

WORKSHOP SESSION - PROFITABILITY OF DEER PRACTICE.

A.B. Pearson
P.N.J. McHugh
PO Box 9
DARFIELD

ABSTRACT

The objectives of this session are:

- (1) to establish some indices by which profitability of deer practice may be measured.
- (2) to explore ways in which we can develop deer practice as a business.

A three-veterinarian mixed practice (approx. 40% deer) is used as a Model.

Facts and figures related to profitability of the deer segment of this practice are presented and discussed.

Strategies for improving profitability are evolved and an action shortlist developed:

Discover where you are:

- What's the market potential in you area? (Deer No's, Deer Farms)
- What share do you have currently?
- What's your turnover - per deer farm?
 - per deer stock unit?
- What do you make from product sales - gross?
 - nett?
- What do you actually make per hour? (Consider hours worked vs hours charged)

Evolve targets related to profitability:

- Need to consider - potential to increase sales / margin on sales
 - charge-out rates.
 - ways to increase proportion of chargeable hours to hours worked.
 - ways of improving cashflow.

Evolve an action plan:

- Consider the four "P's" of marketing - Products (or services),
 - Pricing,
 - Promotion,
 - Placing, (or distribution)

Consider - business systems.

- identifying and targetting key clients - mailers, discussion groups.

Note that market research conducted with farmers regarding veterinary services has consistently shown service, location and professionalism are much more important than price.

Review your position regularly:

- Are you doing what you planned to do?
- Is it working?
- What is changing?