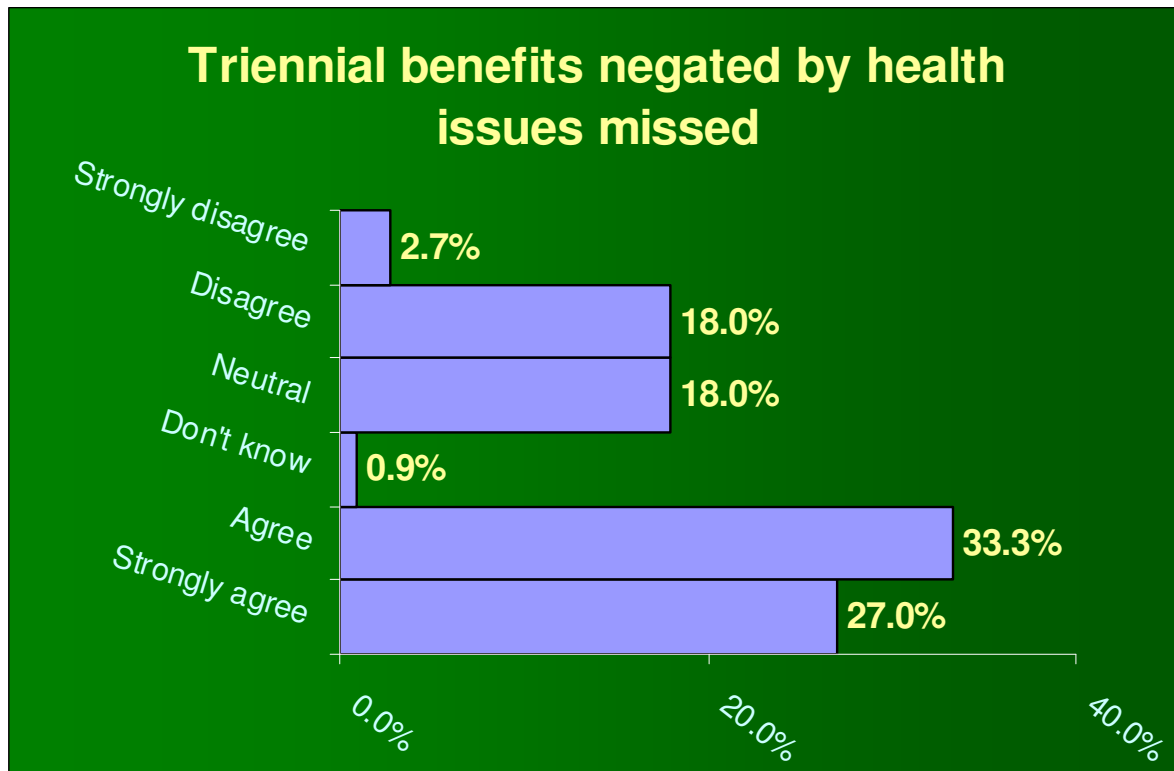
Question 7: ..... Triennial C3 vaccination is clinically better/safer than Annual C3 for the patient overall?



Question 8: ..... using CORE vaccines triennially seems inconsistent if using NON-CORE vaccines annually?

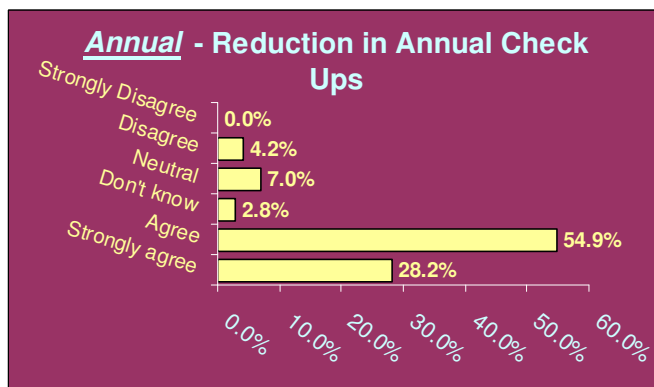
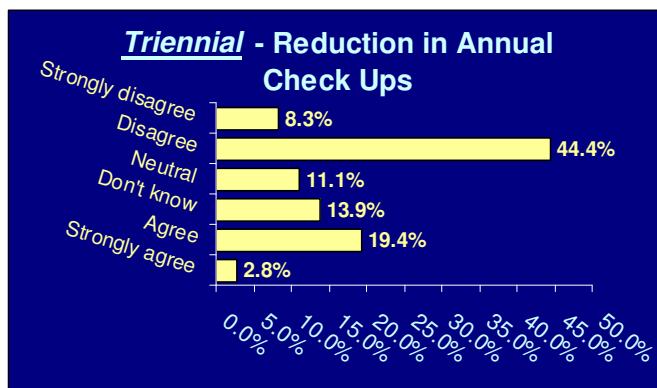
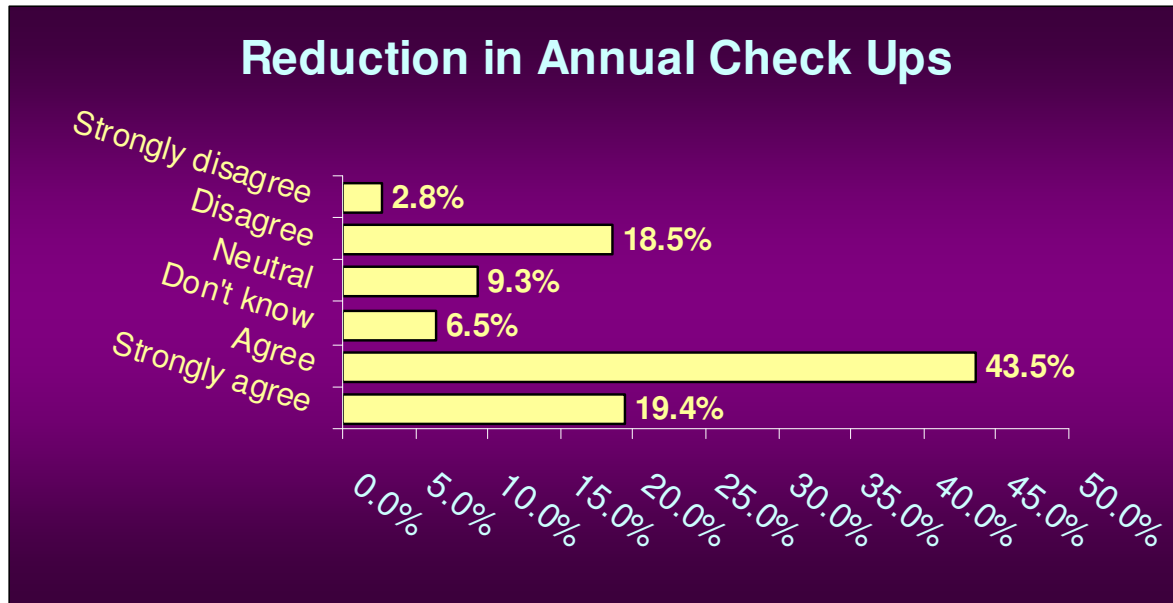


Question 9: ..... the patient benefits of Triennial vaccination are negated by the potential health issues not detected as the result of a reduction in patient annual health examinations

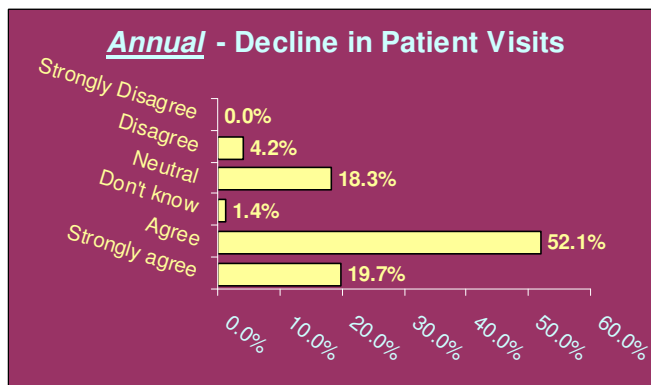
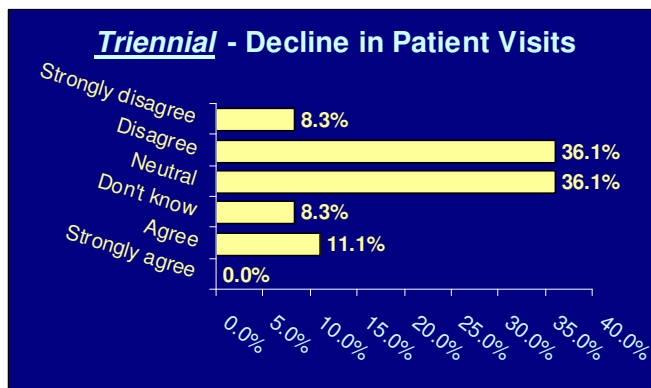
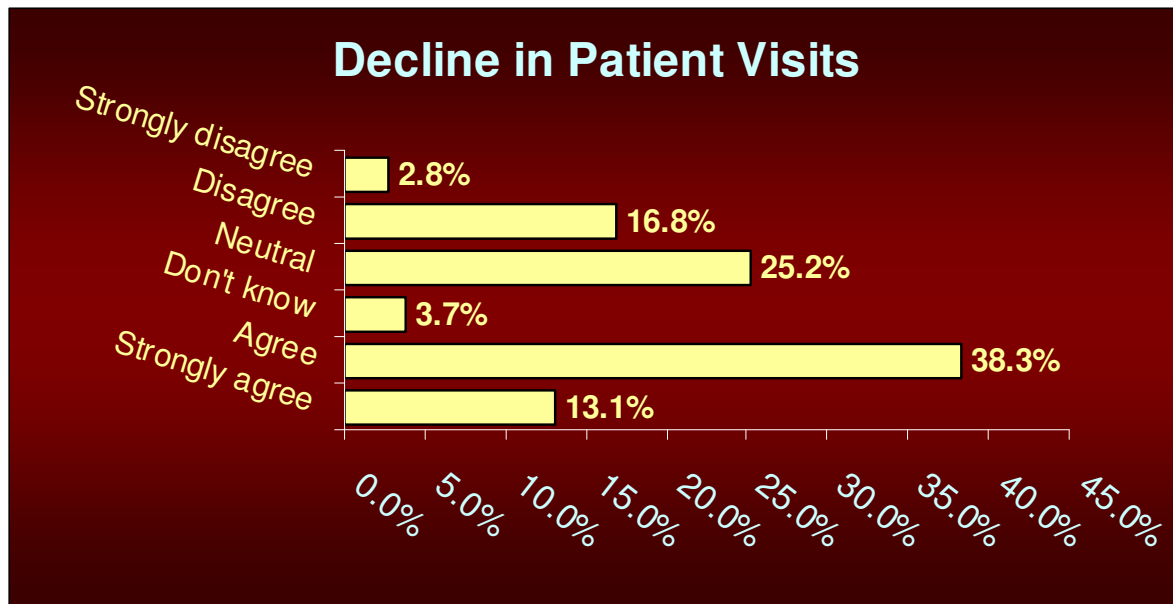


**By adopting triennial vaccination protocols do you believe, or have you found, .....**

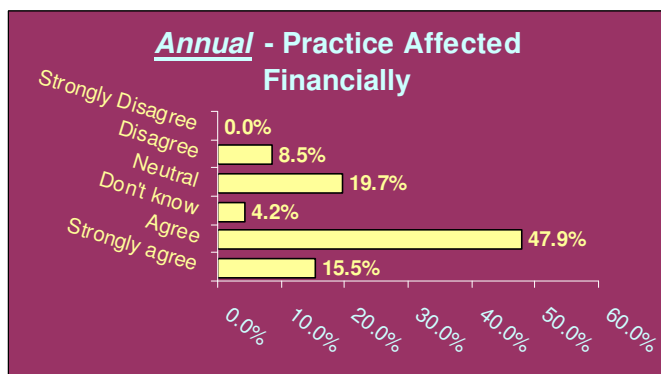
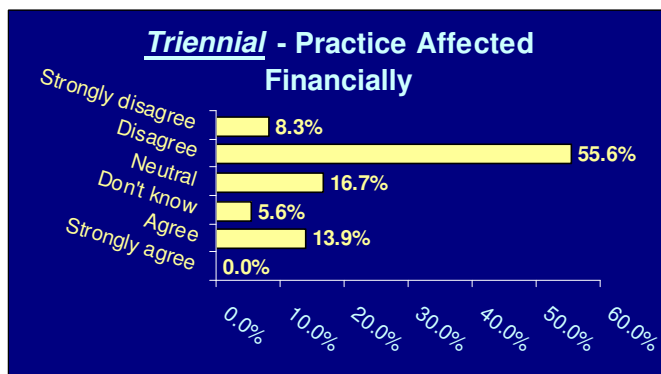
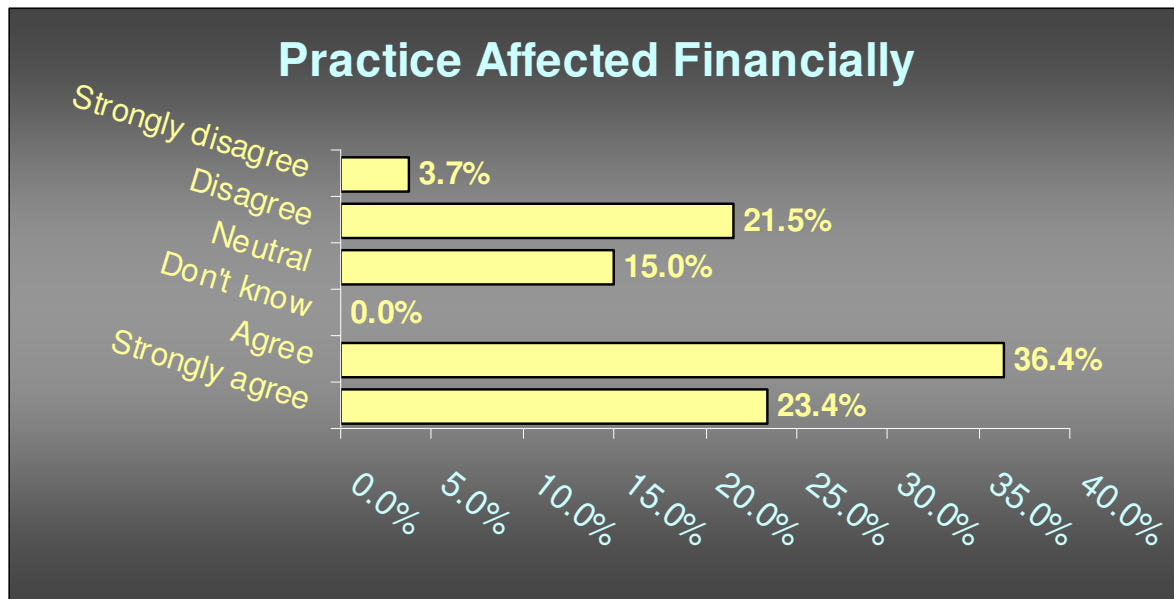
Question 10: ..... patients are less likely to attend an annual check up?



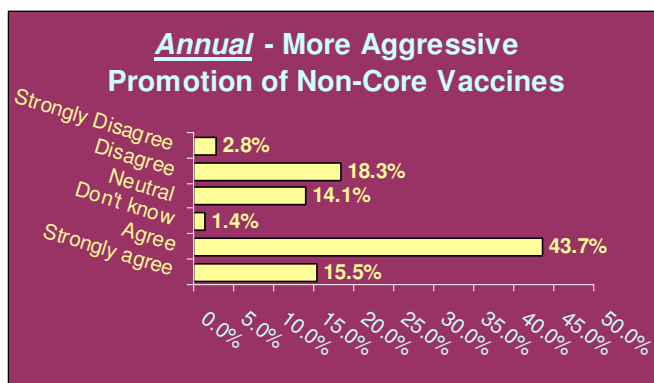
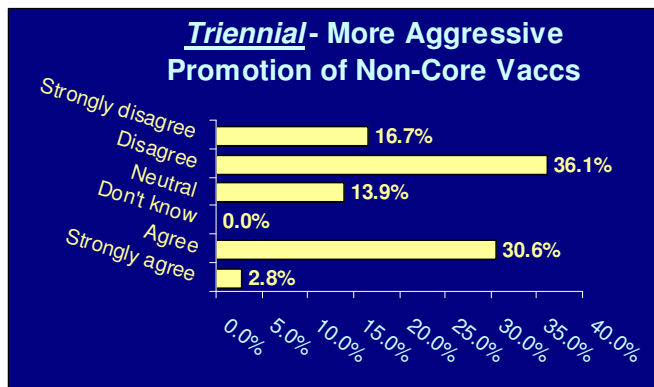
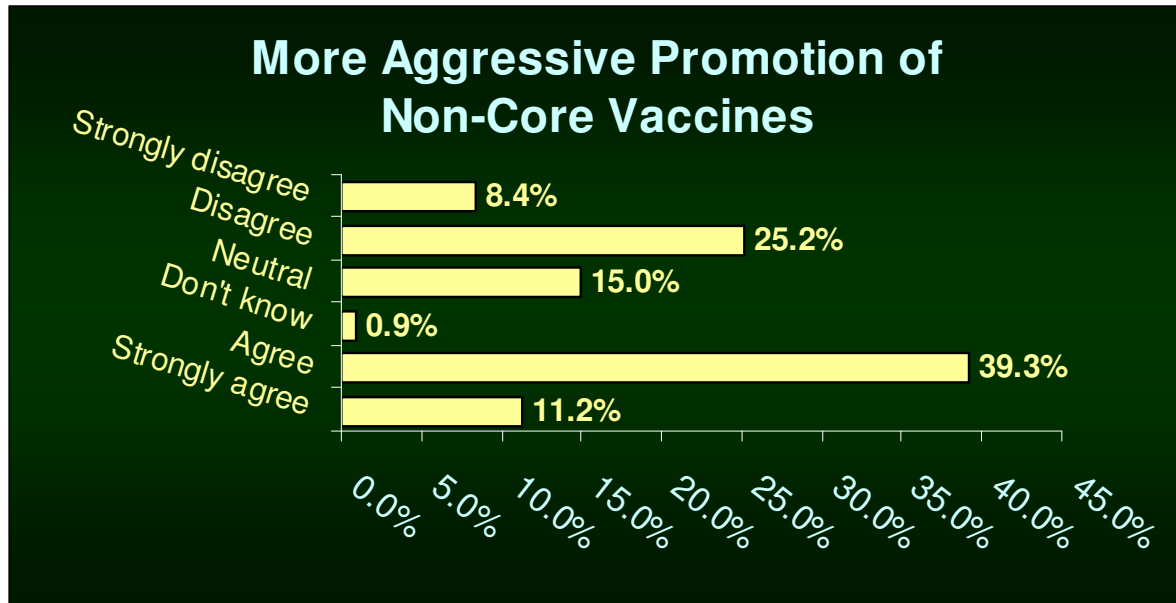
Question 11: ..... patient visit numbers will, or have, declined?



Question 12: ..... your practice will be, or has been, affected financially?

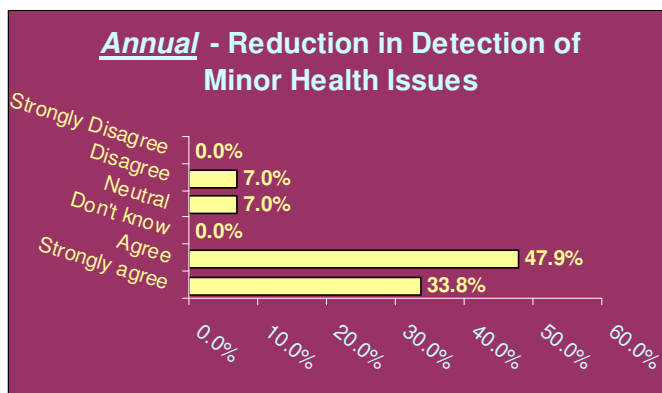
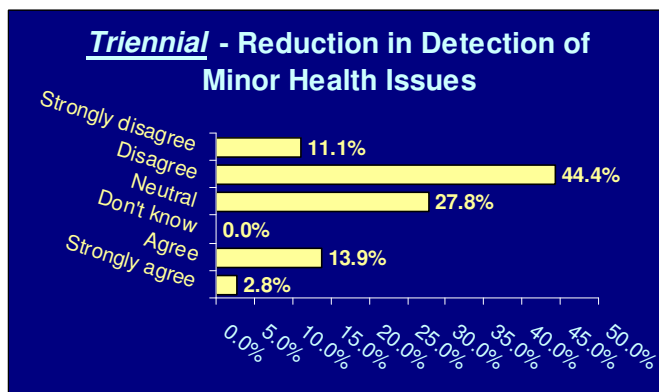
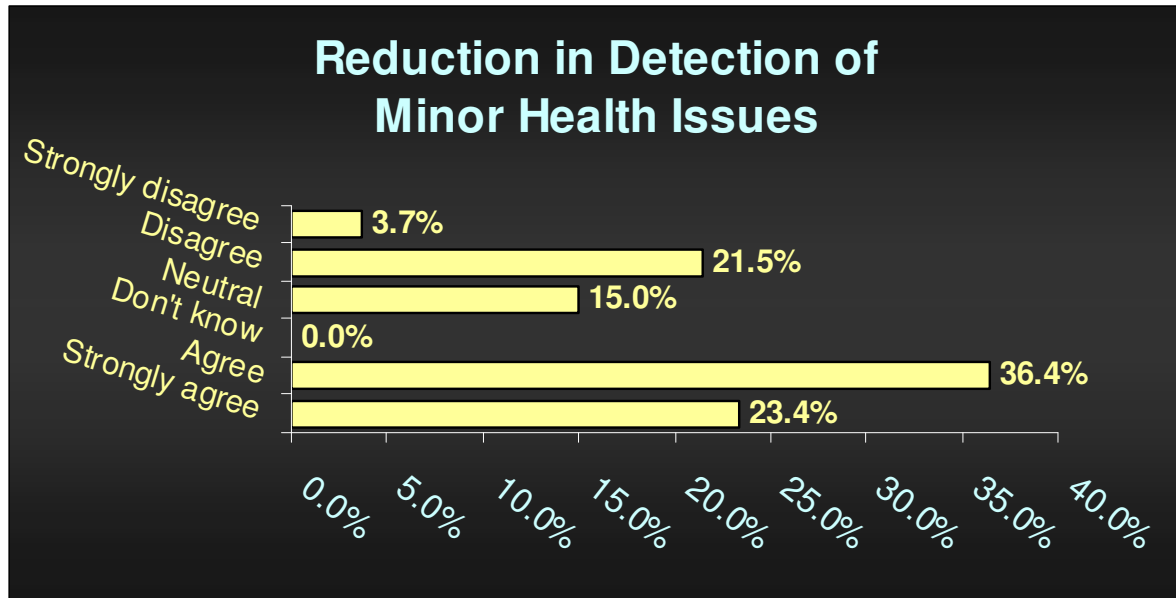


Question 13: ..... your practice will, or has, recommended annual NON-CORE vaccination more aggressively?



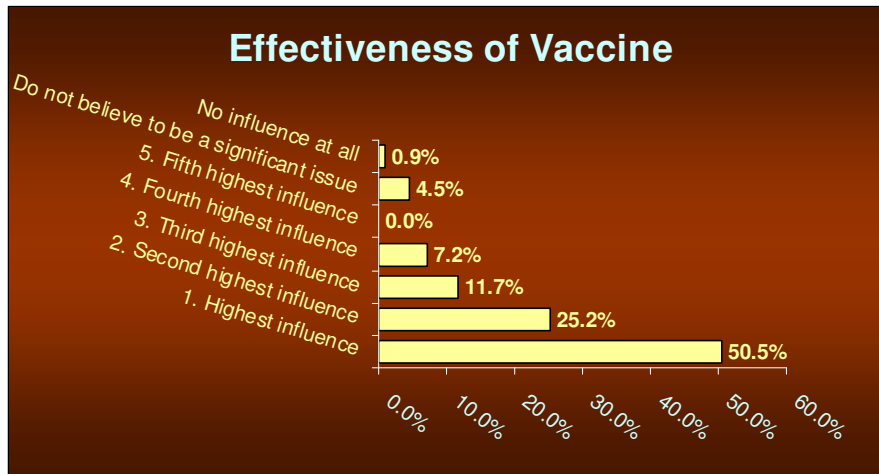


Question 14: ..... detection of minor health issues (e.g. dentals, skin etc) will or have declined?

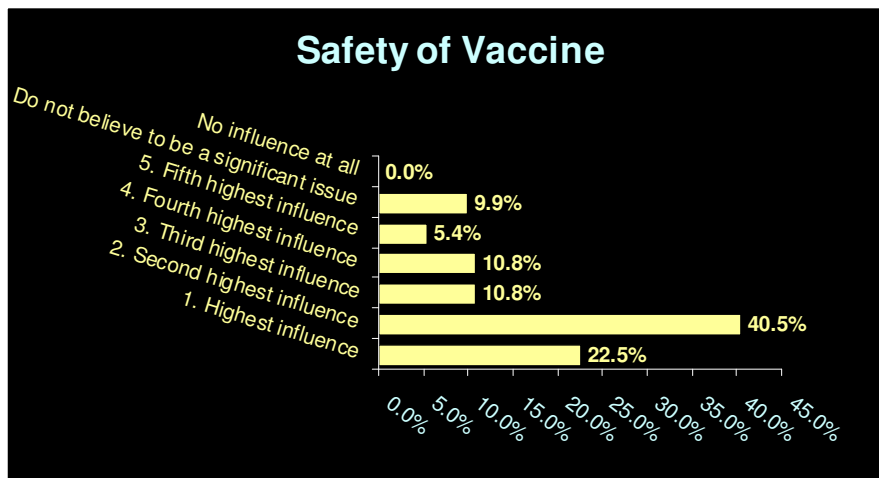


**List in priority order the influence that the following factors have in choosing your vaccination protocols ....**

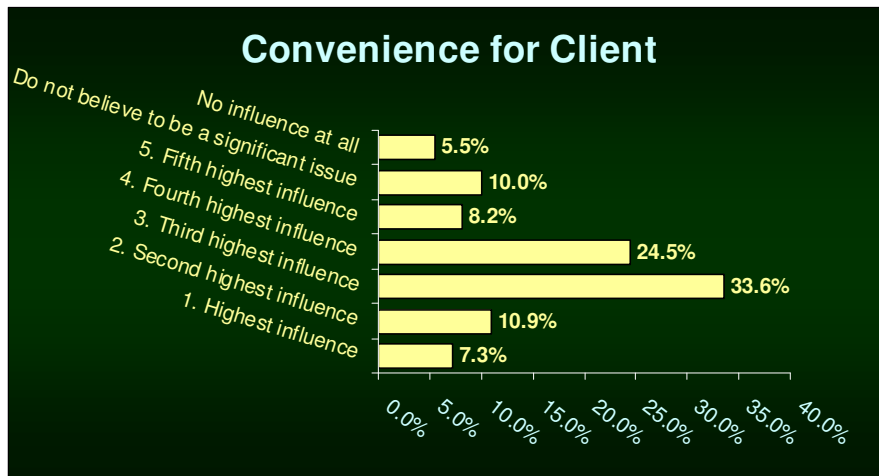
Question 15: Effectiveness of vaccine



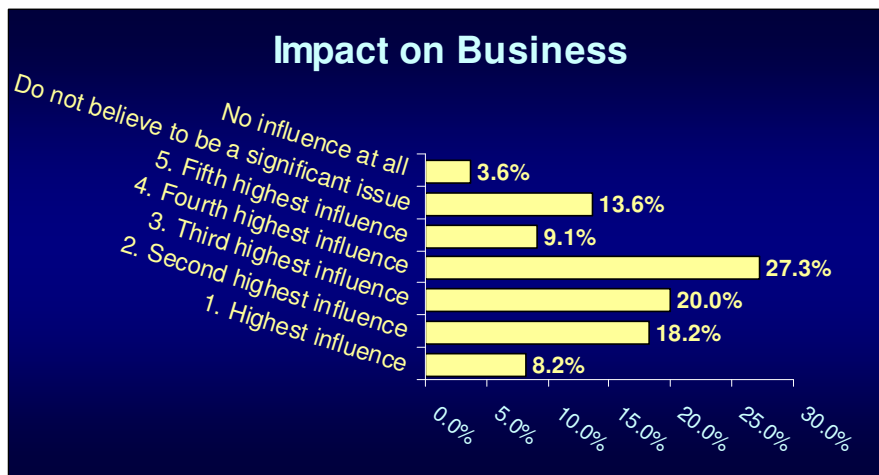
Question 16: Safety of vaccine



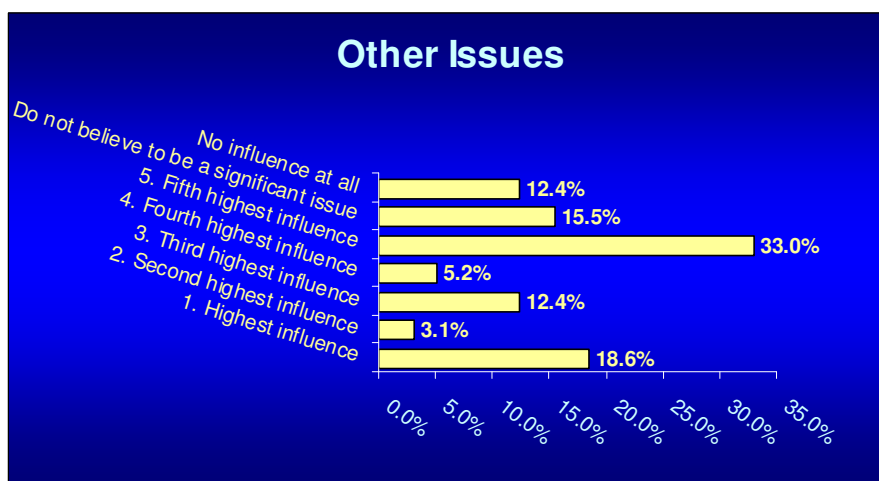
Question 17: Convenience for client



Question 18: Impact on business

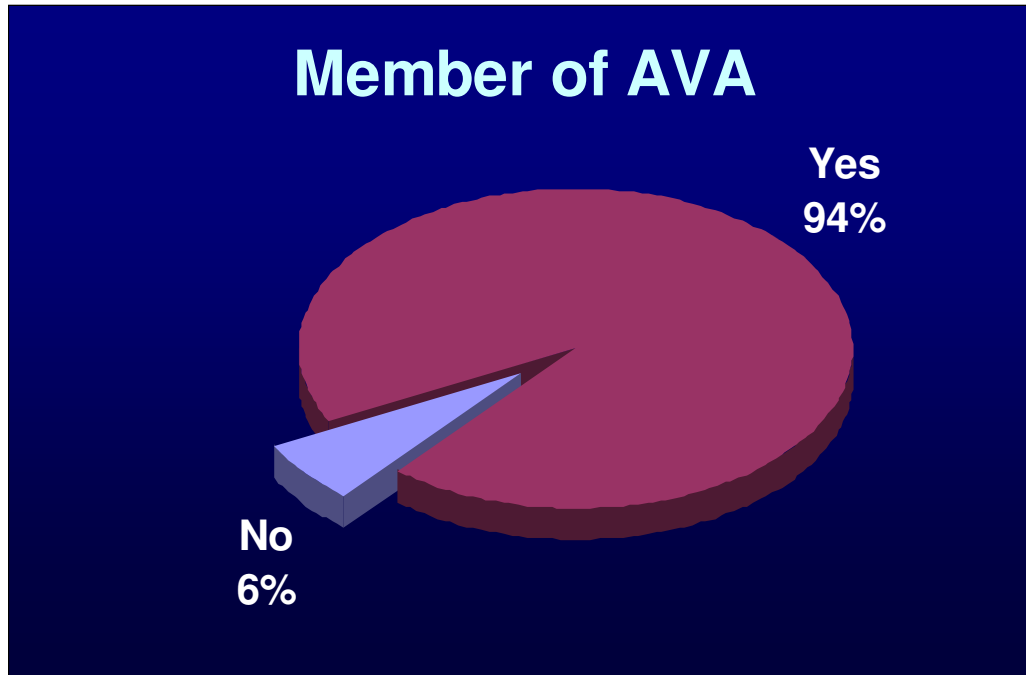


Question 19: Other issues

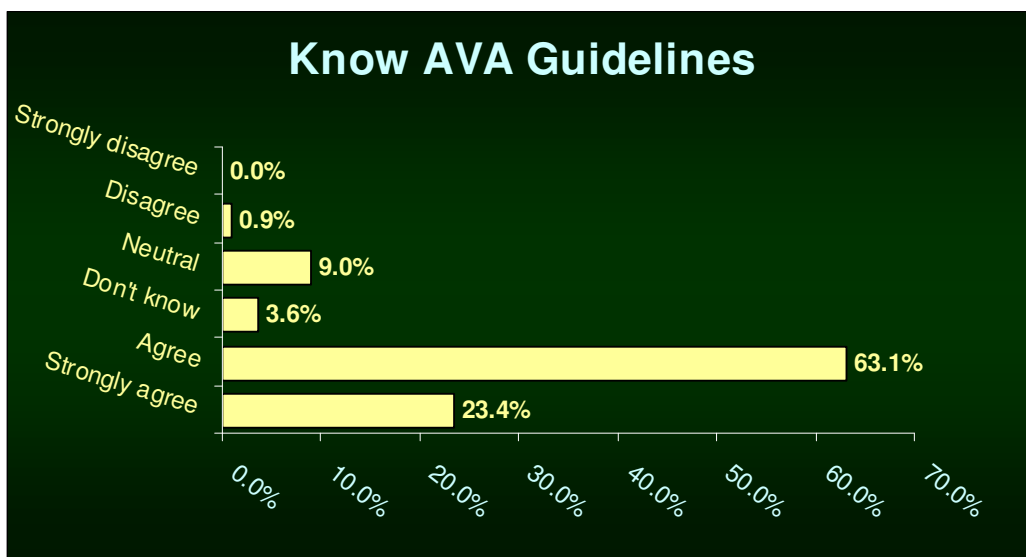


## Australian Veterinary Association Vaccination Policy

Question 20: Are you a member of the Australian Veterinary Association?



Question 21: I have read and fully aware of the detail of the AVA Vaccination Guideline Policy?



Question 22: I am in agreement with the AVA Vaccination Guideline Policy

