Inventories and Pricing: Make It Count!

1. What are some of the primary reasons veterinary practices sell inventory items to pet owners?
   - Pet owner convenience
   - Makes it more likely the pet will actually be given the medication once the pet owner leaves the practice
   - To contribute to practice revenue and profits
   - All of the above
   - None of the above

2. How does pricing influence pet owner behavior when it comes to buying medications and pet products?
   - Can motivate them to buy the product
   - Can demotivate them—that is, they won’t buy the product at all
   - Can push them to look elsewhere for a cheaper price
   - A and C only
   - All of the above

3. Which of the following is NOT a reason profits are important to a veterinary practice?
   - Profits allow the practice to continue operating and providing care for pets
   - Profits mean the practice will need to file bankruptcy
   - Profits mean the practice can invest in more team members as well as compensation and benefits
   - Profits mean the practice can invest in more equipment
   - All of the above

4. Which of the following are three common methodologies for setting prices?
   - Fixed pricing, market pricing, random pricing
   - Fixed pricing, academic pricing, variable pricing
   - Academic pricing, random pricing, market pricing
   - Fixed pricing, variable pricing, market pricing
   - None of the above

5. Fixed pricing is defined as marking up the product by a certain percentage or dollar amount using the purchase price as the base for the calculation.
   - True
   - False

6. Market pricing is defined as selling the product to clients at a price similar to what other practices or online pharmacies charge.
   - True
   - False

7. Inventory expenses (drugs and medical supplies, food, other pet products) are one of the biggest expenses in a practice.
   - True
   - False

8. Inventory theft doesn’t happen in veterinary practices.
   - True
   - False

9. Which of the following is NOT a good way to prevent inventory theft?
   - Leave all inventory in easily accessible places
   - Display empty boxes in public areas
   - Keep product organized
   - Perform regular physical counts
   - All of the above

10. Which of the following is a reason that the quantity of a product on the shelf will be different than what is recorded in the computer system?
    - Product received was entered incorrectly into the computer
    - A charge was not entered into the invoice for product given to a client
    - Product was stolen from the hospital
    - Product was used in-house and not recorded in the computer system
    - All of the above