Marketing Opportunities for the Food Animal **Practice**

Karyn Gavzer, Director of Marketing American Veterinary Medical Association 930 N. Meacham Rd. Schaumburg, IL 60196-1074

It may seem a little unusual to you to listen to a nonveterinarian speak at a bovine conference, but if anything, it is a little intimidating for me. I can't help but wonder if you aren't sitting there wondering what a "city girl" marketing director like me could possibly have to say that might interest you. I know if our roles were reversed, and I was sitting where you are, I'd have a few things to wonder about!

First of all, I want to reassure you that it is not just me. I'm just the lucky person the AABP invited out to talk to you about food animal marketing. What I share with you is the consensus of economic and veterinary experts throughout the country and the findings of AVMA's US Market For Food Animal Veterinarian Medical Society¹ study. I also bring to you over 16 years experience in marketing, much of which was spent in healthcare

I am Director of Marketing at AVMA. I have been with AVMA for almost two years and in that time I have developed and presented two different marketing clinics for them: one for food animal practitioners and one for companion animal practitioners. The talk you are about to hear today is actually an except from the food animal marketing program; but before I get into that, I'd like to address some of the common misunderstandings and misconceptions many veterinarians hold about marketing.

Does Marketing have a Place in Veterinary Medicine?

In traveling around the country, in visiting with you at your meetings and at your offices, and while riding with you in your trucks, I've heard veterinarians question whether marketing should have a place in veterinary medicine at all. If you secretly harbor that doubt yourself, I ask you to consider this: you have chosen a healing profession, but you have chosen a people business, and it is the people side of your practice that has everything to do with marketing. Another common misunderstanding I encounter is that many people confuse marketing with merchandising. It's a little bit like the blind man who grabbed hold of an elephant's tail and said "aha! an elephant is like a rope!" Well, an elephant is no more like a rope than marketing is like merchandising. But merchandising is a small part of marketing, just like the tail is a small part of the elephant. Marketing is a lot of things:

- Research
- Advertising
- Promotions

Pricing

Positioning

- Selling
- Packaging Client Relations • Distribution

Marketing is all of these things and much more. Merchandising isn't even listed because it is a subset of selling.

The American Marketing Association (AMA) uses the definition of marketing:

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.

This is a solid comprehensive definition, but I don't know that if you read it two or three times over you would understand any more about what marketing is than before you started. Here is the definition we use in the AVMA marketing clinic:2

Marketing is figuring out what your client needs and how you can meet those needs.

This definition cuts right to the heart and soul of marketing: meeting real needs. This is what marketing is all about. It is asking yourself, "how can I, in the context of my practice, meet client needs and build my practice?"

Marketing doesn't manipulate people. It motivates people. It meets real needs and it is something to feel good about.

Win-Win Marketing

In the AVMA marketing clinic we talk about a concept called "Win-Win" marketing, which explains the theory of how marketing should work in a veterinary practice. "Win-Win" is a negotiation concept that works well in both negotiating and in marketing. For instance, when you are taught to negotiate, you are taught that you can brow beat people into agreeing with you, you can trick them into agreeing with you, or you can simply wear them down until they give up and agree with you; but, if you do any of these things, you will only create resentment and mistrust. At the first possible opportunity, the other party will look for a way to break the agreement and get out of it. Better, we are taught when building agreements, to look for a way that everybody can get something out of the relationship. Everybody wins. It creates the kind of relationship that lasts and endures over time because it is so satisfying to the parties involved.

Now, if you take that negotiating concept and apply it to marketing in veterinary medicine, this is what you get: 1) A better educated client, because you will work with him to educate him. That is the client benefit. 2) A better educated client will take better care of his animals. That's the benefit to the herd. Better cared for animals should be more productive, which, 3) will encourage the client to continue to work with you. That's the benefit to the practice. It is the kind of relationship in which everybody wins. Clients are more satisfied, animal are better cared for, and you enjoy a more rewarding working relationship with your clients.

That's the theory behind Win-Win marketing, but I'm not going to stop with theory. I hope to leave you with a few concrete ideas for applying the theory before our time is up.

What the Research Tells Us

In the AVMA food animal marketing program we look at the changes in food animal production and new and developing trends.

For instance we know there is a major consolidation of farms taking place. One-million small farms have already disappeared or been absorbed into larger production units. Production of cattle for beef is gradually increasing, and dairy cows gradually declining. Swine, sheep and goat production, on the other hand, is predicted to remain relatively constant through the turn of the century. This tells us we can expect fewer, but larger farms and a different mix of livestock and dairy animals that we've seen in the past. It also implies different kind of relationship with your clients than you've had in the past.

This information and much of the research I'll be sharing with you today is taken from the 1987 AVMA US Market for Food Animal Veterinarian Medical Services study. The study analyzed questionnaires completed by approximately 2000 producers and 1000 veterinarians. It looked at economic indicators for each of the major food animals species—dairy, beef and swine—and it tested attitudes and beliefs of both producers and veterinarians to gain a better understanding of the perceptions impacting the market for food animal veterinary care.

We discovered that your clients consider veterinarians excellent one-on-one communicators—an important skill in today's complex, high technology, fast-paced, information age. Good communication ability is a strength that can be built on to market a practice. Unfortunatley, the rest of what we learned was not such good news.

How Producers Rate Veterinarians

We asked producers to rate their own knowledge of *herd* management against their veterinarian's. Their conclusion? They think they know as much as you do.

We asked producers to rate their perception of your knowledge of *agribusiness* against their own. The alarming news is that they believe they know more than you do.

This is alarming because the answers these producers gave, tell us that they are beginning to think that veterinarians have little relevance to their livestock and dairy operations. It goes beyond agribusiness. The food animal market study indicates that producer confidence in you for even traditional veterinary services is beginning to erode. For instance, about half of these producers would call someone else first before calling you if they had a reproduction problem; seven out of ten would contact someone else first for a herd management problem; and, nine out of ten would look elsewhere for help with a feed or nutrition problem.

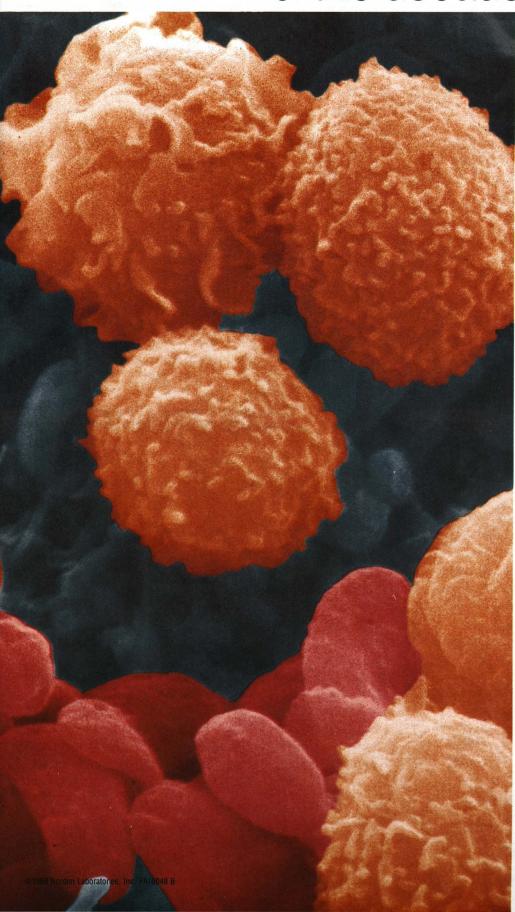
The producers seem to have blinders on when it comes to seeing veterinarians for who you are and in realizing all the way you could help them in their business. Right now, everytime they think of calling you, they think of you as an expense of doing business. They need help to realize you are not an expense, but rather an investment in their business; that working with you could make them money. They need help to see you for the expert you are so that they can appreciate you better and use your services more intelligently. The blinders must come off, because as long as producers continue to wear them, they will persist in seeing you in a very narrow way. This means they will persist in working with you the way they always have, which leads to far too many fire engine calls, and very little progress.

You'll have to help them take the blinders off. To do that you need to make a statement about who you are and what you do in a way they will understand and respond to. This means showcasing your expertise and suggesting ways that working with you can make them money. In marketing this is called making a positioning statement.

The Answer is Positioning

I could talk about the concept of positioning until I turned blue. Or, I can share a positioning story with you to quickly crystalize the concept. I thought you might prefer the latter. One of the best examples of positioning that I can think of is a story about a newspaper, USA Today. About six years ago the publishers of USA Today got together and said, "You know, I think we could build a better newspaper." Everyone thought they were crazy. Newspaper readership was declining. Why would anyone want to bother developing something for a declining

We mastered cattle vaccines for this decade...



And the next.

Disease prevention is your investment in the future. So it makes sense to use a vaccine that's already there.

That vaccine is CattleMaster.™ Its sophisticated technology gives you

your best protection against respiratory and reproductive diseases.

How? 'CattleMaster' combines modified live and killed antigens with our unique chemically altered fractions. Each component is chosen for top performance and all are fully

compatible.

'CattleMaster' antigens activate the animal's white blood cells — like those shown at the left — to fight off disease-causing viruses and bacteria.
'CattleMaster' maximizes both

safety and performance, as proven in countless laboratory tests, field trials and independent challenge tests. 'CattleMaster' is so safe, pregnant cows can be vaccinated in any

And, while you're preventing disease, how about preventing extra work? With 'CattleMaster', there's no need to juggle an armload of syringes. Choose your range of disease protection from these five combinations. It's your Master Plan.

CattleMaster™ 4+VL5 — IBR, PI₃, BVD, bovine RSV, 5-way lepto and vibriosis.

CattleMaster™ 4+L5 -IBR, Pl₃, BVD, bovine RSV, 5-way

CattleMaster™ 4 -IBR, Pl₃, BVD, bovine RSV.

CattleMaster™ 3 — IBR, Pl₃, BVD.

CattleMaster™ IBR-PI,-BRSV.

Ask your Norden field representative about 'CattleMaster'. Norden Laboratories. The company that's always a step ahead of the times.





Bovine White Cells magnified 5000 times. 'CattleMaster' stimulates these defender cells to recognize and destroy the diseasecausing viruses or bacteria.

market? Popular opinion held that newspapers were no longer relevant to today's lifestyles; no one had time to read anymore. Besides, everyone knows ours is a generation of TV babies.

The publishers of USA Today were convinced there would always be a healthy market for someone who could build a better newspaper. They began by looking at the research. Who was reading newspapers? What did they like? What didn't they like? What would they like if they could get it in a daily newspaper? They then used this data to build a better paper, but they didn't stop there. This is where the positioning part comes in. Not only did they build a better newspaper, they created a new class of newspaper that never existed before. They created the first national newspaper. In creating it, they defined it. Today, everybody understands what a "national" newspaper is. Today, USA Today is the number one newspaper in the country.

I hope that was an interesting story, but what does it have to do with you? Everything! Today there are people who would tell you that the food animal market is a declining one and that it is difficult, if not impossible, for veterinarians to do well in it. I believe and I think you must believe—by virtue of your being here—that just isn't so!

Today, any veterinarian who wants to find a healthy future in food animal medicine can do so. You have before you a tremendous opportunity and an awesome challenge: to create a new class of veterinarian that never existed before. You will need to use research and new ideas like the kind you will hear at this meeting to help understand the needs of this new, food animal marketplace and the clients who people it. Think about it, today's producer has survived an economic revolution. He is different than he used to be. He has become a hard-nose businessman who asks tough questions and keeps his eye on the bottomline. Consider what new and different ways you can work with him and, in so doing, create this new class of veterinarian.

New Opportunity

Think about the opportunity! Not since the turn of the century when veterinarians transformed themselves from "horse doctors" to companion animals and food animal health professionals has such an opportunity—and such a challege—existed. The future is up to you. Each one of you who decides to accept this challenge will determine what this new breed of veterinarians is and, creating it, define the term for future generations.

That is a very big idea. The good news is that it only takes little steps to effect big change. What I'd like you to think about next are all the little things you could be doing right now to help producers see you differently; to

begin making a positioning statement about yourself and what you have to offer.

Because of time limitations, I'll share with with you just a few ideas from the AVMA marketing clinic. I know the other speakers today will have many more for you.

Using a Newsletter

One of the small but important things that influences people's perception of your knowledge and expertise is a newsletter. It can be a useful tool in communicating your positioning statement. Newsletters are a good way to share new information with clients with whom you might not otherwise have the opportunity to do so. Just a quick tip here. When writing newsletters, the "KISS" theory works best: "Keep it short and simple."

A one page newsletter containing three or four paragraphs can work well. Pictures work well. Don't be afraid to quote a speaker or author in your newsletter; it shows you are keeping yourself up to date and helps the writing go a whole lot faster too. Just be sure to add your own comments to personalize the information and examples to relate it to the needs of your clients.

Consultation & Herd Health Reports

How about issuing written reports for necropsies or for the free advice your clients pry out of you? Most professionals, because their product are knowledge and information, do this. Written reports create a concrete manifestation for an intangible service. It is called the "value-added" concept in marketing. Its purpose is to help your producers see that what they think of as "just talk" is really consultation—and your real value to them.

Continuing Education for Clients

Have you considered holding some kind of client education event? It is a chance for your clients to see you in a suit, looking every ounce the professional you are and looking different than you do out on your farm calls. You need to be one of the presentors at these sessions so your clients can see you standing shoulder-to-shoulder with the other experts you have invited to speak. You are an expert too. They need an opportunity to see you in this role.

If pulling together a client education event of your own is more than you can manage, you can achieve much the same effect by offering to be a speaker at producer meetings or at a program put on by your local extension agent. If you are shy about speaking in public, could you submit articles for publication to the journals your producers read? Any of these activities will reinforce your expertise and help your producers to see you and your ideas in a different light. It can give you a credibility and a visibility that you

simply cannot get any other way.

For all the reasons just mentioned, please don't be afraid to work with the local agricultural broadcaster or newspaper editor. Hearing your voice on the radio, seeing you interviewed on TV or seeing your words in print has a powerful effect on people. It certainly can help to improve animal healthcare and it may finally trigger your clients to consider some of the ideas you've been telling them about for years!

Appearances Count

Finally, how about appearances? What kind of positioning statement is your appearance and the appearance of your truck making about you? It shouldn't matter but it does. Your farmers and ranchers already think they know as much or more than you do in several key areas; they think you are just like them and they forget your expertise. Dressing differently and keeping your truck clean and organized is a subtle, but real way, of reminding

them of the professional you are. Isn't that why they called you out?

These are just a few little things that cumulatively count in a big way in making a positioning statement. I hope they will help get your thinking started about ways you can help your clients see you and work with you in new and better ways.

Right now is an exciting time to be a food animal veterinarian because, with a little new thinking and a lot of hard work, you can make the practice of food animal medicine anything you want it to be. It is the challenge and the opportunity of a lifetime and it is yours for the taking.

References

1. The US Market for Food Animal Veterinary Medical Services Copyright, 1987, American Veterinary Medical Association. 2. Marketing & Practice Strategies for the Food Animal Practice Copyright, 1987, American Veterinary Medical Association.







