

Dispensing and Merchandising! Why & How

J. Harry James, D.V.M.
Pond Creek, OK 73766

Today's veterinarians are interested in learning how to improve their dispensing and merchandising techniques. Veterinarians are becoming concerned with this important, but often neglected "Art of Veterinary Medicine." They are not just interested in the traditional "Science of Veterinary Medicine."

Veterinary medicine is changing rapidly and veterinarians everywhere are looking at ways to improve merchandising of both services and products.

It is very important for the profession to be merchandising services and procedures, but I strongly feel this can not be done effectively without also merchandising products and supplies. I will be talking primarily about the merchandising of products and supplies.

I feel that every veterinary practice should be involved. I want to discuss some of the many opportunities that are available. We will be looking at ways to arrange dispensing areas. We will be looking also at some of the sales tools that we can use to increase our dispensing and selling.

Why Every Practice Should Be Dispensing!

- (1) Dispensing can be a very good additional source of income. "Who is not interested in increasing income?"
- (2) Dispensing can be used to effectively increase the medical portion of one's practice. This can be realized by seeing clients more often and thus using that contact to sell services and procedures.
- (3) Dispensing can help reach new clients. Veterinary practices today do need new clients but don't forget about those existing clients. Look for new clients only after fully servicing those clients we already have.
- (4) If every practice would do a good job of trying to sell and merchandise products, the veterinary profession would certainly be in a more favorable position in regards to the drug business.

Should Veterinarians Dispense?

This is a very controversial question that has been present during most of our practicing careers. **Why Not?** I can think of many more reasons why you should be dispensing than I can of why you should not. There is no one more qualified than the veterinarian. No one has more knowledge or commitment.

Veterinarians have knowledge about the drugs they are selling. They usually are aware of the husbandry practices on those farms or in the household of those pets they treat.

Veterinary Medicine is changing as evident by changing economic conditions both in the country and the city. We are facing increased competition from within our profession,

due to the increased number of new graduates that are entering the field. How are we going to face the future and meet this challenge? We must share our clients with those new practitioners, if we do not find new things to do.

- (1) We must become aggressive—something we have not been in the past.
- (2) We must tell our clients what we can do for them.
- (3) We must sell veterinary medicine with every opportunity we have.
- (4) We must advertise in whatever manner we feel is ethical and good for the profession.
- (5) We must do a lot of selling, merchandising, and dispensing of both products and services.

What Business Are We Really In?

Are we just in the business of healing sick animals or are we really in the total animal care business? If we are in the total animal care business, we will be involved not only with the medical care of that sick animal but also be concerned with nutrition, housing, and general health programs.

Total animal care cannot be realized without supplying drugs and other animal health supplies.

Why Is Dispensing Controversial?

- (1) Tradition has left veterinarians with the feeling that for some reason they just should not.
- (2) Most of us were influenced by our education, which taught us that we should not sell or dispense.
- (3) The A.V.M.A. has in the past taken a very strong position that dispensing was wrong and unethical.
- (4) The F.D.A. has also taken the stand that veterinarians should not be dispensing or selling drugs.

Veterinarians Have Done a Lot of Complaining!

Veterinarians have complained for years about the lay competition. But if it had not been for this lay competition, where would animal owners purchase the products they have needed? Certainly not from the veterinary profession.

Veterinarians have also spent a great deal of time complaining about the major drug companies and their unfair policies. I will be the first to agree that many policies have appeared unfair and discriminatory. The real truth is that the veterinary profession has never proved to these companies that they could, would, or even cared to handle these products in the volume that was necessary.

Do You Really Want to Dispense?

One must want to dispense in order to be successful. There

are a lot of commitments, time, space, financial, etc, to consider.

Do Your Clients Know You Want to Dispense?

Many veterinarians have wanted to sell and dispense but for some reason they have been keeping it a secret for years. If your clients were polled, how many would say you were in the retail drug and supply business?

You Must Let Clients Know That You Have Products For Sale!

How you do this will depend on your individual clinic, clientele, location, and personal tastes. Signs, letters, and displays are some of the many things that can be used.

What Do Clients See While They Are In Your Place?

- (1) Do they see drugs and products for sale?
- (2) Do they realize products are for sale?
- (3) Do they leave with a mental picture that will make them return when they have that buying urge?

The Market for Veterinary Drugs and Products Has Already Been Developed.

You don't need to develop the market, you only need to try and take advantage of what portion you can. Remember clients need products and supplies more often than they need an actual veterinary medical service.

This means that your clients may be visiting these competitive places more often than they are seeing you. Clients many times receive advice and suggestions contrary to your recommendations when they visit these other places.

Products Need To Be Displayed.

If clients can't see the products, you can't sell. Think of going to the grocery store for a loaf of bread and not seeing any displayed. You would have to ask the clerk to get you some from the store room. Remember big outlets like Sears and K-mart report that impulse buying is responsible for 70% of all sales.

Variety of Products Must Be Offered.

Remember it must be the client's preference not always yours. You should strive to offer as complete a selection as possible.

Quantity of Products Must Be Offered.

You cannot sell products if they are not in stock. If merchandise is not available clients will go somewhere else and may not return very quickly.

What Does Our Competition Offer?

Our competition usually offers an attractive sales environment with people trained in selling. Clients or customers are encouraged to buy. These are all things the veterinary profession has been reluctant to do.

Tools to Increase Dispensing.

Newsletters

One of the best and ethical means of advertisement. They should be educational and can be used to promote both yourself and the profession. Products can be promoted as well as service.

Client Meetings

Meetings can be effectively used to sell ideas, health programs, and products. They can be large or small groups but should always be professional and ethical.

Livestock Producer's Fair

This is an all day client meeting which has a fair like atmosphere but has emphasis on education and drug promotions.

I have used this very effectively in my practice for a number of years and it could be easily adapted to any type of practice large or small.

Instead of a livestock producers fair, just think of the different possibilities; Client Appreciation Day, Animal Health Day, Pet Fair, and Pet Animal Health Day; the possibilities are unlimited.

Why Dispense?

- (1) Increase the medical portion of your practice.
- (2) Increase client contact.
- (3) Expand your services.
- (4) Take better care of existing clients.
- (5) Reach new clients.
- (6) **INCREASE INCOME.**