IS THERE HOPE FOR INDEPENDENT VETERINARY PRACTICES IN EUROPE?

Luis Sainz-Pardo
Saxmundham, Suffolk, Reino Unido

One would wonder, if there is any hope for independent practices? We have seen consolidation taking over 80% of practices in the UK in a period of 18 years and doing the same in Norway in a period of just 3 years. The large companies seem to have infinite sources of income which allows them to attract the best talent, offer competitive prices to clients and carry amazing marketing campaigns. They also obtain tremendous discounts from suppliers based on the high volumes of drugs and equipment they use.

How could possibly small independent businesses compete with that? Does David stand any chance to defeat Goliath? The answer is simple. No, he can't! Trying to compete carrying expensive advertising campaigns, offering cheap services or offering the highest possible salaries to attract good quality employees is just not an option.

However, the good news is that David can successfully live alongside Goliath. Small businesses can remain viable and even highly profitable if they shift their mentality of doing veterinary medicine to one of running a business that provides veterinary services. There is an important niche of the market in which the large companies are not interested and which has a great potential if properly exploited. Practices intending to remain independent need to develop specific strategies to take advantage of the niche market that corporates don’t cover and accept that they must not compete but live alongside the large providers. These are the key points for their success. Veterinary surgeons wishing to remain independent in the future need to re-train themselves and learn those strategies. This will allow them to attract and retain the right employees to attract and retain the right clients and to run a profitable business.

There are four specific pillars on which independent practices will need to focus.

1) Human resources: Recruitment, CPD, and retention
2) Financial: pricing strategy, productivity
3) Customers: a culture of care and attention, practice identity, differentiation
4) Clinical: Protocols and standards

Each practice must develop their own strategy based on their specific market and owner's profile. There is no such thing as one-fits-all for this and copying somebody else's plan is probably one of the most common and a costly mistakes one can make.

In general terms each practice should ask themselves a number of questions in addition to the usual ones:

Business:
- What is my business model?
- What is my exit strategy?
- Which are my short, medium and maybe even long-term goals?

Human resources:
- What profile of employees do I need?
- Why would those employees want to work for me and what will make them stay?
- What training do they need?

Financial:
- How do I price services/products, so they remain affordable for my clients?
- Can my employees be productive applying those prices?
Customers:
- Which profile of customer do I want to attract?
- What type of products/services do those customers want?
- Which ‘personality’ does my practice need to have to become attractive to that type of customer?

Clinical:
- What clinical protocols and standards do I need to develop to be coherent with the points above?