

ELEMENTS OF THE DISTRIBUTION POLICY FOR INTERNATIONAL VETERINARY MEDICAL SERVICES FOR SMALL ANIMALS

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Abstract: The services industry is wide and constantly changing. Unlike the goods where there are four P in the marketing mix in services there are eight P. Distribution policy, although a common component of the marketing mix for both goods and services, contains specific items for each service area basis.

This article will present an exploratory research carried out by elements of distribution policy found on the international veterinary medical services for pets. All components of the marketing mix are important in analyzing the quality of a service because services are intangible, can not be tasted or smelled.

Keywords: *distribution policy, veterinary care, international market.*

1. Theoretical Aspects

Features such as perishability, intangibility, inseparability of services gives the feeling that there isn't any distribution but in reality there are a number of elements which help us form this component of the marketing mix.

Distribution is defined as all activities that occur in space and time separating the production from the consumption (Florescu, 1992). In the services cases distribution has a different approach: network units, channel distribution, economic and physical circuit. (Olteanu, 2005; Balan, 2001, p.57)

The activity distribution is made up of:

a) *The distribution network.* The network consists in places and equipment that helps with the service delivery to the consumer. The forms of distribution network are:

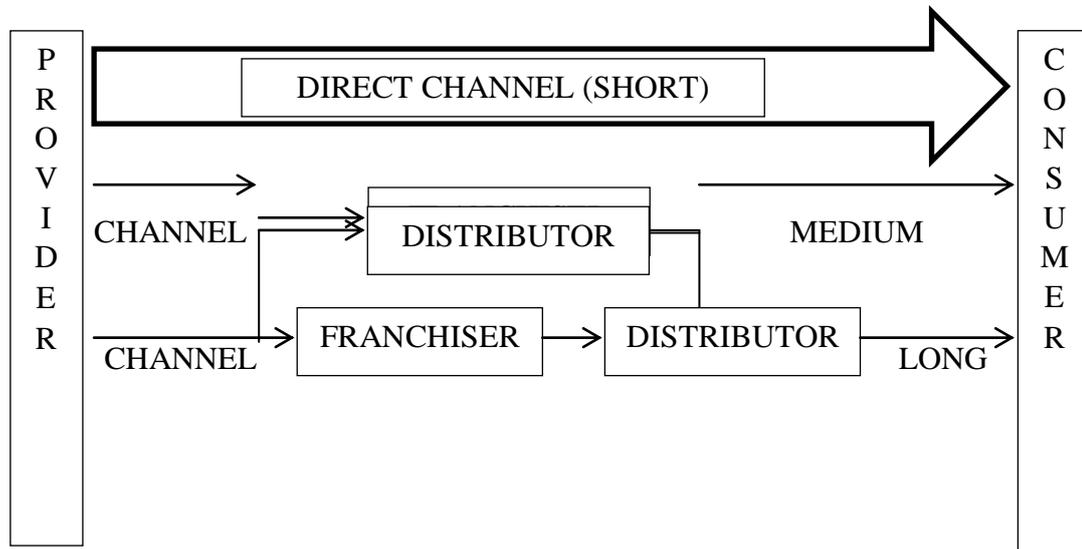
- ✓ Network consists on lots of places of performance but a limited number of services
- ✓ Network consists on fewer jobs and benefit a large number of services
- ✓ Network consists on lots of places of performance and a large number of services

b) *The distribution channel.* It is the path of the product from the place of production to actual consumption. The dimensions given to the distribution channel and distribution patterns: direct or indirect, short channel or long channel. The services characteristics require more of a direct channel, without intermediaries but, also appears short and indirect channels where there is an intermediary between the provider and the consumer (broker, franchisee).

c) *The service delivery.* The system consists of: stages (order, duration, location, degree of centralization-decentralization of decision making in distribution, the nature of contacts between the provider and the customer, delivery arrangements, the atmosphere, the way employment capacity, etc. (Olteanu, 2005). These elements are found even in the

payment methods and types of sale which provides access of the customer to assist at the process of manufacturing the desired service.

Figure 1.1. Types of distribution channels in service



Source: Olteanu, V. (2005). *Marketingul serviciilor*. București: Editura Ecomar

The process of service delivery. It refers to actions taken at the time of the distribution service by the service provider and the consumer. The process consists of: the stages in the degree of centralization in decision-making distribution, mode of delivery, the nature of contacts between the client and the provider.

The forms of sale are represented by *the order*. This is the triggering performance and can be executed personally by telephone or other means of communication. The moment of payment may be before or after the performance, you can use any means of payment and simplifying these procedures increases the quality of service and the customer satisfaction.

In the vision of Eiglier and Langeard (1991) it is formed the following strategic alternatives depending on the distribution network and service offerings:

- ✓ *The strategy of rapid development in the distribution network.* It is used by service providers to enter in a new market, with new services. A strong point of this strategy is the rapid growth of sales and the weak point is that you can not predict the rapid market saturation.
- ✓ *The limiting network strategy and development of services offers.* Service providers who value high quality of service are using this strategy because they cherish the quality of the product range. The strategy can be used permanently, the quality-price ratio is excellent even though it may lead to a moderate increase in profit. The disadvantage of this strategy is that it does not focus on distribution strategy but on the price strategy.
- ✓ *The network development strategy and the diversification of services offers under a single brand.* It is only used by service providers which are already

known in the market, the brand is known for years like the banks in Switzerland.

- ✓ *The network development strategy and the diversification of services offers under different brands.* The network components are independent of each other, being under a single brand and can be founded in different markets.

In the opinion of other authors strategies are developed based on the distribution network, delivery channels and delivery system based on these strategies:

- ✓ *The strategies of the network* are divided in: the degree of network development, the degree of network concentration, The type of the advantage achieved, the degree of differentiation of the network
- ✓ *The distribution channels* include: direct distribution, medium or long channels, mixed channels. When choosing a distribution through intermediaries, then they can opt for:
 - i. The control strategies that ensures uniformity of service delivery.
 - ii. The delegation strategies who leaves some discretion in the intermediaries of distribution activities.
 - iii. The partnership Strategies ie distribution participants that can follow the alignment of objectives, consulting in distribution.
- ✓ The delivery system consists in activities aimed at meeting the conduct of the company-client such as payment arrangements and forms of selling (electronic selling, direct, self-service, etc.). (Olteanu, 2005)

All these strategies have to be known in detail and applied by all services providers according to what they want. In the choice of distribution strategies it should also be noted that all marketing strategies are closely linked with each other.

2. Research methods and data collection

To better know what are the distribution strategies for veterinary medical services in the international market, it was used an exploratory research. Its main source of information were the articles and reports published by various international organizations.

The objective of this research is to know better the distribution strategies used by some veterinarians to attract the customers. It will be helpful to other practitioners who want to develop their business.

After investigating all the found sources, all information were structured, analyzed and concluded certain issues. Limitations of this research were: it was found only an overview of distribution strategies in some countries and not all the countries and there isn't any extensive research on distribution strategies done in the past.

3. Discussions and conclusions

When evaluating veterinary medical service, the customer has in mind besides the quality and the price, the accessibility to the service. To make the right decisions in choosing strategies we need to analyze several aspects: size distribution channel, type of intermediary,

the collaboration with intermediaries, shape of the distribution, the form of payment, the method of programming and acquisition schedules, guarantees, risks, rewards.

In terms of size distribution channel in veterinary medical services on the international market it is used direct distribution. Only in exceptional cases practitioners use the short channel because the intermediary may make mistakes that will lead to a lower quality of the service provided and in the same time the decrease of market image, the loss of actual and potential customers.

The customers prefers to make an appointment by phone or online. The programming is a strategic place where supply and demand meets so it's a way of achieving direct distribution of the veterinary medical services. And the veterinarians have good grounds to call for a programming:

- ✓ The programming ensures the market penetration of its services
- ✓ The programming allows access to veterinary services, allows a potential customer to find the appropriate real-time offer that he desires.
- ✓ The programming facilitates the purchase of veterinary services, greatly reducing the administrative formalities that the client must pass through.
- ✓ The programming is a scheduling tool for the demand in time and space, depending on the capabilities available for the provider.
- ✓ The programming allows a level of anticipating attendance and allows the realization of quite precise forecasts for the number of customers in the future.
- ✓ The programming allows an advance booking of promotional campaigns for medical services according to demand trends.
- ✓ The programming is a tool for financial analysis. It gives at the end of each year or season the statistical data on the origin and profile of the customers, their characteristics, the distribution of sales between different offers, the profits from the types of medical services or benefits.
- ✓ The programming records statistical requests that have not been satisfied (and proposed alternatives), have rejected offers of the customers, the booking, the cancellations etc.

The owners want to have easy access to medical information, what veterinary medical services were performed in the past for a pet and their medical results, they are seeking to have online access to the data and even more to have the option of online programming or online consultations. Veterinary service operators have complied with these requests and have these facilities available to their customers. (Verdan, 2011)

In the case of the collaboration with an intermediate there are high requirements towards it. He must be specialized and highly experienced in the field willing to take responsibility for any mistakes he may make.

The collaboration with intermediary's way is by time sharing contract. Time share means fragmentation of rights of use of premises of clinics / veterinary hospitals with the ability to change these rights with others similar. For example, specialists in one area come to work in the clinic / hospital and at the same time they can train staff to ensure high quality health services (the correct reading of abdominal ultrasound for an animal).

From a theoretical standpoint there are 3 forms of distribution in the international markets of veterinary medical services but, because of the exploratory research done it was found just one form i.e. exclusive distribution: providers care about their image, want full control of the distribution channel, they set the prices, they work in some cases only with carefully selected intermediaries and they provide a high quality medical services.

Depending on the *forms of payment* for medical services, it may be done after the service veterinary medical or, in countries like the US, Switzerland, United Kingdom in advance in the form of health insurance for pets. In the U.S., it is accepted, in extreme cases, and various forms of credit (Verdan, 2011). As payment methods they accept checks, cash, credit or debit card, bank transfers, etc.

In the choices made by the veterinary care providers is still needed to be taken under consideration the factors affecting the distribution: the location and the clinic space / veterinary hospital, the hours of operation, the building architecture, the interiors aspect and the atmosphere.

Veterinary clinics and hospitals are located more in urban areas where the highest density of population pets exists with the objective to facilitate the customer access to veterinary services. Top rated clinics are near the public transportation means.

The space of veterinary clinics it's good to be designed to serve all customers. There is a room entry into buildings suitable for receptions and orientation, registration of patients, an information desk. Veterinary clinics abroad also presents an orientation plan, a layout of the building containing the list and location of all veterinarians who provide the veterinary services.

The operation program is important for customers, especially those in urban areas where the time is calculated. Because weekdays are busy with the service, the customers want an extended weekend schedule to have access to veterinary service care. Smaller veterinary clinics have a more prolonged program than large veterinary hospitals and in emergency cases veterinarians moving are making house visits outside working hours. The program is influenced by the holiday's veterinary service operators take. In the U.S. veterinarians take the fewest vacation days, 12 days, compared to European countries where the average is 24 days, with most days being France with 31 days. The vacation days are taken around official holidays. (CM-Research, 2013)

The building architecture is a factor forming an identity for a veterinary clinic. The building factor is an important visibility to be easily found. Inside and outside the building it can be found inscriptions seen clearly about veterinary clinic specializing in question. In addition the clinics / hospitals / veterinary centers have special entrances for ambulances and veterinary customers with pets physically disabled (wheelchairs).

Veterinary service operators compete among themselves and to the interior layout and the atmosphere within the enclosure. Visual suggestions (color, brightness, size and shape), olfactory suggestions (smell, pleasant, freshness) and tactile feedback (temperature) are transmitting the message of the clinic. The pleasant smell and cleanliness, the flavor, influences the customer emotions and the pets. All this is known as "the feeling" of the building. (Mckay, 2008)

The ambiance is represented by the interior design of the clinic intended to produce specific emotional effects to customers, they need to feel safe and as a family member so that they would return readily every time.

The chromatic with warm colors are used in clinics on the international market and beyond. The facade and the entrance are designed to attract customers, the first sense that needs to be stimulated is the visual one aimed to increase the curiosity to enter the building. Inside, in addition to the colors that has an energy and tonic properties (orange, pink, yellow, green) they display photos with their clients (pet) to strengthen family atmosphere. The veterinary service operators are careful to details so that the color correlates with the room and furniture, with the curtains and even clothes they wear.

The light used in veterinary clinics is more artificial and comes from equipment used for the veterinary services preparations. In the waiting rooms it is preferred the natural light combined with artificial one by using lots of glass, colored in some cases. (Mckay, 2008)

Because they don't want to stress their pets too much while they wait to enter the treatment rooms, these rooms are isolated for ensuring a quiet atmosphere and in some clinics they have soft music in the waiting room. Some equipment used for medical services, such as dentistry make a noise and stress the pets that are waiting for treatments, before starting work itself, so for this service it is used an inhalation anesthetic before starting.

No matter how cold or hot it is outside the temperature in the clinic is a constant of 21-23 degrees C suitable for the vast majority of customers. Temperatures may be higher in the intensive care room of the clinic.

The veterinary service operators try to use the furniture as pet friendly as possible, the latest equipment to make their work easier and increase the quality of veterinary services rendered. The table for consultation, for example, is preferably not to be of metal because the metal may frighten the pet. The metal tables are used only for surgeries when the animal is already anesthetized.

In conclusion, all this aspects helps to build and develop a correct strategy or alternative distribution strategy. Essentially veterinary services market, depending on the size of the distribution channel there is a direct distribution or/and the distribution is based on the extent of exclusive distribution strategy through their own share and total control.

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