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Veterinary Market Outlook

Implications for Veterinary Practice Management

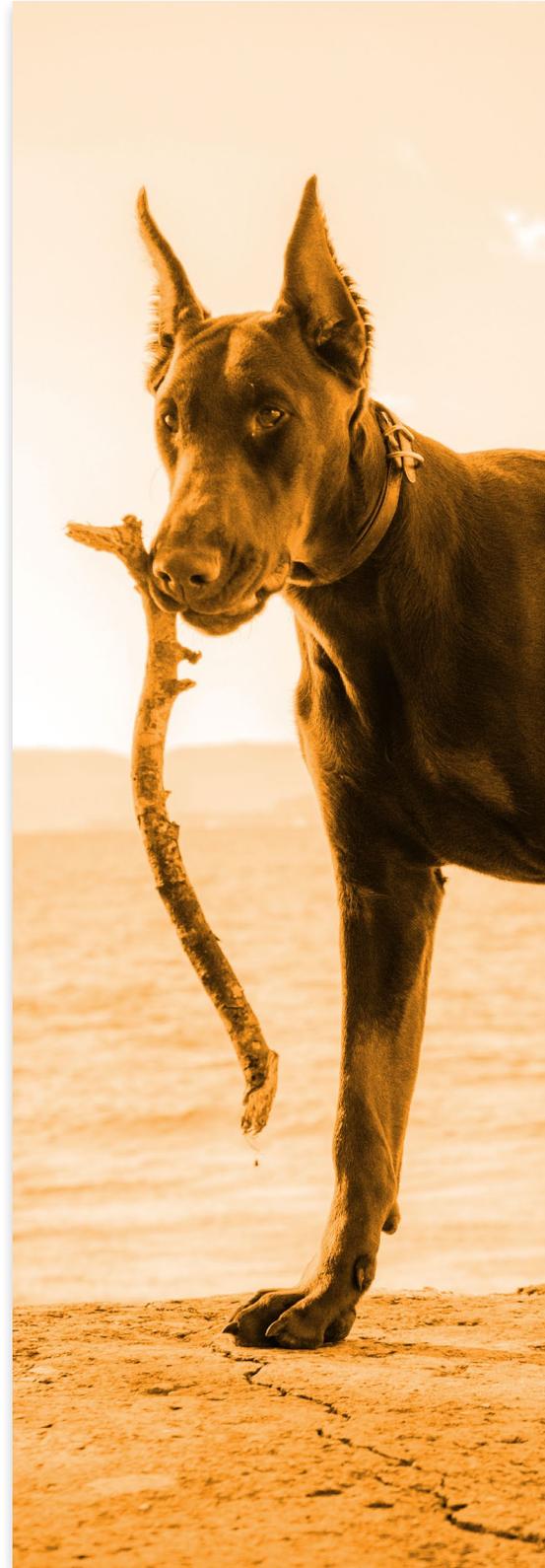


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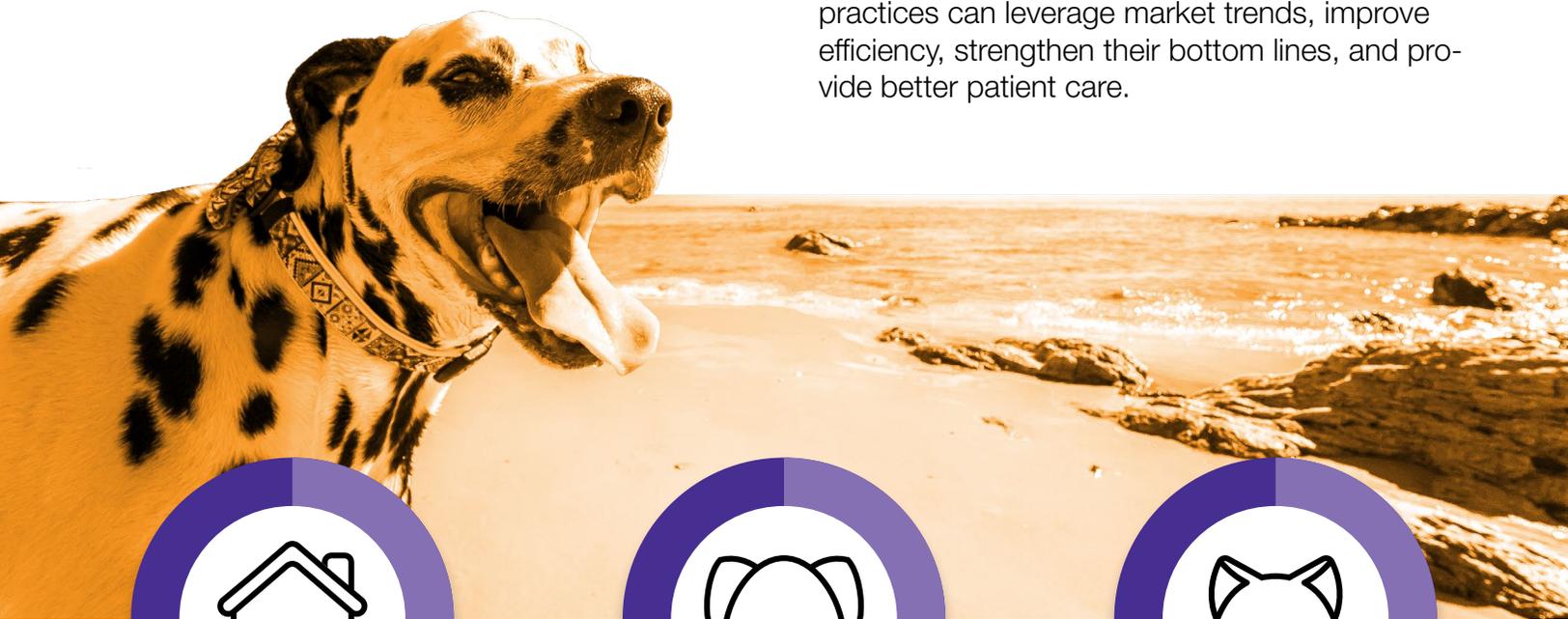
From the COVID-19 pandemic to shifts in pet owner demands, veterinary professionals are experiencing a multitude of practice management challenges moving into 2022.

While the impact of COVID-19 was far-reaching and varied, veterinary practices across the country have made tremendous changes to their operations in order to ensure a safe environment for their staff and clients while providing essential care to their patients.

Many of these changes are anticipated to become the standard in a post-pandemic world, despite their hinderance on practice productivity and efficiency at a time when demand for veterinary care is increasing.

The lucrative and fast growing Millennial pet owner market is demanding higher quality, natural care options for their companions; and they're willing to spend more for it, too!

With new treatment technologies, veterinary practices can leverage market trends, improve efficiency, strengthen their bottom lines, and provide better patient care.



67% of American homes own at least one pet.

Over 393 million pets live in the United States.

Dogs and cats are the two most popular pet choices among all generations.¹

Americans spend \$1 billion on pet insurance each year.²



53% of households in the U.S. own a dog.

Most dog owning homes have only 1 dog.¹

Dog owners spend an average of **\$1,201** per year on their dog.

Of that yearly average, **20%** is spent on veterinary care and vaccinations. The largest portion, **38%**, is spent on food.²



36% of households in the U.S. own a cat.

Cat owning households have an average of 2 cats.¹

Cat owners spend an average of **\$687** per year on their cat.

Of that yearly average, **18%** is spent on veterinary care and vaccinations. At **48%**, nearly half is spent on food.²

Veterinary practices across the country are experiencing an increase in demand for their services.

According to analytics company VetSuccess, the number of appointments increased 4.5% from 2019 to 2020. During the first half of 2021, appointments increased 6.5% compared to the same time period in 2020.⁴

While there has been a noticeable increase in new patients, most of this growth can be credited to existing clients. While spending more time at home during the pandemic, they've been more attentive to their pet's health and more likely to notice concerning behavior to bring to their veterinarian's attention.

One study found that 84% of pet owners feel more attuned to their pet's health now than before the pandemic.⁷

Approximately 2 out of 3 pet owners plan to change how they care for their animals, especially after returning to a post-COVID world. For 20% of respondents, this includes visiting the vet more often for preventative care check-ups.⁷

Clients are also spending more money per visit. In addition to a general increase in prices, clients are asking their veterinarians for more products and services per visit and are opting for higher-value products and services.⁴

DECREASED PRODUCTIVITY

What seems like a healthy uptick in demand for veterinary care has been magnified by a 25% decrease in practice productivity in 2020. This has generated substantial client backlogs and many clinics are struggling to catch up.⁴

From curbside care to increased sanitization, new COVID-compliant protocols ensured the safety of clients and staff but limited team productivity by taking time away from tasks that directly improve patient care.

Many practices have also suffered from staff shortages as a result of sick leaves, quarantines, and high turnover.

The combination of these disruptions are stretching veterinary teams thin and contributing to increasing levels of burnout.

Mental health and wellbeing in the veterinary field are a priority now more than ever before.



COVID-19 has had disastrous effects on mental health on a global scale and within the veterinary profession.

However, mental health concerns have posed a significant burden to the veterinary field long before the pandemic and present themselves at a disproportionately high rate among veterinary staff compared to the general public.

While individuals working in the veterinary field generally report high levels of job satisfaction, repeated exposure to stress and traumatic events (such as illness, abuse, and euthanasia) can lead to compassion fatigue and emotional strain.^{5,6}

Disruptions of the pandemic have compounded these concerns.

COVID-19 has pushed staff at all levels of the veterinary practice to support patients and clients through creative problem solving leading to innovations in practice operations throughout the industry. However, these rapid changes (in addition to other pandemic-related stressors) are increasing levels of burnout.

In addition to negative effects on an individual's wellbeing, burnout can inhibit the provision of quality care to patients and clients.

Supporting wellbeing in the workplace is crucial for the practice's success and the health of staff.

This emphasizes the importance of leveraging technology throughout the clinic to streamline administrative processes, as well as advance patient care and improve outcomes.

By delegating nonmedical responsibilities (such as record keeping, answering phone calls, and cleaning exam rooms) to nonclinical staff, veterinarians and technicians are able to dedicate more time to tasks that require their unique talents and credentials.

This boosts efficiency, improves care, and empowers clinical staff by allowing them to focus on performing the range of tasks they are specially trained and qualified to do.⁴

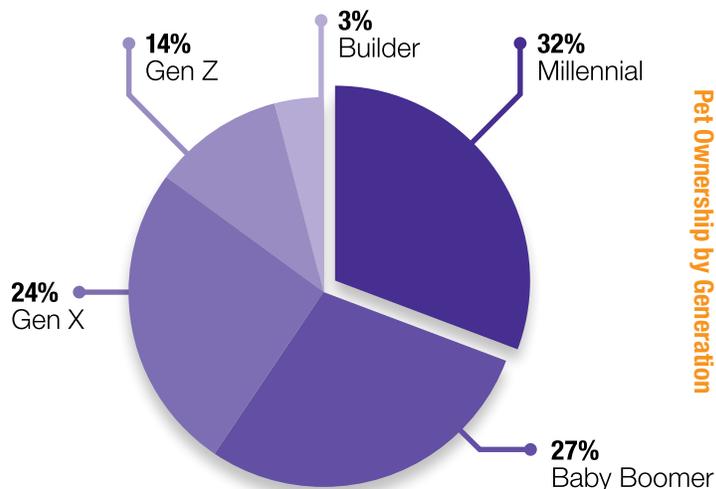
Find mental health resources at the AVMA's Wellbeing webpage.



At 32%, Millennials make up the largest portion of pet owners in the United States. Born between 1982 and 1996, over 7 out of 10 Millennials have at least one pet.¹¹

In addition to being the largest segment of pet parents, Millennials are known for their interest in caring for a diverse array of species.¹²

While Generation Z makes up a small portion of total pet owners, 16% of this cohort welcomed a new pet to their homes during the COVID-19 pandemic. In comparison, 13% of Millennials and 3% of Baby Boomers have done so.^{3,13}



What does this mean for vets?

Compared to prior generations, Millennials are seeking more natural and holistic care options for themselves and their animal companions.

Viewing pets as part of the family, budget-minded Gen Z and Millennials are willing to splurge on higher quality food, toys, and personalized, holistic health care services for their pets.

A 2018 survey by TD Ameritrade found that Millennials are willing to spend up to \$2,000 on average if their pet becomes sick and 68% would take leave from work to care for them if possible.^{11,14}

Greater than average, 27% of Millennial pet owners claim that they have been spending more than usual on their pets during the pandemic. By making their pets a clear priority, Millennials have established themselves as lucrative clients for vet practices, even during an economic downturn.

While still only making up a small portion of pet owners, Generation Z is starting to show similar pet owning behaviors and preferences to Millennials. As this cohort continues to enter adulthood and establish themselves as pet parents, they are anticipated to become a vital group for veterinary clinics in years to come. This emphasizes the necessity to continue observing their behavior as up-and-coming clients.

Offering natural and holistic solutions to pain and inflammation will be necessary for veterinary practices to stay relevant as these younger groups of pet owners continue to grow.

As an alternative to pharmaceuticals, laser therapy uses light to favor and accelerate the body's natural healing processes. Photons penetrate the tissue where they interact with chromophores that cause different biological effects, including reduced pain and inflammation, improved mobility, and faster wound healing.

Laser therapy is growing in popularity as it continues to gain the attention of tech-savvy consumers who wish to avoid pharmaceuticals and invasive procedures for themselves and their companions.

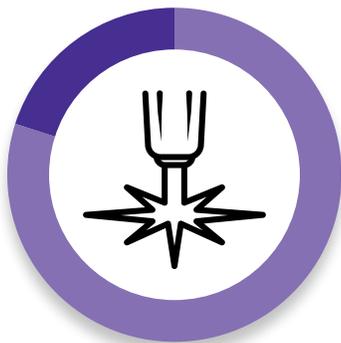
Veterinary professionals who are able to address this trend by educating clients about alternative pain management solutions and offering modalities, such as MLS® Laser Therapy, can proactively build their reputation as a cutting-edge provider while promoting client loyalty.



MLS® Laser Therapy relieves pain and inflammation associated with:

- Post-Surgical Incisions
- Wounds
- Arthritis
- Back and Hip Conditions
- Acute Trauma
- Chronic Pain Conditions
- and Many Others

[Download the Complete MLS Indications Checklist](#)



80% of veterinary patients could benefit from laser therapy treatments.



40% of veterinary clinics are already offering laser therapy to their patients.



85-90% efficacy rate allows your practice to deliver exceptional care.

With over 300 different treatment applications, MLS Laser Therapy can provide natural relief of pain and inflammation associated with a wide range of conditions. Studies show that laser therapy can benefit up to 80% of veterinary patients making it an expansive revenue opportunity, especially among Gen Z and Millennial pet owners wishing to avoid drugs and invasive procedures for their animals.

Laser therapy can be used alone or in conjunction with other treatments and therapies to expedite and improve outcomes. In addition to its effectiveness, it can be administered by technicians and requires minimal time from veterinarians.

In terms of potential cash flow, the revenue generated typically depends on three areas:

- Patient base volume
- Volume of patients presenting conditions treatable with MLS Laser Therapy
- Current procedures typically offered

In addition to identifying potential laser therapy candidates, veterinary care providers must consider the frequency and duration of treatment sessions. Most conditions have protocols that range from 6 to 10 treatments. The treatments are cumulative and are delivered 2 to 3 times per week for 2 to 3 weeks.

This per-session pricing guide for MLS Laser Therapy procedures is based on national-media pricing and can help practitioners estimate the additional revenue that their veterinary clinic may be able to derive from these services.

MLS Laser Therapy Per-Session Pricing Guide

Post-Surgical Incisions	\$15 to \$25
Oral Treatments	\$15 to \$25
Wounds	\$15 to \$40
Orthopedic Surgeries	\$40 *
Acute Traumas	\$40 *
Chronic Conditions	\$40 *
Arthritic Treatments	\$40 *

** Many practices offer packages of 6 for \$200*

Calculate your potential return on investment with MLS Laser Therapy



The COVID-19 pandemic will have lasting effects on the veterinary field, including a long overdue shift in the way we view mental health and well-being in the workplace.

Moving into 2022, veterinarians must also recognize the shifting pet ownership demographics leading to an increase in demand for more holistic animal healthcare and less-invasive pain management options.

Veterinary practitioners can improve care by meeting client demands for expert, customized care with treatment modalities that accelerate patient recoveries.

With staff-driven pain management technologies, veterinary practitioners can address these demands while establishing a competitive advantage, increasing productivity, and improving the profitability of clinic-based services.





Cutting Edge Laser Technologies has been serving the veterinary community with a full family of Surgical and MLS® Therapy Lasers for over 20 years.

With their patented emission systems, MLS Therapy Lasers are a unique type of Class IV lasers that synchronizes dual wavelengths for optimal clinical effectiveness while eliminated the risk of thermal collateral tissue damage.

Learn more about MLS Laser Therapy at
www.CELasers.com
or call 800.889.4184 x125

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