



Economic Influences Shaping the Next Year

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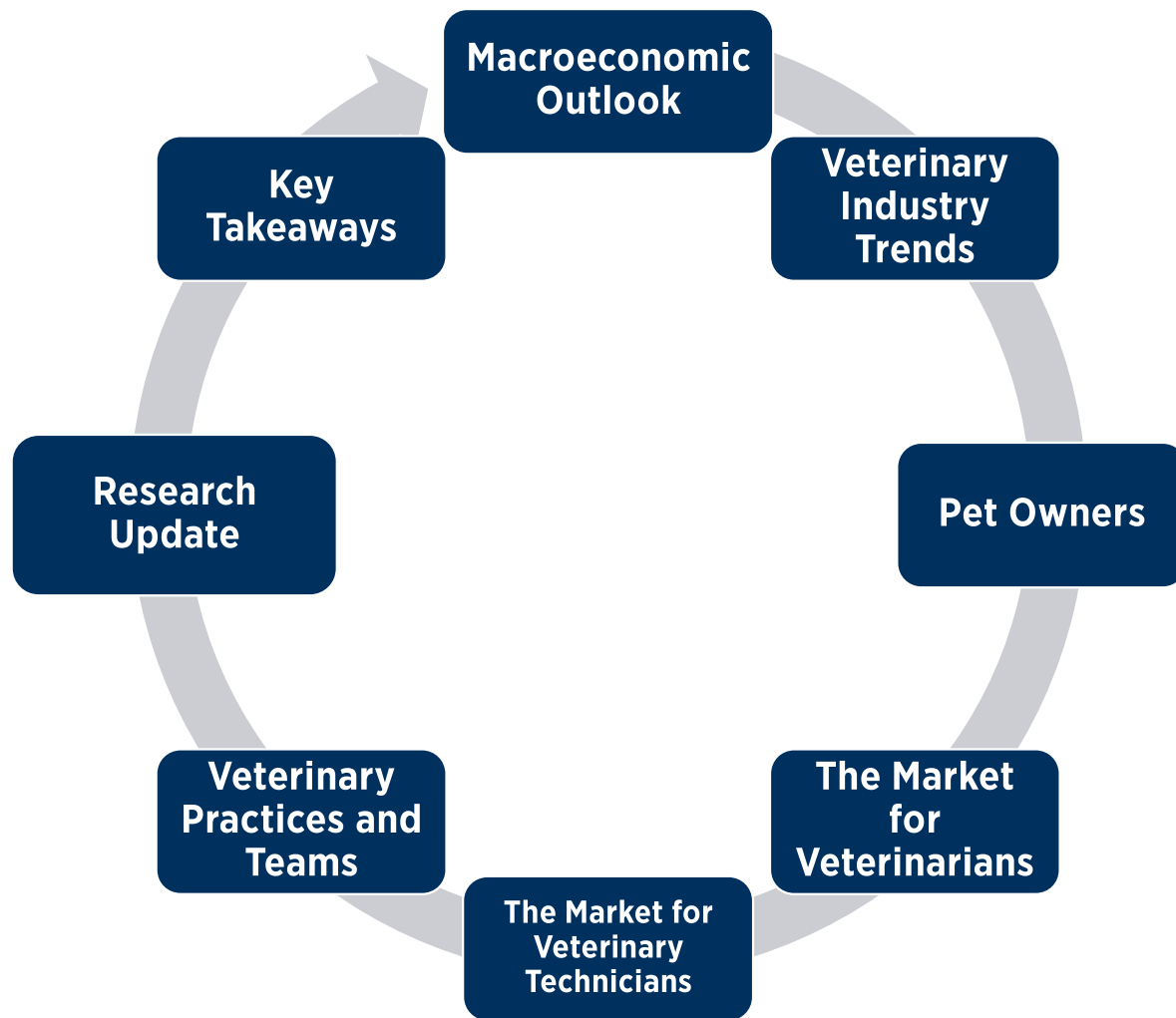
Chief Economist/Division Director Veterinary Economics

American Veterinary Medical Association

7/31/2025

Antitrust Reminder

Outline



Macroeconomic Outlook

What is economics?

Economics is the study of behavior in conditions of scarcity.

The U.S. Economy

Consumer Position

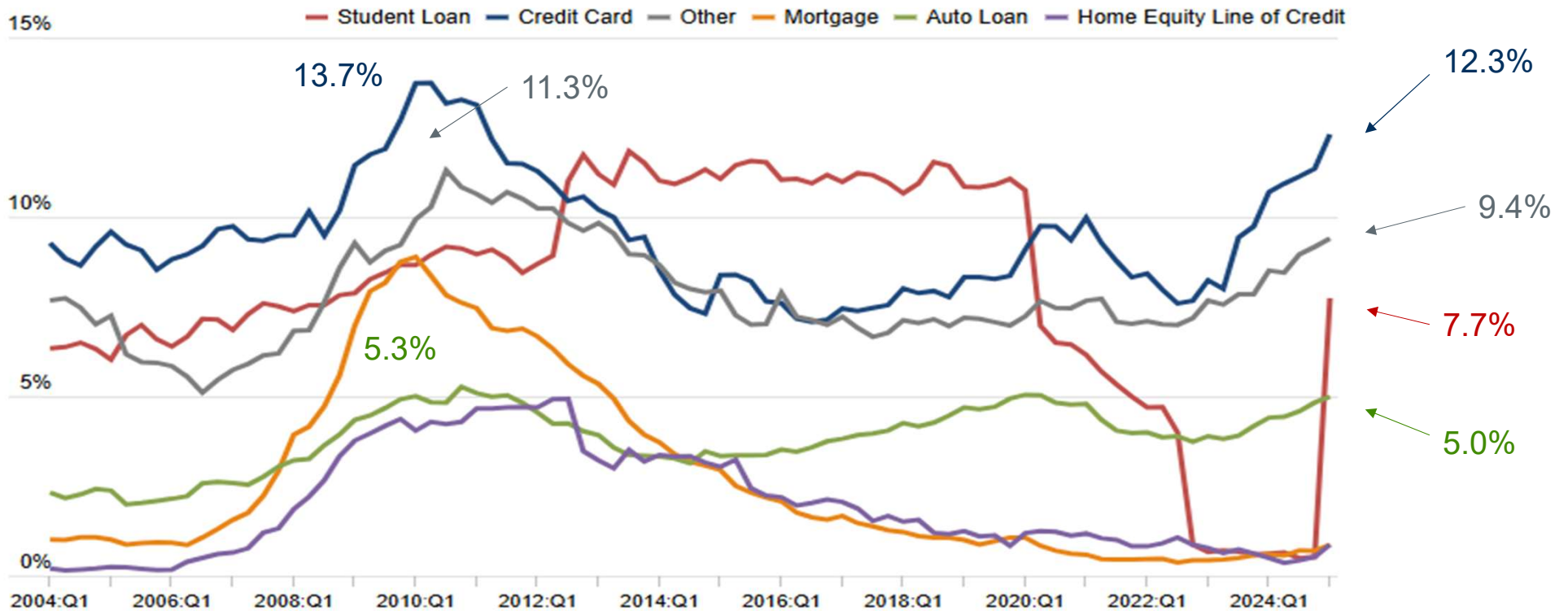
Labor/Housing Trends

Recession Outlook



Delinquencies climbed in Q1

Percent of Balance 90+ Days Delinquent



Source: FRBNY Consumer Credit Panel/Equifax

Source: Federal Reserve Bank of New York

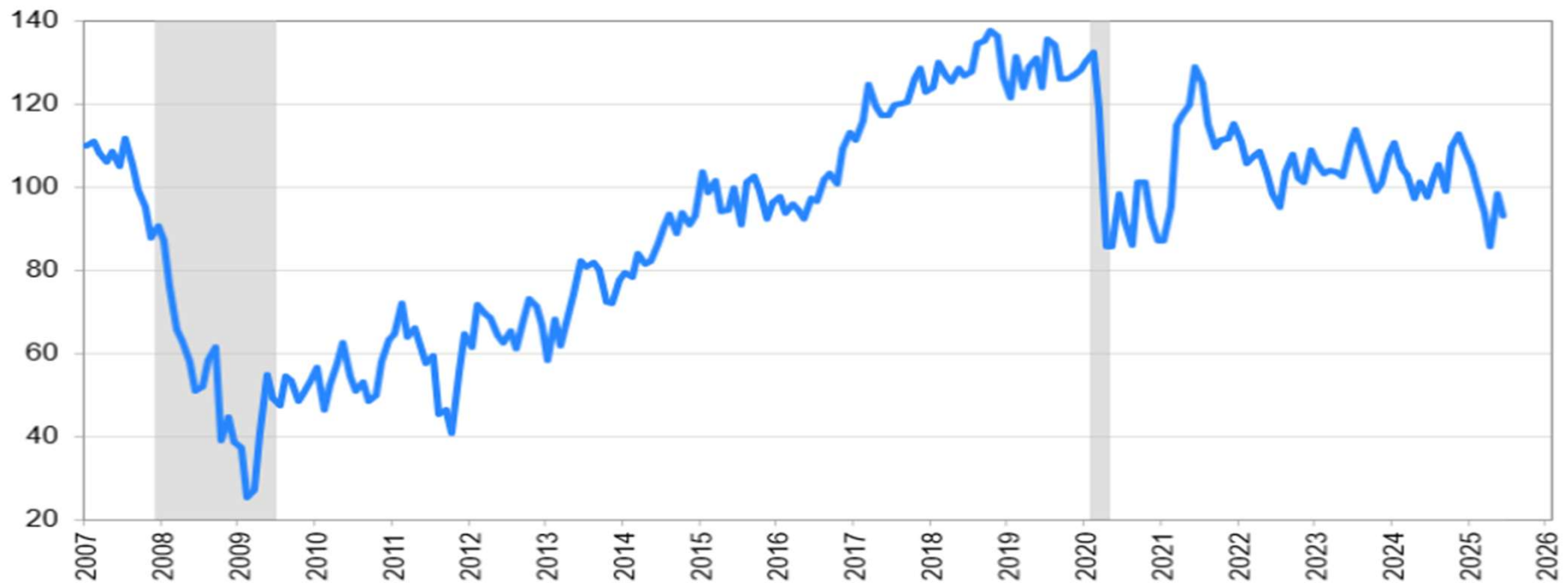
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U.S. consumers bounce-back

Consumer Confidence Index®

Index, 1985 = 100



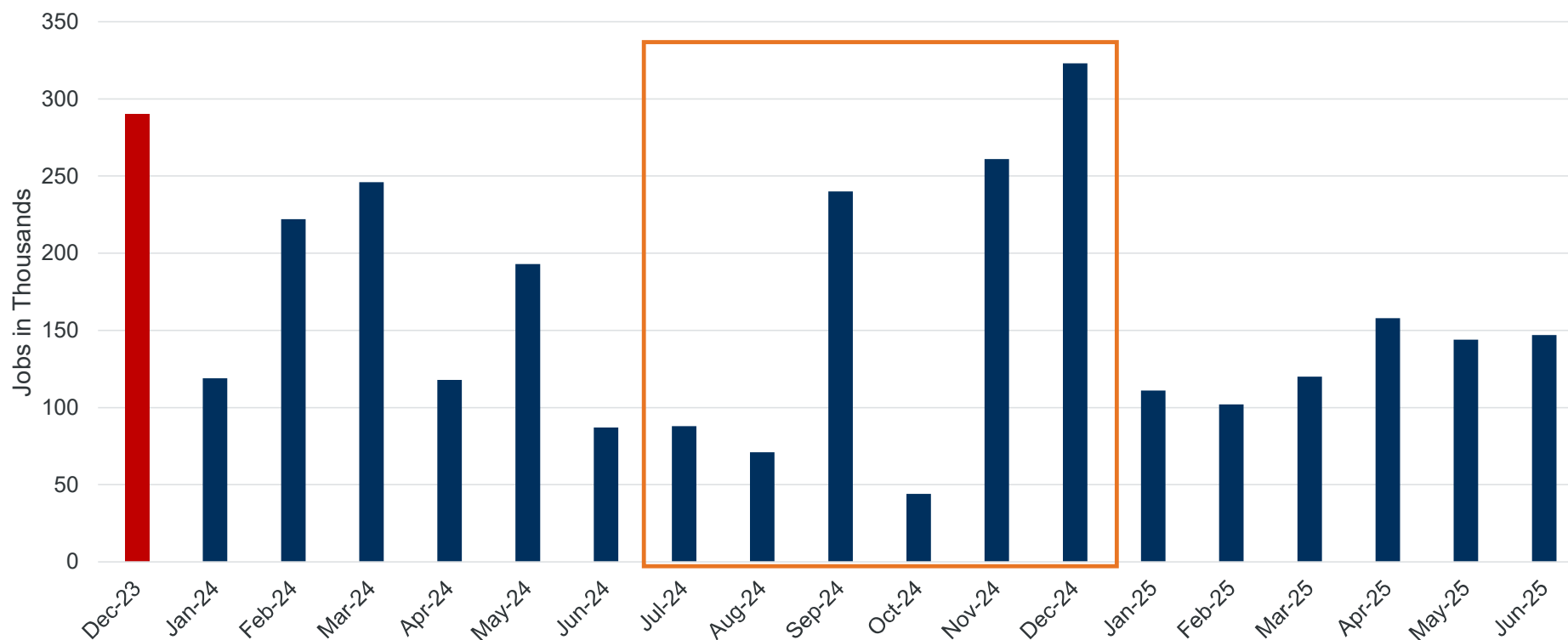
*Shaded areas represent periods of recession.

Sources: The Conference Board; NBER

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Jobs reports

Nonfarm Employment Payroll Additions

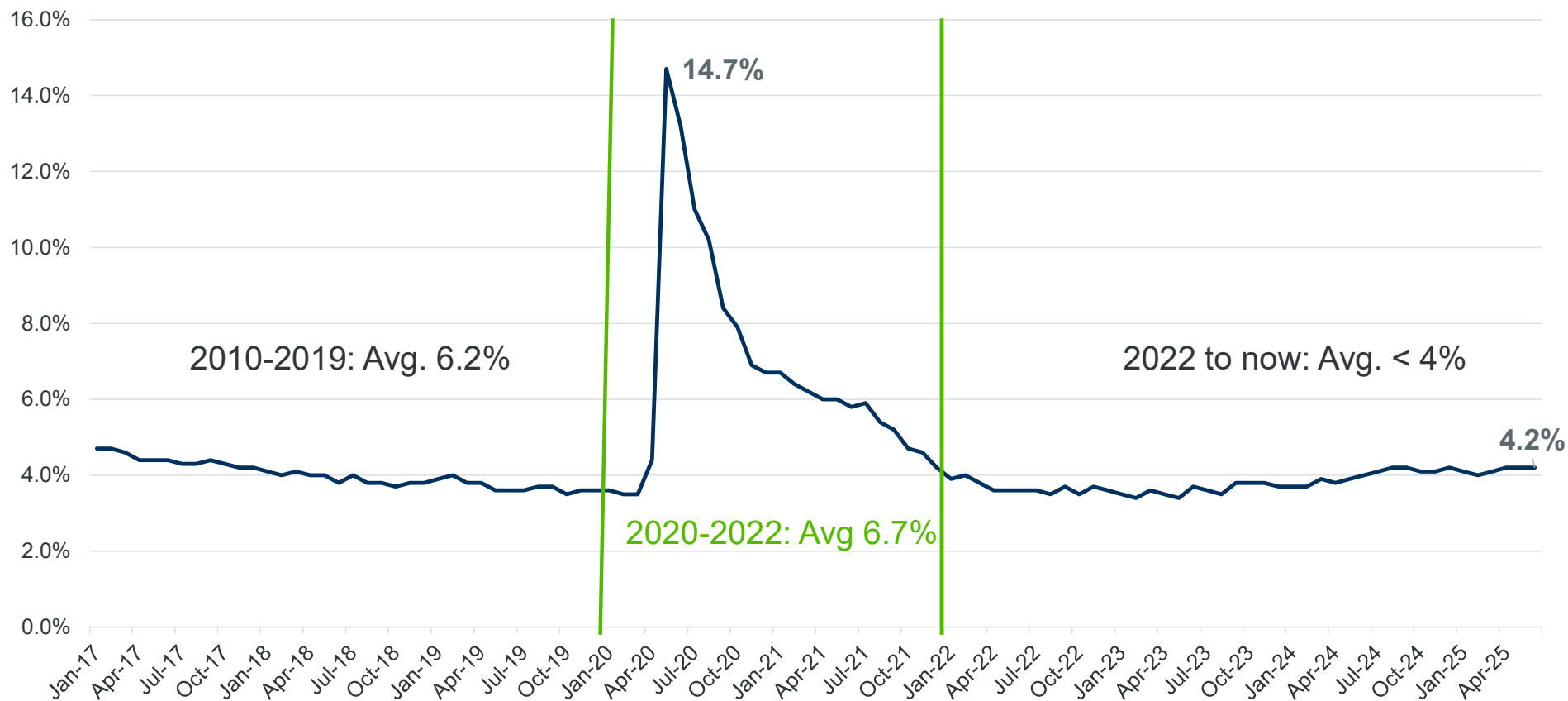


Source: Bureau of Labor Statistics

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U.S. unemployment

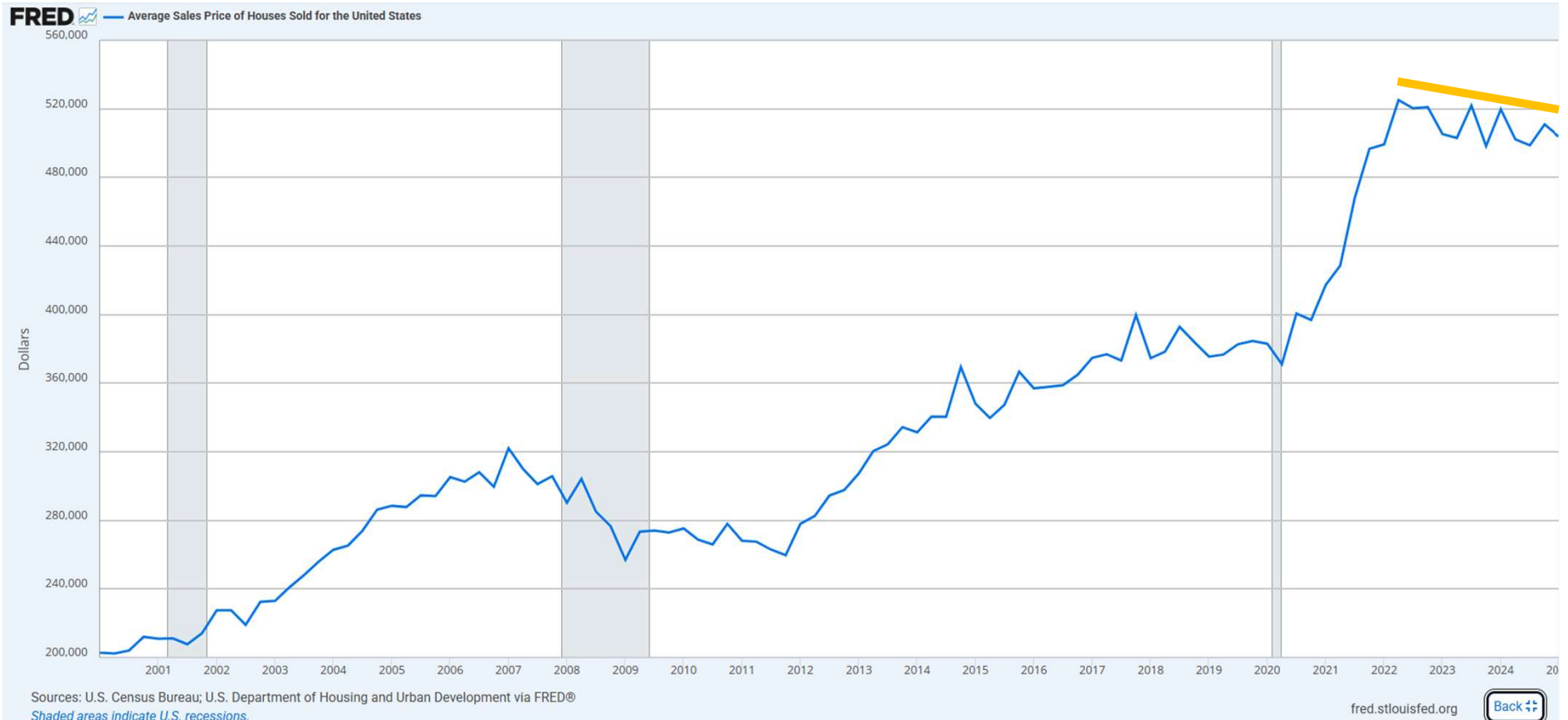


Source: U.S. Bureau of Labor Statistics

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Average home sales price

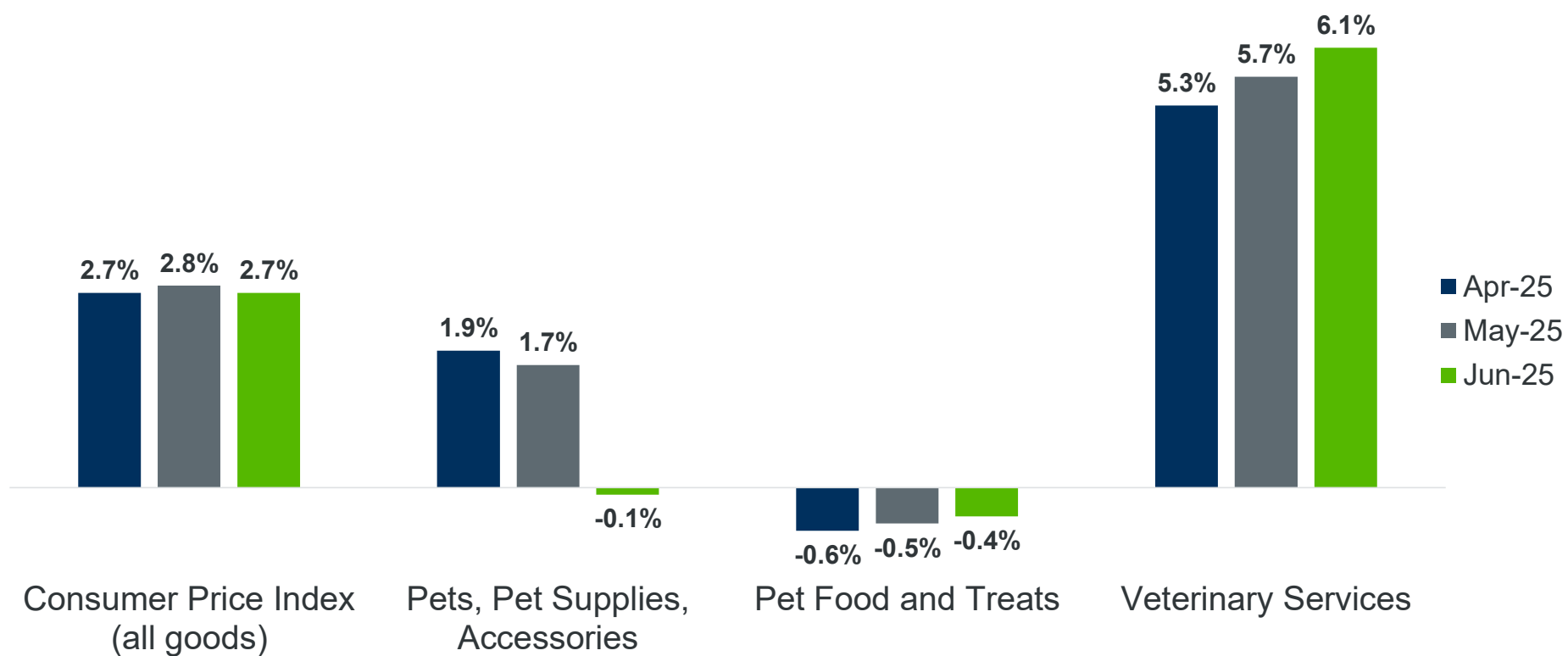


Source: Federal Bank of St. Louis

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U.S. Consumer Price Index

Pets, Pet Products, Veterinarian Services

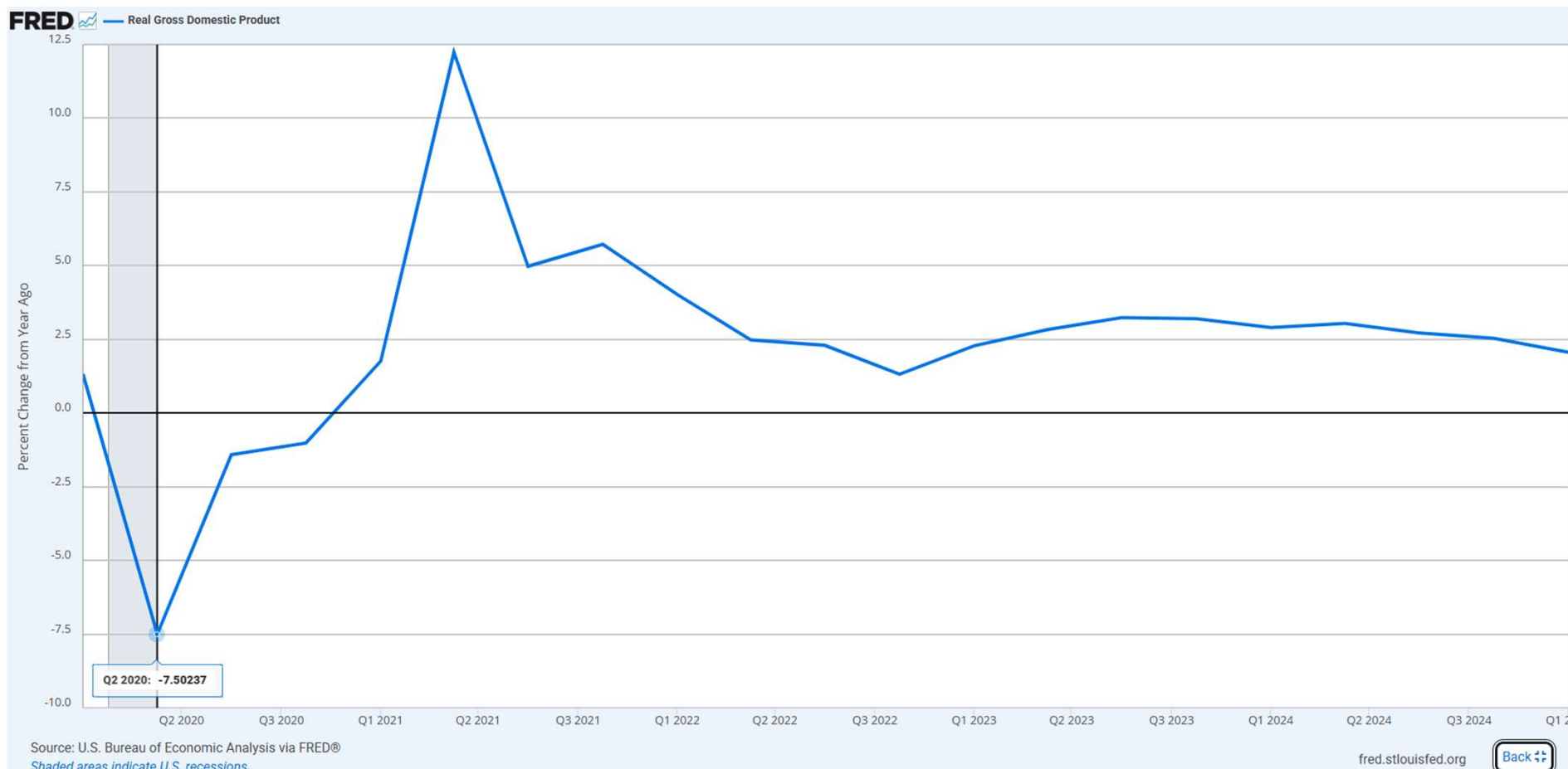


Source: Bureau of Labor Statistics, Seasonally Adjusted

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Real GDP



Source: Federal Reserve Bank of St. Louis

Inverted yield curve: recession or no recession?



Source: Federal Reserve Bank of St. Louis

Veterinary Industry Trends

The Veterinary Industry Tracker

Weekly updates provided in partnership with AVMA



Veterinary Industry Tracker

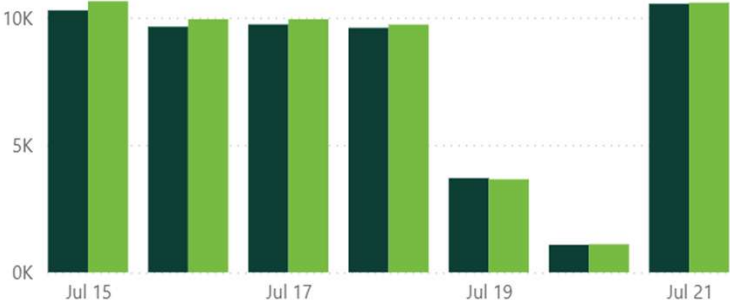


Powered by AVMA and Vetsource

Last Week

Revenue per Practice

● Last Year ● This Year



1.8%

Revenue YoY



Last 12 Months

Growth in Revenue and Visits

● Revenue YoY (14-Day Avg) ● Visits YoY (14-Day Avg)

10%



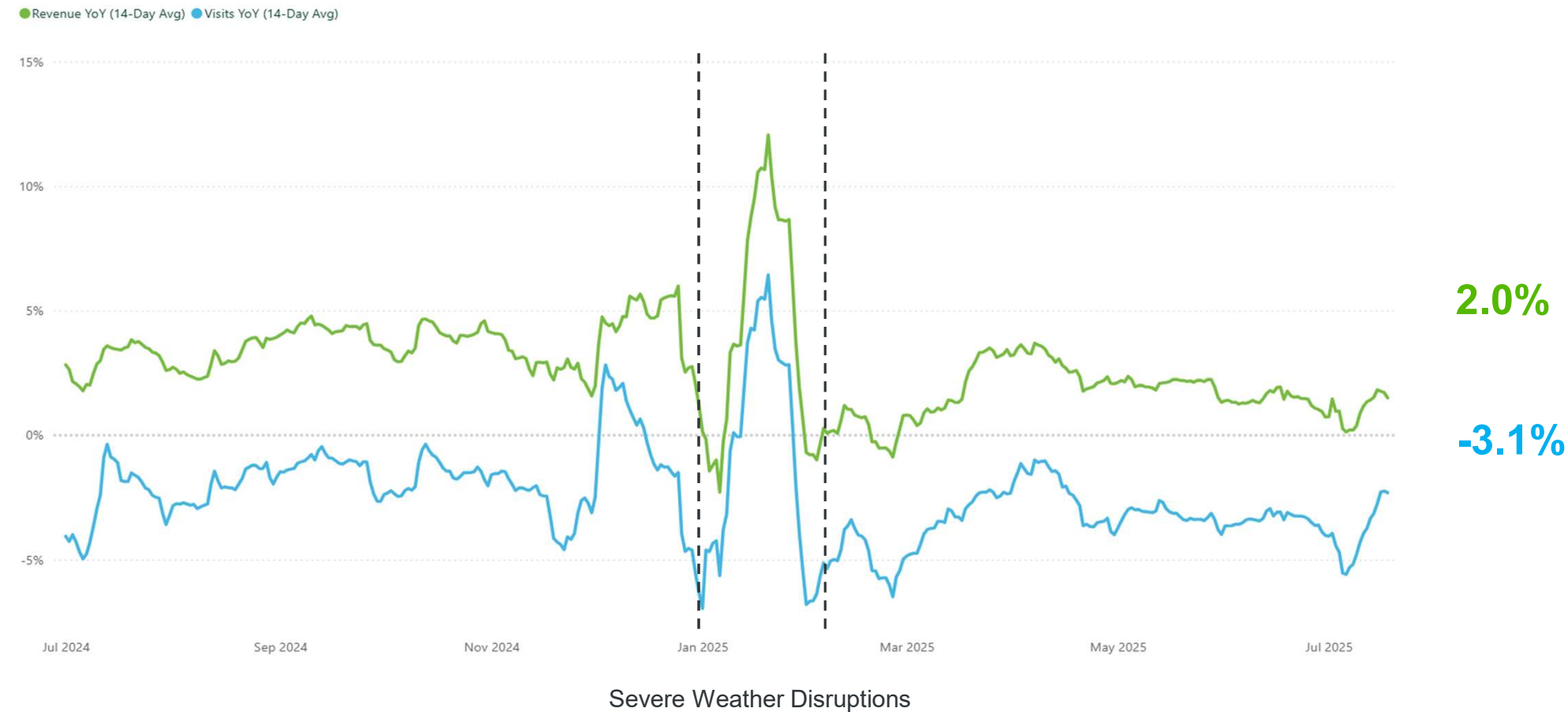
2.0%

Revenue YoY

-3.1%

Visits YoY

Slower visits in veterinary medicine



Source: Veterinary Industry Tracker

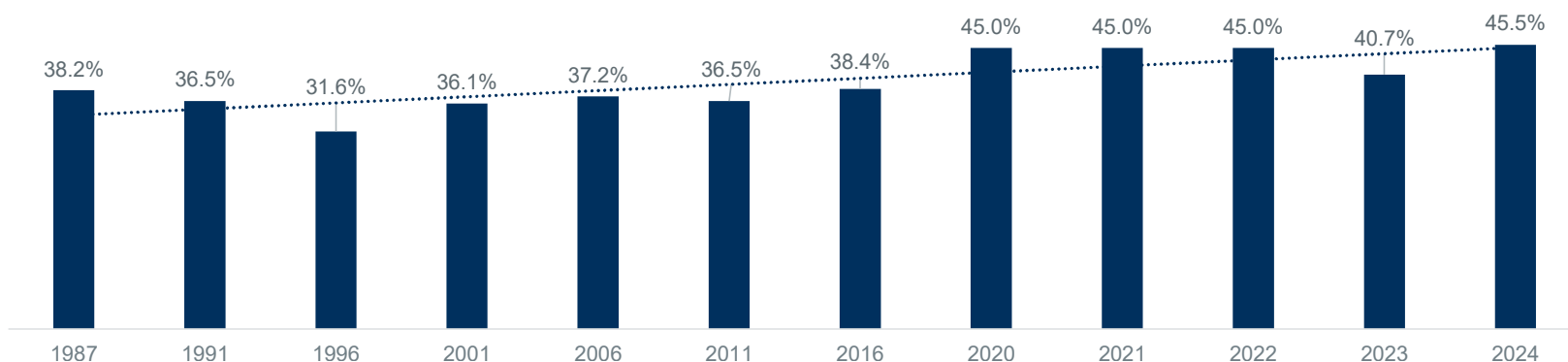
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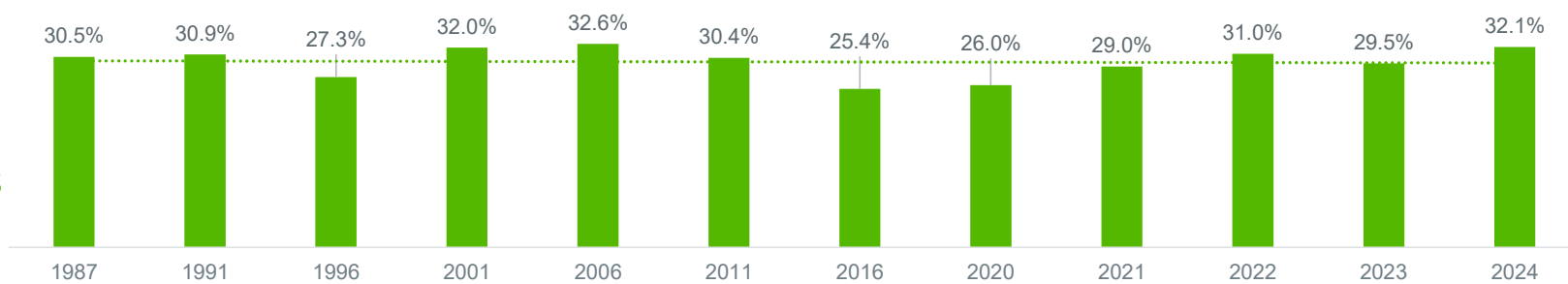
Pet Owners

Percentage of U.S. households that own dogs and cats

Dog Owing Households



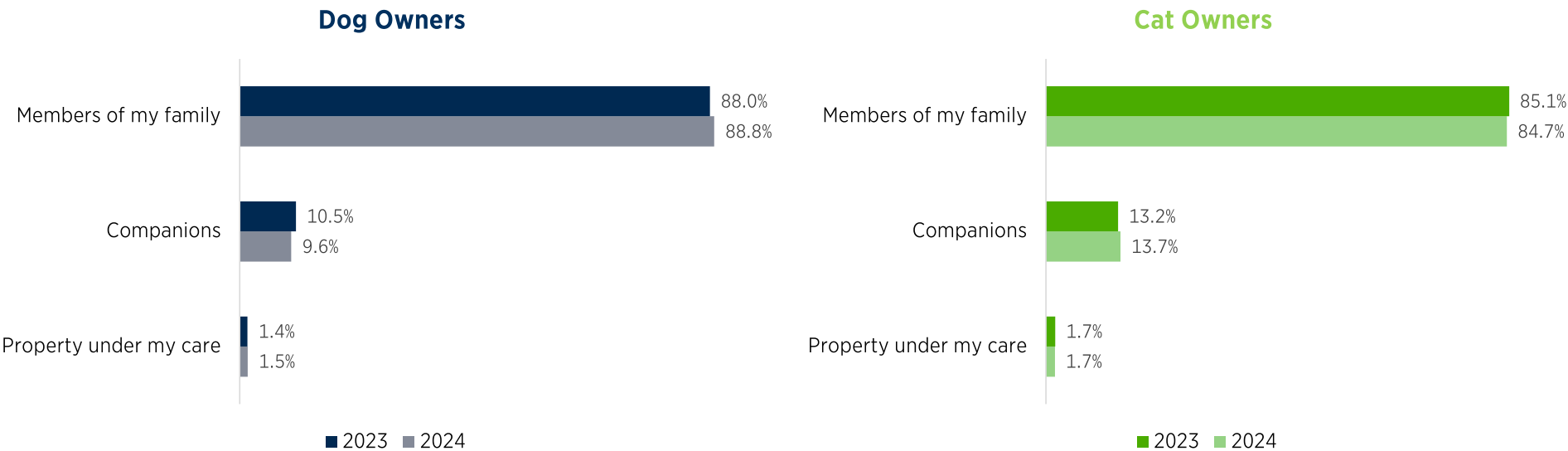
Cat Owing Households



Source: 2024 AVMA Pet Ownership and Demographics Sourcebook

How pet owners view their pets

Dog and cat owners



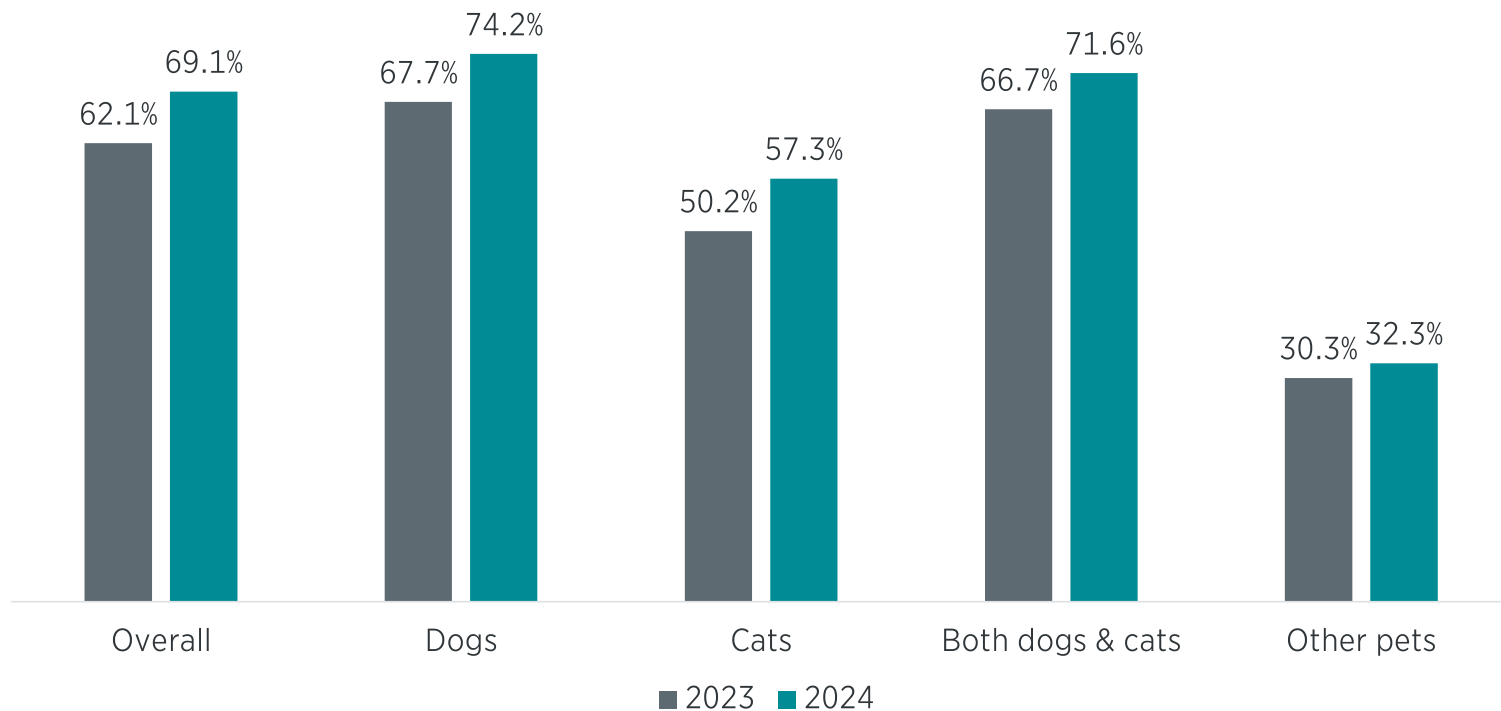
Source: 2024 AVMA Pet Ownership and Demographics Sourcebook

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Veterinary visits

Percentage of pet owners who visited the veterinarian in the previous calendar year, as reported in 2023 and 2024



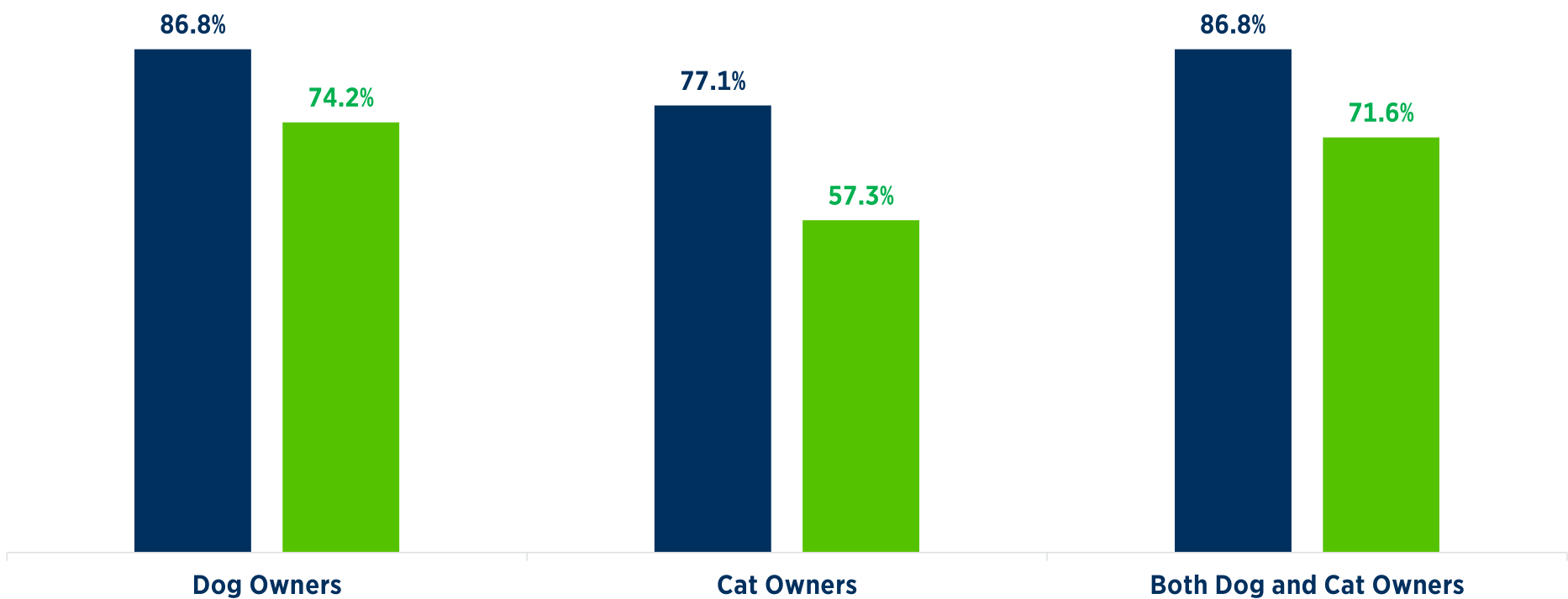
Source: 2024 AVMA Pet Ownership and Demographics Sourcebook

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Relationships and practice visits

- Pet Owners Indicating they have a regular veterinarian or veterinary practice established
- Pet Owners that took their pet to the veterinarian at least once in the previous calendar year

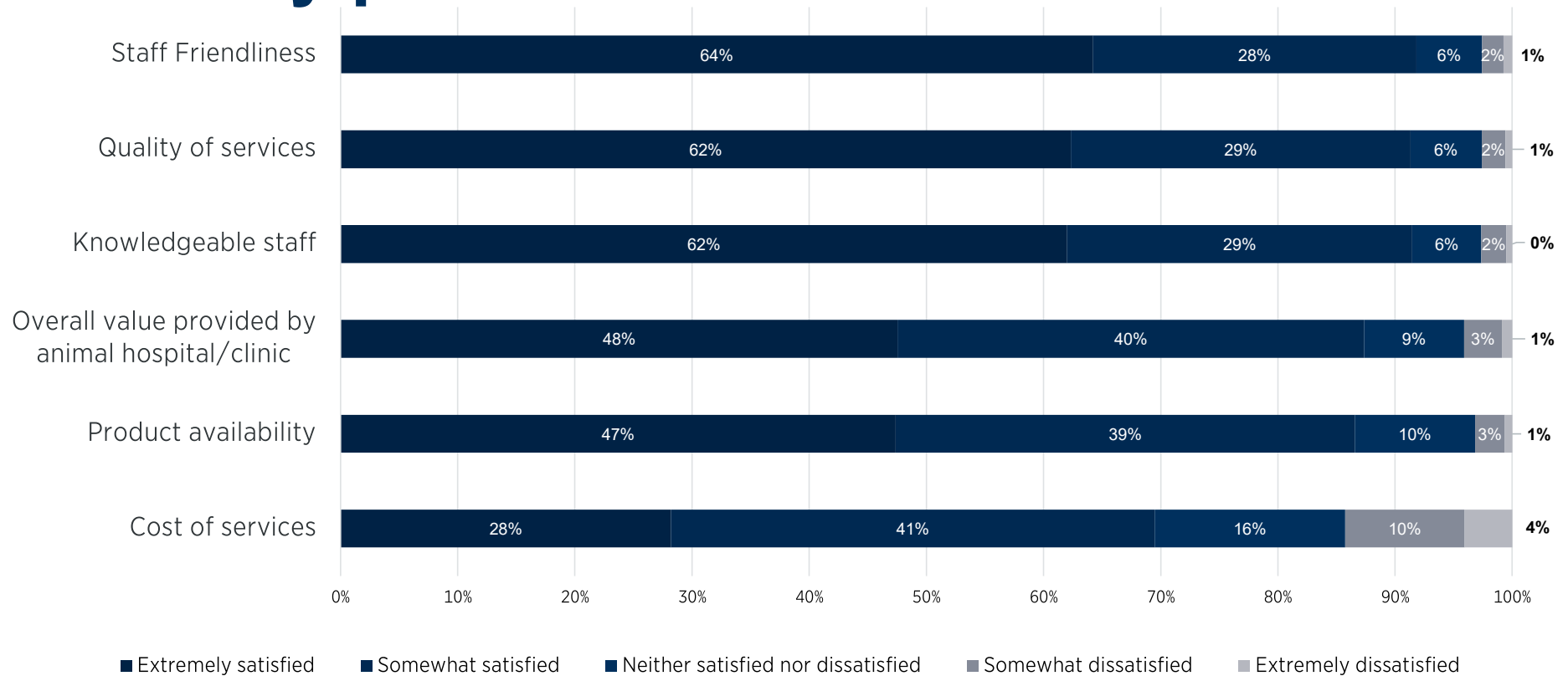


Source: 2024 AVMA Pet Ownership and Demographics Sourcebook

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Satisfaction of pet owners with their regular veterinary practice



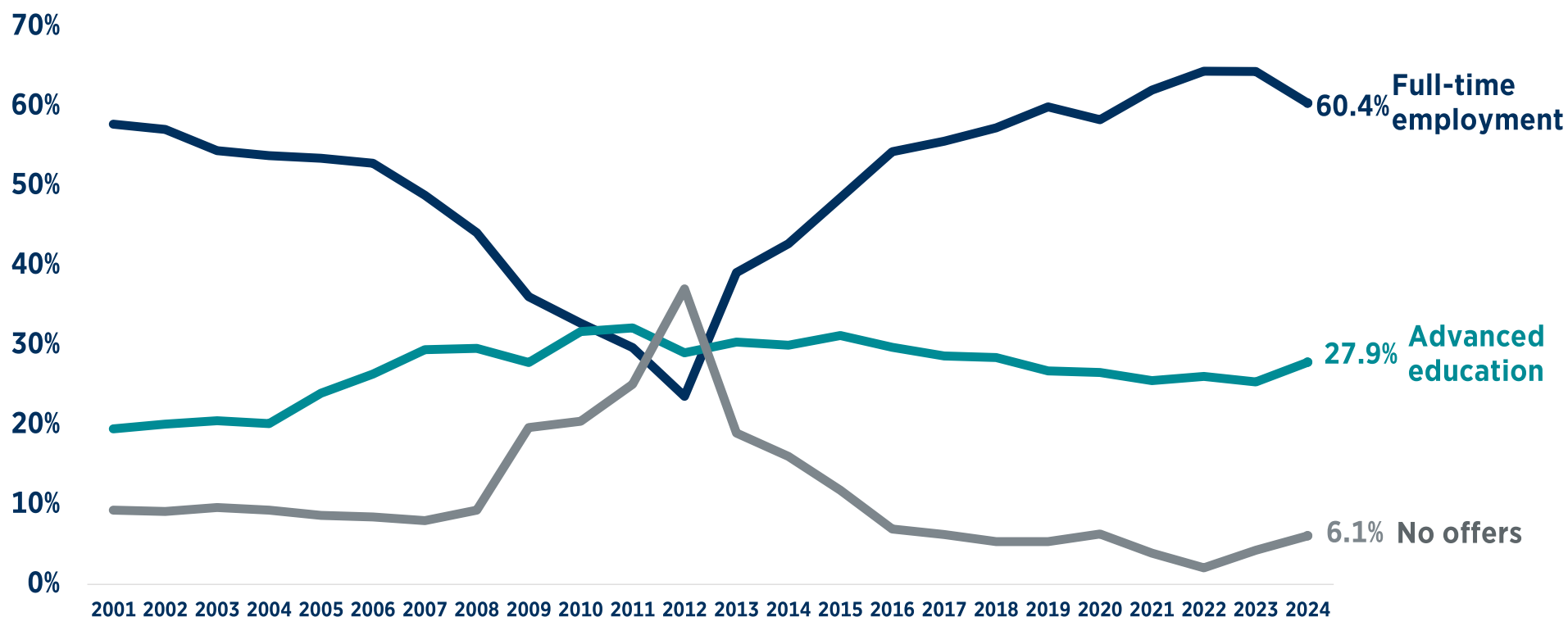
Source: 2024 AVMA Pet Ownership and Demographics Sourcebook

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The Market for Veterinarians

Majority of graduates entering full-time employment

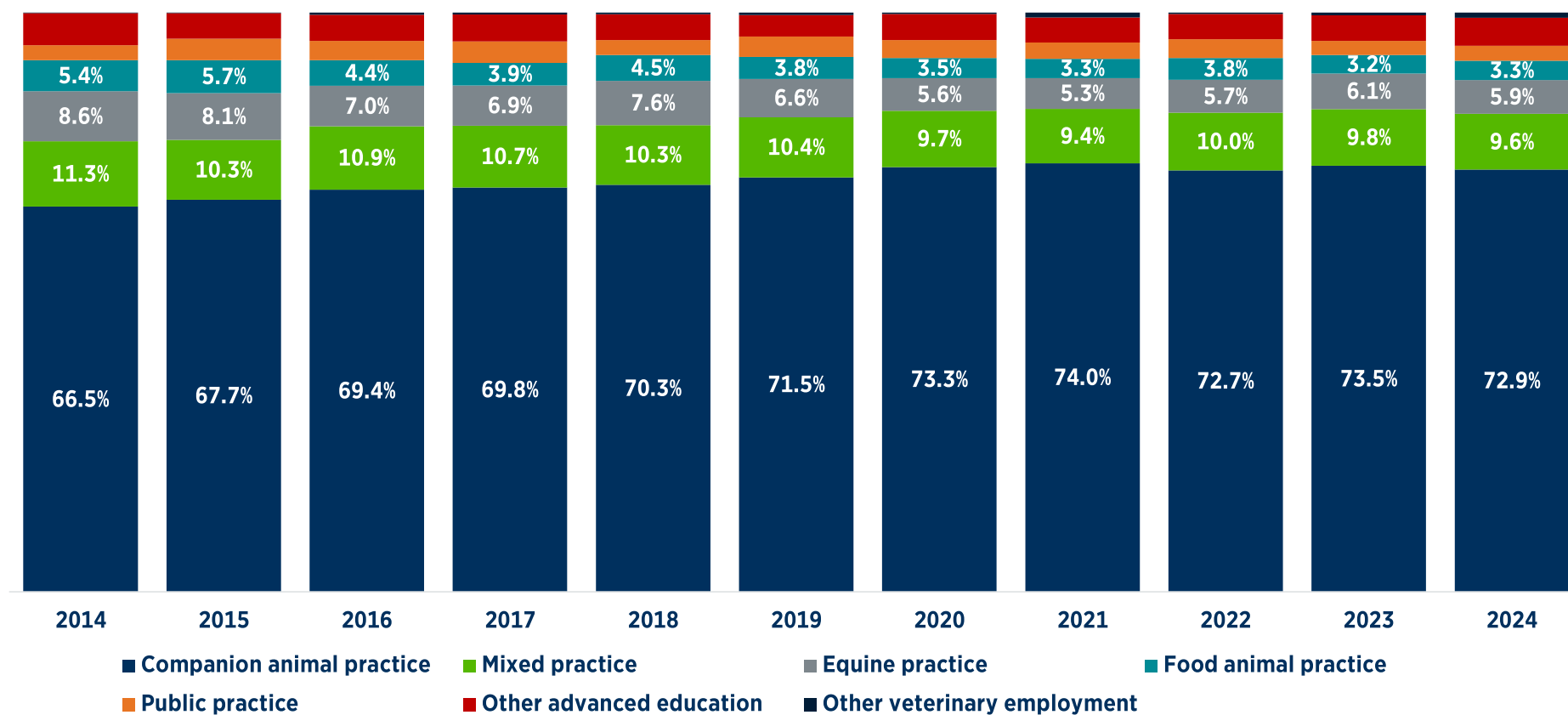


Source: AVMA 2025 Economic State of the Veterinary Profession

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Species focus of new graduate veterinarians

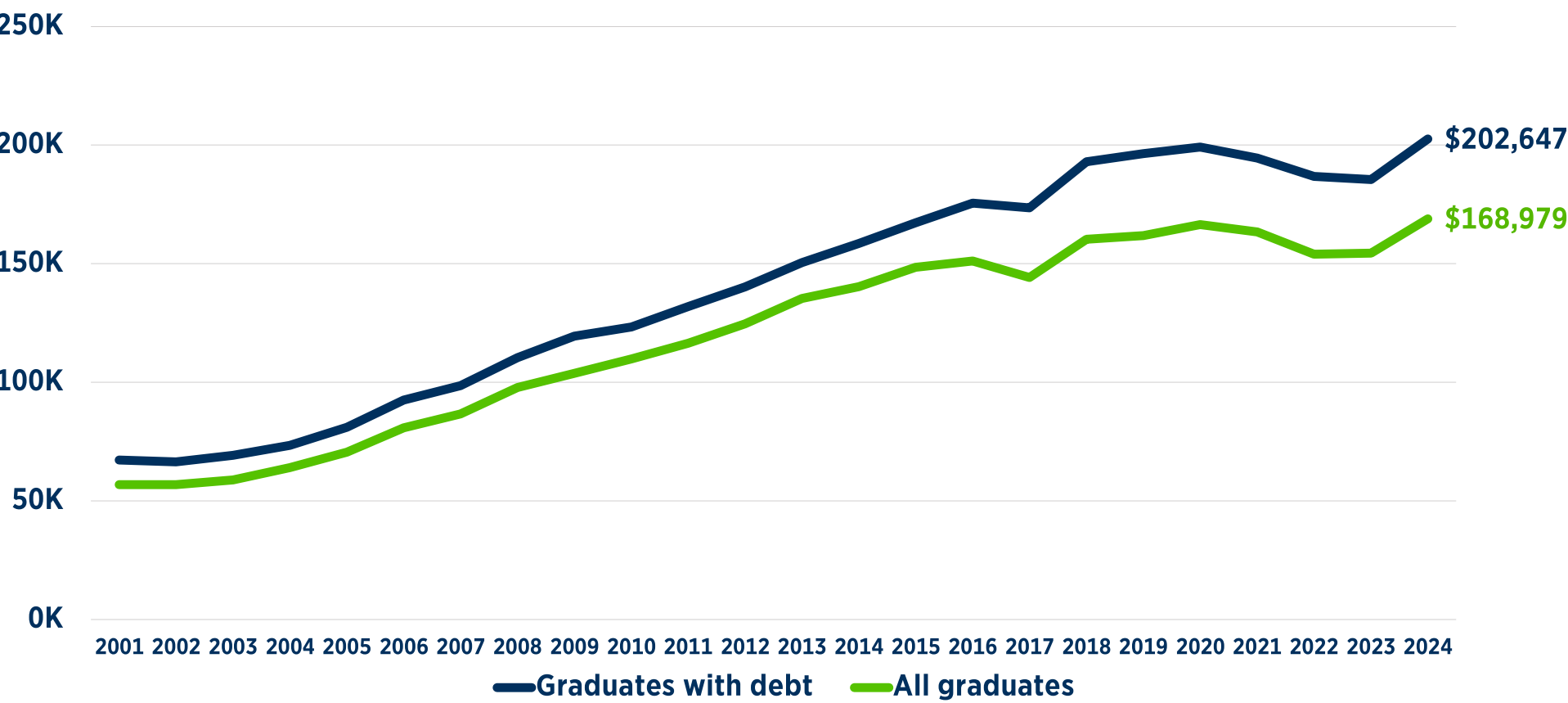


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DVM debt upon graduation

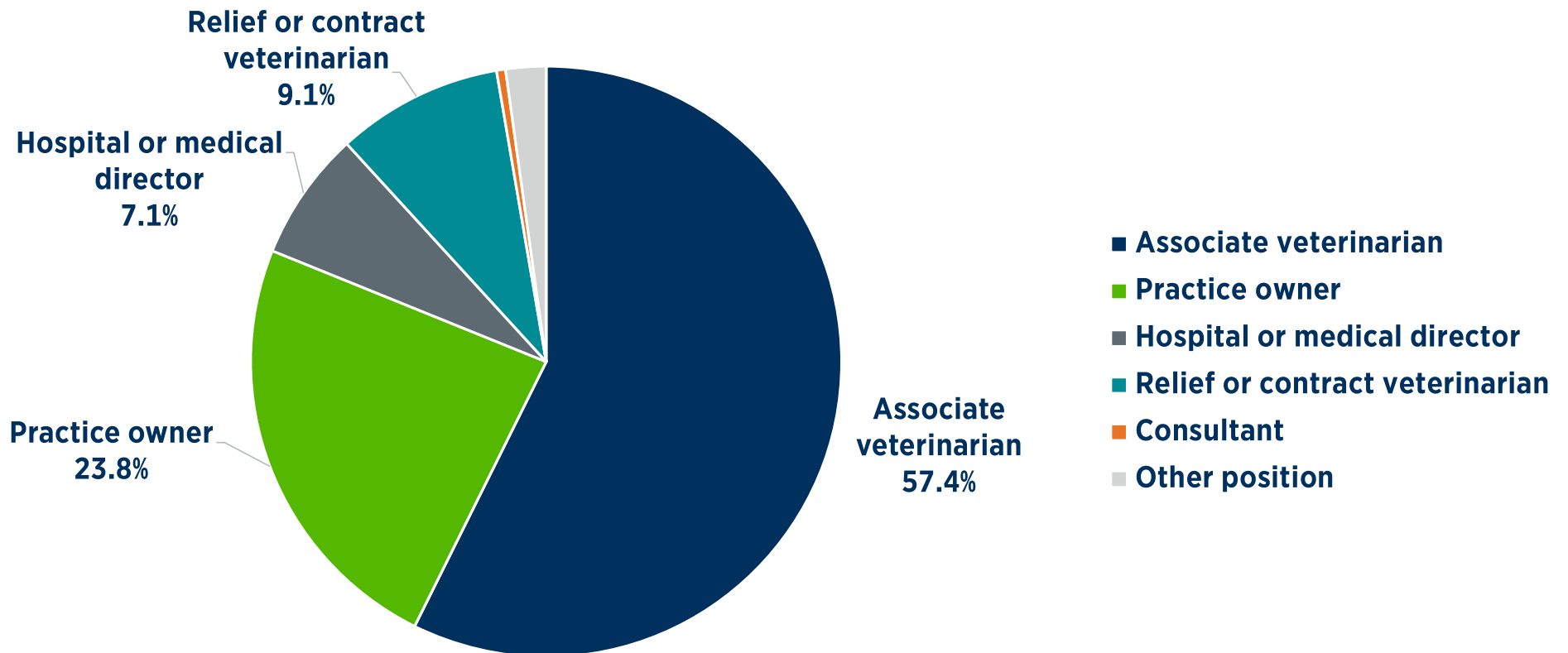


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Position of employment for Census respondents

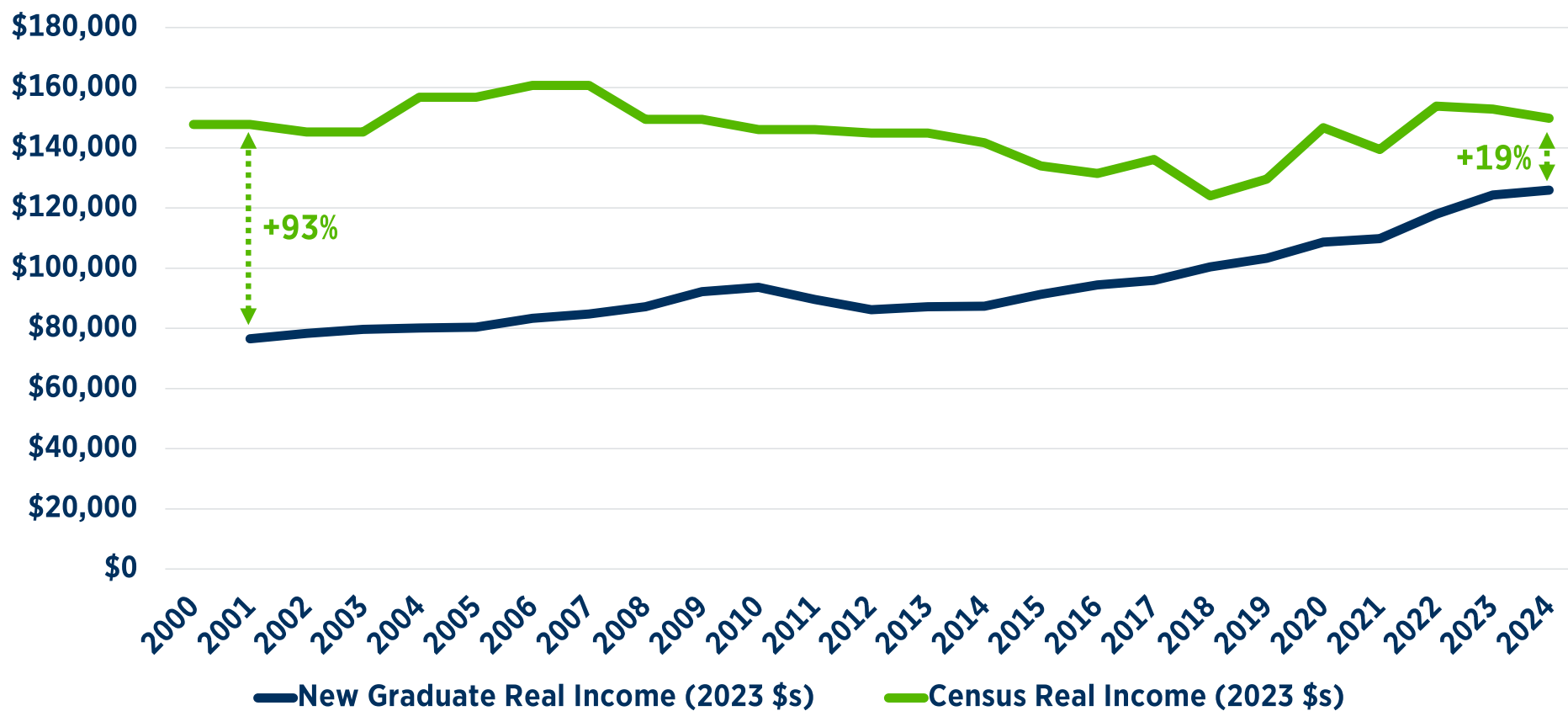


Source: AVMA 2025 Economic State of the Veterinary Profession

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Inflation-adjusted veterinarian incomes



Source: AVMA 2025 Economic State of the Veterinary Profession

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The Market for Veterinary Technicians

NAVTA Demographic Survey Results 2024

Professional Credentials, Education, and Identity

FIGURE 2:
AVMA-Accredited
Program Graduation

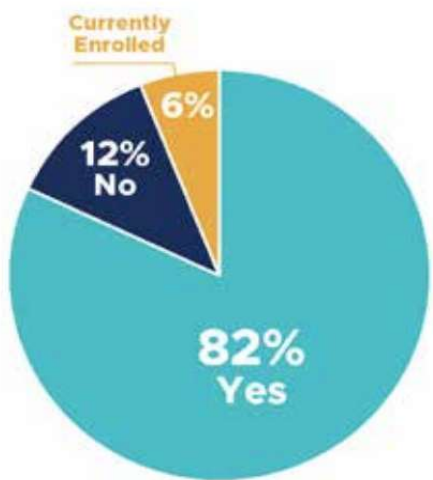
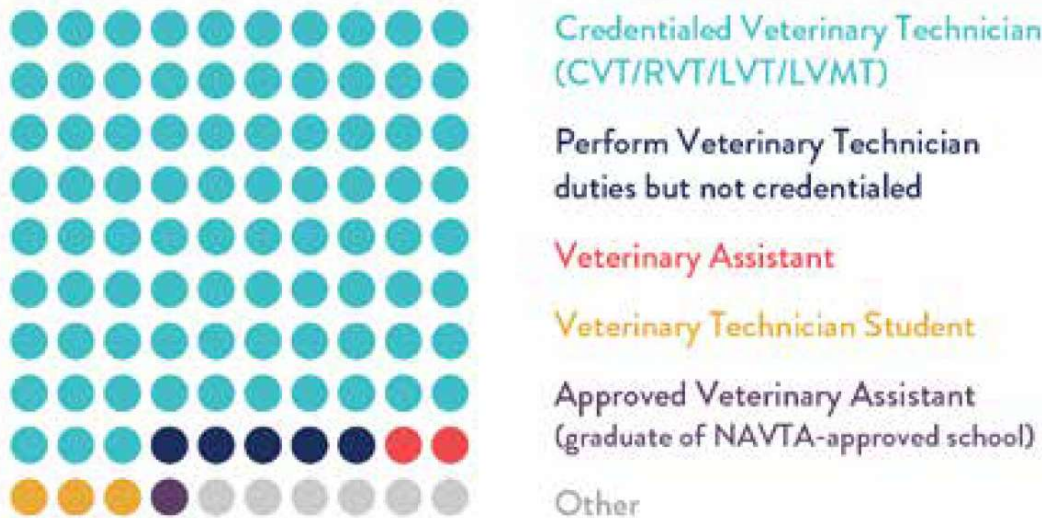


FIGURE 1: Current Employment Position



Source: NAVTA Demographic Survey Results 2024

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NAVTA Demographic Survey Results 2024

Respondent annual gross income

**22% of
respondents
reported
working more
than 1 job**

Source: NAVTA Demographic Survey Results 2024

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FIGURE 9: Annual Gross Income



NAVTA Demographic Survey Results 2024

Top Respondent Concerns:

1. Low Salary
2. Lack of title protection
3. High staff turnover/Difficulty retaining staff

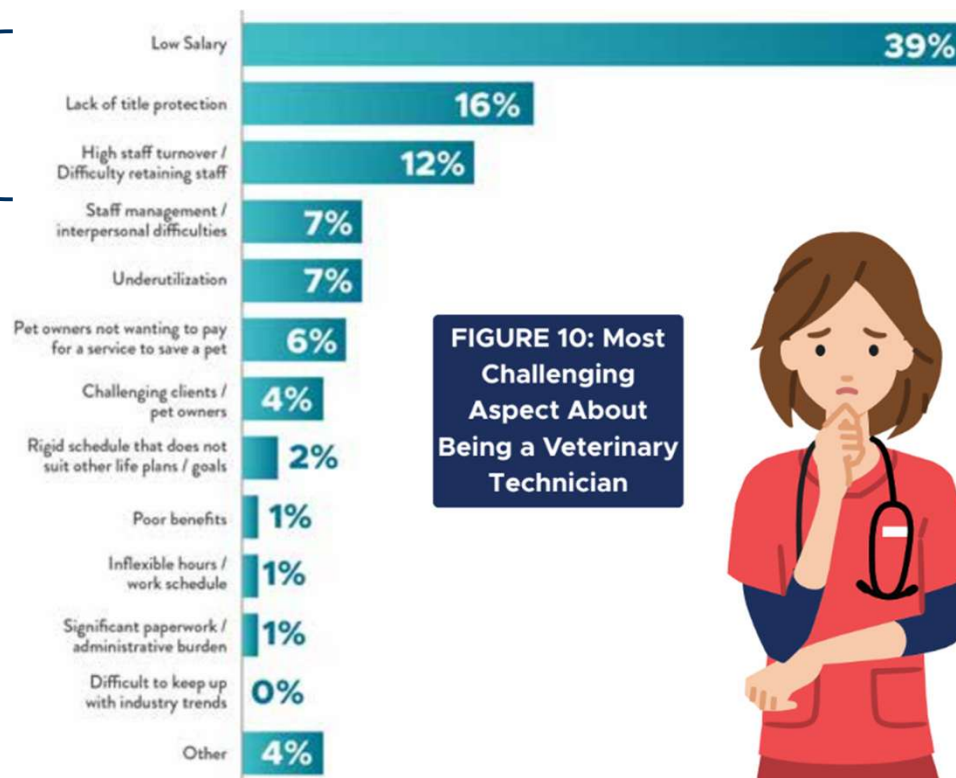


FIGURE 10: Most Challenging Aspect About Being a Veterinary Technician

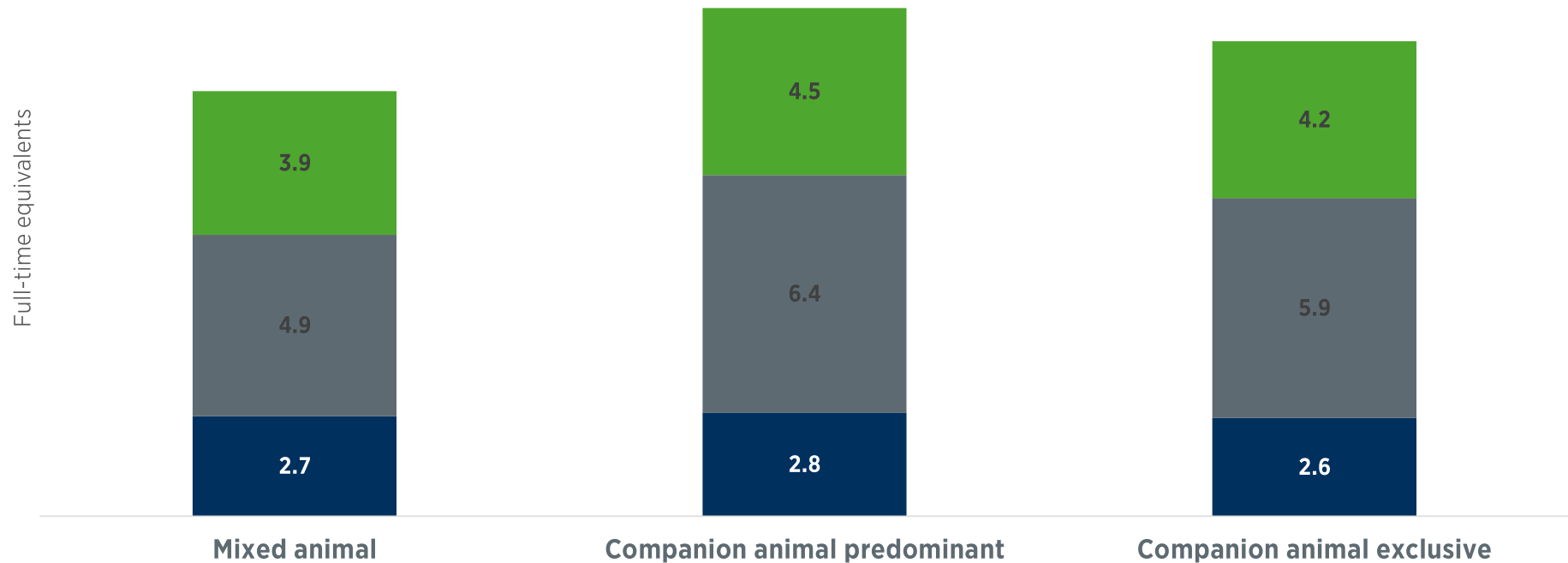


Source: NAVTA Demographic Survey Results 2024

Veterinary Practices and Teams

Average size of veterinary practice workforce

■ Veterinarians ■ Veterinary Technicians and Veterinary Assistants ■ Non-medical staff

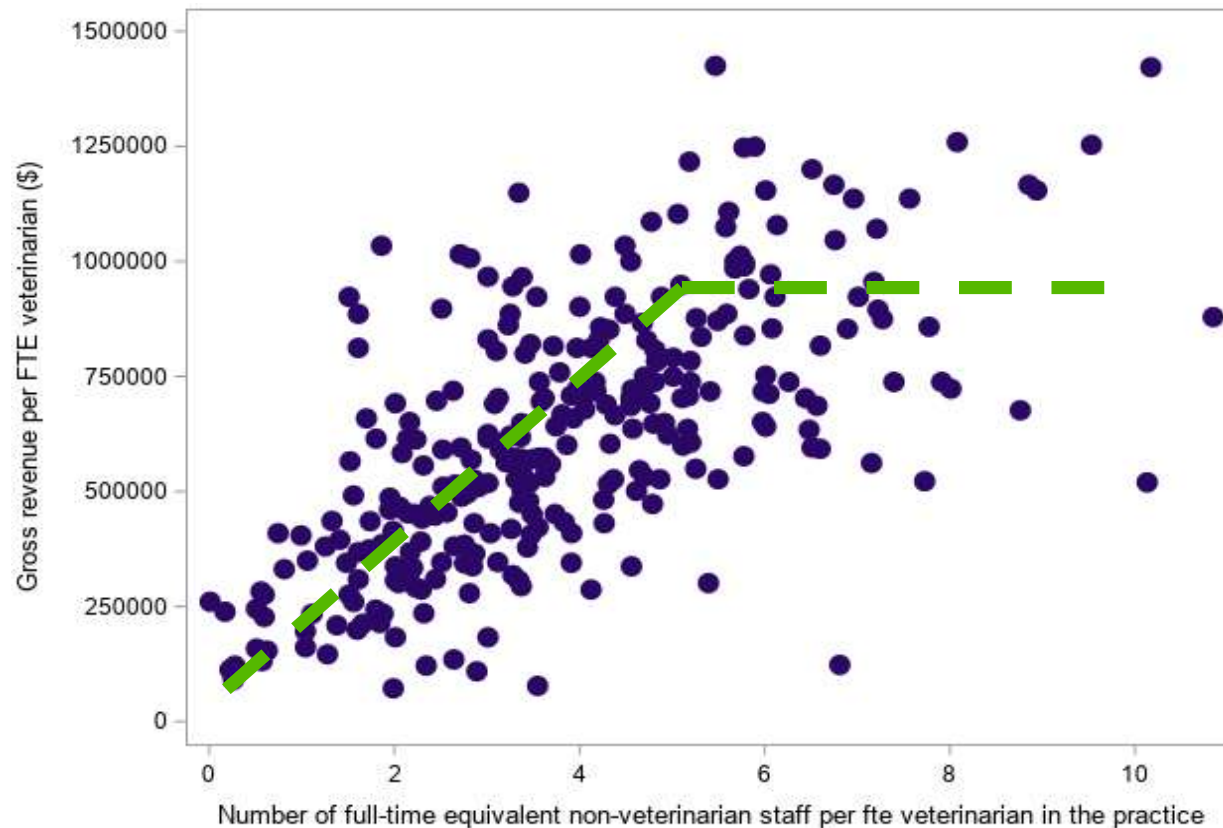


Source: AVMA 2025 Economic State of the Veterinary Profession

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Gross revenue per FTE veterinarian and veterinarian to staff ratio

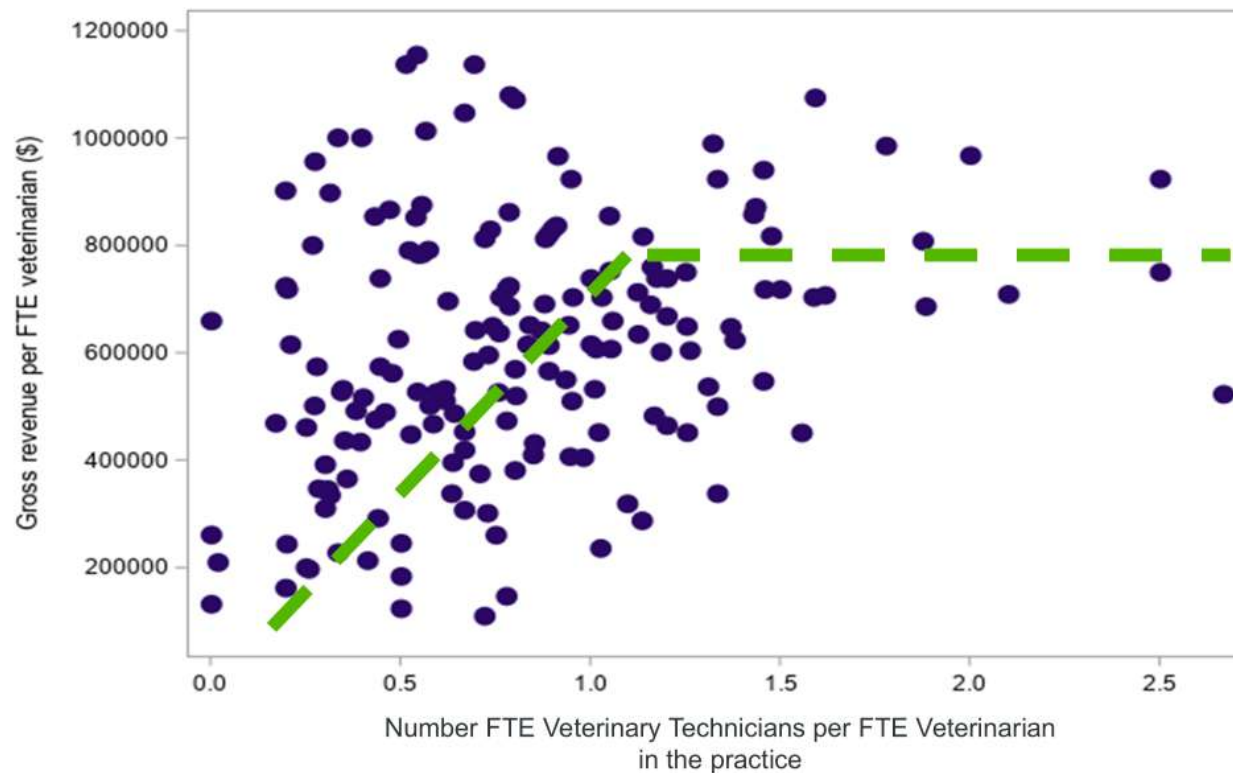


Gross revenue per FTE veterinarian increases with an increase in veterinarian to staff ratio up to about **5 FTE non-veterinarian staff per FTE veterinarian**.
Optimum ratio = 5:1

Source: AVMA 2025 Economic State of the Veterinary Profession

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Average gross revenue per Veterinarian by Veterinarian to Veterinary Technician ratio



Optimum ratio = 1:1

Source: AVMA 2025 Economic State of the Veterinary Profession

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Research: Veterinary Technicians

Research

Veterinary Technicians

AVMA

- Partnered with researchers from Cornell University

Methodology

- Focusing on a sample of 60 *AVMA-CVTEA Essential Skills* the researchers are investigating **team dynamics** and **barriers to engaging the team**, with a focus on Veterinary Technicians.

Elizabeth McLean



Principal Investigator,
Associate Professor,
Management and
Organizations, S.C.
Johnson Graduate
School of Management,
Cornell University

Caitlin Ray



Assistant Professor,
Human Resource
Studies, ILR School,
Cornell University

Research Findings Framework

Profile Utilization: skill level, confidence, opportunity



“I fully use my skills at work.”

Veterinary technician perspective: Agreement heavily relied on opportunity to apply the skills rather than skill level.

Research: Key findings

Veterinary Technicians

Effective integration is key

- Veterinary Technicians are more likely to want to stay with their current practice when they feel **fully integrated** and have the opportunity to apply the skills they are qualified to perform.

Social relationships are important

- Fostering strong **social relationships** within the team builds trust, improves communication, and creates a shared understanding, which can enhance overall practice performance.

Leadership matters

- Leaders play a critical role in **matching** team members' skills and qualifications to the appropriate tasks, which boosts confidence, job satisfaction, and retention.

Research Insights

Questions to Ask

Veterinary Teams:

- How well do we collaborate as a team, and are we building the **relationships** necessary to ensure trust and effective communication in our daily work?

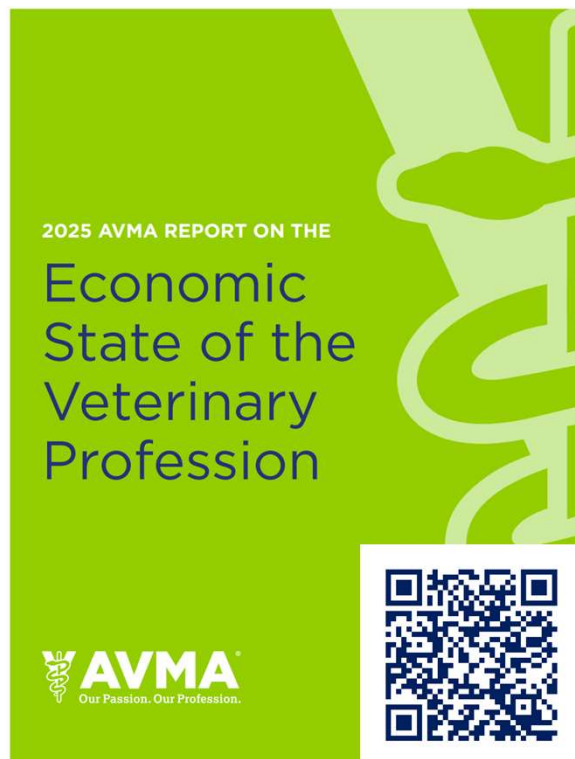
Veterinary Leaders and Educators:

- Are my team members both **qualified** and **confident** in their skills, and do I consistently provide them with **opportunities** to practice those skills?

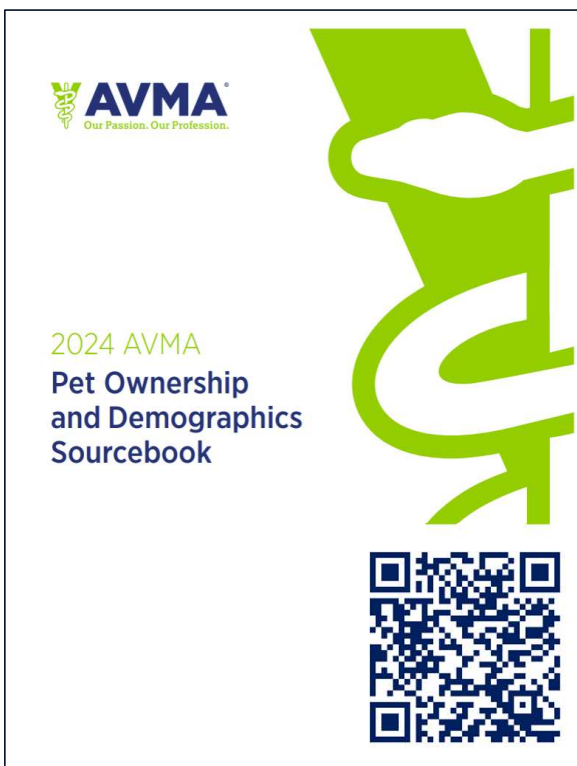
Key takeaways

- ❑ **Veterinary trends show slowing visits and is aligned with U.S. macroeconomic trends. It is unlikely veterinary visits will increase without more optimism in the broader U.S. economy.**
- ❑ **Veterinarians and Veterinary Technicians face different challenges when considering the future of their respective professions.**
- ❑ **Optimizing team performance requires a multifaceted approach that involves managers and employees. Preliminary research suggests the opportunity to use a Veterinary Technician's full skill set is a large part of job satisfaction.**

Resources from AVMA



SOP2025



PDS2024



25MINDS

THANK YOU

Questions?

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