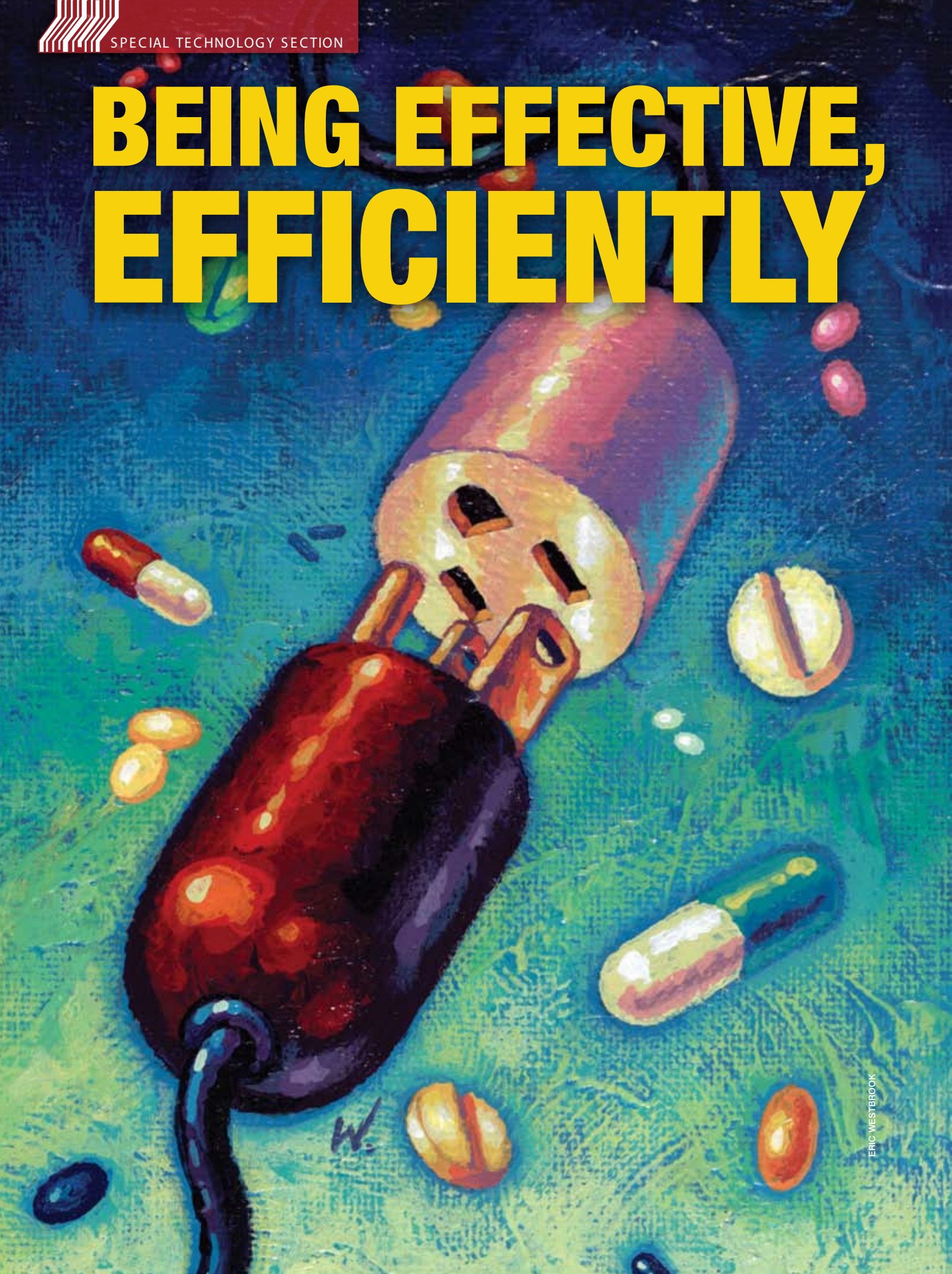
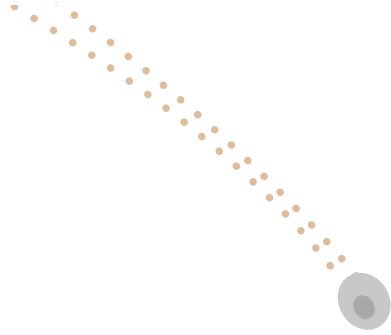





BEING EFFECTIVE, EFFICIENTLY





Finding the right
blend of technology
tools can boost sales
and improve profits

by Bruce Kneeland



**“LET US SHOW YOU HOW TO
FILL PRESCRIPTIONS FASTER
AND CHEAPER.”**

That’s the mantra of most pharmacy technology companies. And, the good news is that the vast majority of them deliver on that promise. Still, as I tour the country I am impressed by pharmacies that have not only deployed modern technology because it helps them operate more efficiently, but because it also helps make them be more effective.

And, there is a HUGE difference between the two words. Efficient implies you are doing things right. That is, there is little wasted motion or effort. On the other hand, effective implies that you are doing the right things. This is a much more difficult task, and the oft quoted cliché about rearranging the deck chairs on the Titanic encapsulates the difference. If you are going to be successful in pharmacy today you must be both efficient and effective. And, modern technology is here to help. But if my impressions are even half correct, the time has come for many community pharmacies to challenge their technology partners to help them be more effective by delivering features that actually boost sales, and task employees to use technology to improve profits.

Dialing for Dollars

The best place to start using technology to build sales is with the most ubiquitous piece of technology in your Practice—your telephone. Joel Zive, RPh, is the third-generation owner of Zive Pharmacy in the Bronx borough of New York City. You may have read about Zive and some of the things he has done to support AIDS clinics in Rwanda (*America's Pharmacist*, May 2005). But closer to home, Zive needs to pay the bills. To help boost his sales and build positive word of mouth in his diverse urban community, Joel has become an early adopter of the Language Line service. In New York there are clusters of ethnicity that speak more than 100 languages and dialects. Zive says that no matter how aggressive he may be in trying to hire bilingual staff, there is no way he can serve such a wide variety of languages.



The Keansburg Pharmacy's IVR system tells patients they have a prescription eligible for refill.

This novel service provides a unique two handle telephone. When a customer needs help expressing him- or herself to one of Zive's staff members, Zive says they simply walk over to the phone and are immediately put in touch with translators that are able to determine the language needed and then facilitate a meaningful conversation between the pharmacist and the patient. Zive says the service costs about \$100 a month plus a modest per minute fee, and that he uses it about 10 times a month. He is convinced that the ability to serve people in numerous languages has had a direct impact on his sales to that person, and that once a person has used it, Zive knows that they send others into his store.

In my consulting practice, I call pharmacies and get put on hold a lot. I am impressed by pharmacies that have a well done sold-on-hold program. Dave Lutz, RPh, owner of Rhoades Pharmacy in Hummelstown, Pennsylvania, has a great system. Anyone calling the pharmacy and needing to be put on hold is provided with carefully crafted, professionally recorded, and frequently updated information. The system tastefully informs callers of seasonally appropriate specials on gift items, greeting cards, OTC/health and beauty aids, and other items. Lutz says customers frequently comment on things they heard, ask for more information about upcoming events, and, most importantly, purchase items mentioned on the system.

Interactive voice recognition came into being as a way to operate more efficiently—and in the past few years many features provided by IVR companies have become marketing tools, and can turn your telephone into a sales booster. Todd Antrobus is vice president of Business Development for Community Wellness Centers, an 11-store independent chain in Kentucky that also provides consulting services to another 25 stores under The Independent Solution name. He says he can't imagine running his pharmacies without an IVR.

"Not only does the IVR provide our staff with more time to counsel," Antrobus says, "but our TeleManager system informs patients during their call if no refills remain and invites them to authorize our pharmacies to auto-fax their doctor to request more refills." Antrobus says he estimates this service results in filling an extra three to five prescriptions a day per store. He says he is talking with TeleManager about implementing its soon to be released feature that automatically calls people to

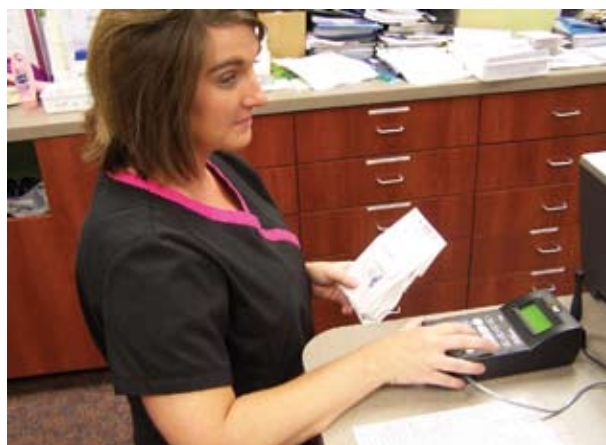
remind them that they have prescriptions in the will call bin that haven't been picked up. Antrobus says he expects that this new service will result in a meaningful reduction in the number of abandoned prescriptions and a significant revenue boost.

Howard Shulman, RPh, managing partner of Keansburg Pharmacy in Keansburg, New Jersey, was the first TeleManager customer to subscribe to the IVR company's outbound calling service. Every weekday night, between the hours of 5:30 and 9 p.m., his IVR queries his pharmacy management system for patients with prescriptions eligible for refill. He says setting up the process the first time took an hour or so, but now that the queries are all set, it only takes a technician five to 10 minutes each night to review the call list and make any last minute modifications. Then the system goes to work—calling up to 200 patients a night and letting them know they have a prescription on file eligible for refill. Shulman reports that this procedure is well received by his customers, and he estimates he refills 10 percent more prescriptions as a result of this program.

Taking the Plunge for POS

Most independent pharmacies strive to outdistance their chain competitors by providing better customer service, and Brad Mills, RPh, is no different. About two years ago, Mills moved and expanded his pharmacy, Jeff's Prescription Shop, from a 1,800-square-foot facility near the town center in Elizabeth, Kentucky, to a new 5,500-square-foot facility about 3-1/2 miles away. In making this move, Mills decided the time had come to install a point-of-sale system. He says, "I just knew that as I went from one to three registers I needed to do something to make sure the registers were rung up correctly, and that I had a way to make sure each of my cashiers could spend time on what truly matters, which is treating customers right. So, I took the plunge."

Another element of POS that Mills knew he needed to take advantage of is the ability to price his front-end merchandise "right." Mills wanted to stock his new larger facility with a variety of OTC, HBA, durable medical equipment, and other traditional front-end items. In preparing for the move, he investigated his wholesaler's zone pricing system and did not believe it was right for the specific goals he had in mind. Mills confesses to being a bit of a geek, so after consulting with his POS



The touch-screen POS at Jeff's Prescription Shop is easy for cashiers to learn and use.

vendor, Emporos Systems, and his pharmacy management system, Rx30, he did the research and developed his own retail pricing formulas and loaded them into his wholesaler's system. He has been pleased with the results.

When asked what has been the most unexpected bonus from his POS, he mentions two things. First, the Emporos will call bin management option "is probably the most undervalued feature of POS." This is a "great tool," saving the trouble of calling people and informing them that another prescription has been filled that they failed to get on their recent visit. And, having his POS be IIAS (inventory information approval system) compliant and SIGIS (Special Interest Group for IIAS Standards) certified is an unexpected benefit, providing the ability to process flexible spending account debit cards.

Mills calls the time when the customer chats with the cashier and opens her purse to finalize a purchase "the moment of truth." And, having an easy-to-use, touch-screen POS system allows his cashiers to learn the system in minutes. The screen prompts and double checks make it possible for the clerks to smile, chat with the customers, find all their prescriptions, accept a variety of payment forms, and tender the right amount of change in rapid order, making both customers and staff happy.

Internet Refill Requests

One customer-friendly technology that chains have implemented more aggressively than independents is Internet refill requests. According to the 2008 Wilson Pharmacy Satisfaction Survey, 10 percent of pharmacy customers have used the Internet to contact their pharmacy, and request a refill. One pharmacist who has



Patients of Magnolia Pharmacy can request refills via the Internet, freeing more time to talk to the pharmacist.

tapped into this feature is Steve Hoffart of Magnolia Pharmacy in Magnolia, Texas. Like Mills, Hoffart moved his pharmacy about a year ago from a 1,600-square-foot operation to a 5,200-square-foot facility. As part of the planning process for the move Hoffart decided the time had come to install an IVR.

During the IVR purchasing process, he was told by his TeleManager sales representative that for a few hundred dollars more he could add a link on his Web page that would allow customers to request refills on the Internet. So, he says, “I took the plunge and added this feature, not expecting much because many of my customers are elderly.”

He created some counter and window signs, talked it up, and was surprised to realize that in a matter of months he was averaging 200 or so Internet refill requests each month. And more to his surprise, he finds that a high percentage of those requests are coming from his elderly patients either at night or very early in the morning as they go to take their medication, realize they need a refill, and order it from their home computer at that moment.

“In talking with Adam Grant, president of CGI Advertising, I recently learned of a new way the Internet is being used in tandem with direct mail to boost the effectiveness of both,” Grant says. “The new hybrid marketing approach uses PURL’s—personalized uniform resource locators.”

The way this works is when a pharmacy uses CGI’s Simple Rx Ads targeted direct mail services, the mailings can be embedded with a temporary Web address for each person. When recipients open the mailer, they are invited to go to a Web page using their own name; for example,

JohnJones@yourdrugstorename.com. When customers get to this page they are greeted by name on a Web page that mimics the host pharmacy’s page, but is run by CGI.

Customers are invited to select the coupon, voucher, or offer they find most appealing. One person can select a transfer prescription coupon, another a free gallon of milk, another a greeting card, and so on. They then print out a barcoded coupon and take it to the store. This new service provides the subscribing pharmacy with a detailed list of how many people responded and what their interests were, and gives them the ability to reconnect with the person with follow up offers and ongoing information.

Early last year I met a truly remarkable pharmacist, Joe Yeager, a partner in Stuarts Draft Pharmacy in Stuarts Draft, Virginia. In interviewing him for another article, he said two things that captivated me. He said that, in his experience, most of the independent pharmacists he knew that closed or sold their practice to a chain were those that had always been late in adopting new technology. Yeager speculated that one of the reasons they were late to invest in new things was because they failed to realize that the core benefit of the new technology was not simply being able to do things faster or cheaper—but that it gave you a chance to do new and better things.

Yeager told me about the time shortly after he installed his second pharmacy management system when there was a major drug recall, and he took the time to search his database and call people on that medication. This was new, it was appreciated, and Yeager says he believed he not only served his patients well, but he also knew many of them talked about this service and recommended his pharmacy to their friends. That is the message of this article—find ways to get and use technology that will allow you to better serve your patients. Use it to buy and stock your store more effectively. Most of all, use it to talk to and better serve your customers. As you do so you’ll not only save time and money, but you’ll actually boost sales and improve profits—just as the pharmacies mentioned in this article have done. **ap**



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