

DRUG STORE NEWS®

The Business of Chain Pharmacy

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Marketing regional pharmacies in daunting times

Why would anyone want to run a regional pharmacy chain today?

The competition is staggering. Political, price and import pressures are unforgiving. And the blurring of retail channels is enough to make even the strongest retailer want to pack it in.

But even with those issues, retail pharmacy can and should be a fun and satisfying business. One of the best ways to make sure you get your share of the dollars and the fun is by becoming a better marketer. Here's how:

1. Do your homework. Take time to review customer data buried in your company. Those surveys, customer complaint/compliment letters, databases and daily feedback give you clues about what makes your stores distinct from your competitors'. That research is the beginning of a powerful marketing tool for your company: finding your point of difference.

2. Brand your stores. The only thing a brand can do is create a customer expectation before she enters your store. It's that simple.

So once you have an idea of what makes you distinct from your competition, meet with your marketing department or design firm and challenge them to create a unique brand identity for your stores.

Creating a brand focuses your thinking around one issue: Why should customers buy from you? Looked at another way, creating a brand is something you can't afford to ignore if you want to stay healthy and competitive in the next 10 years.

3. Focus on your pharmacists. There's no substitute for the trust and credibility your pharmacists bring to your customers. Keep the pharmacists at the center of your marketing and communication.

And don't allow your pharmacists to hide behind the counter counting pills. You pay them too much to do that. Get them out in the store, talking to customers and recommending products. Your sales will rise in direct proportion to the amount of time they invest doing this.

4. Clean your stores. There are some ratty-looking stores out there. So don't let your pharmacy's trust and credibility go down the tubes with a dirty, disorganized store. If you don't think you can do this, walk through your local Wal-Mart. If they can control 50,000 times more inventory than you, you can find a way.

5. Write a promotional plan. Retail pharmacy is about selling

stuff, mostly prescriptions and OTCs. Remember the research you did at the beginning? Now's the time to create a promotional plan focusing on the things you want to market and that make you unique. Are your pharmacists more experienced? Friendlier? Do you have a customer-loyalty program? Speed of service? Whatever it is that makes you unique, stay focused on it through the year.

6. Execute the plan. Sounds easy, doesn't it? But this is where all of the headaches and heartaches begin. (No wonder we're in the pharmacy business.) Suppose you put a promotion together communicating that your pharmacists are friendlier than your competition's. But within an hour of launching it, you get a call from a customer complaining she was mistreated by a pharmacist. This poor execution makes you crazy, right?

There are two ways to improve store-level execution: First, work hard at over-communicating the promotion—and your expectations—to all employees, and get their input on ways to make it go flawlessly.

Second, don't tolerate noncompliance. While this sounds harsh, the best retailers live by this principle. When people know you won't accept excuses, they find creative ways to get the job done—by themselves. Try it. It just takes a bit of an iron stomach to do it.

7. Facilitate feedback and learning. Management usually falls short here. Once a promotion is complete, everyone usually moves forward without much evaluation as to what they learned and how to do better next time. Take time to learn. It's the only way everyone gets better and smooths the bumps next time around.

8. Practice. There's a reason doctors call their work "a practice." In the best sense of the word, doctors are always learning from patients, practicing and improving their craft.

Improving your company's marketing takes practice, as well. It's not easy, but it's the only way to grow sales consistently and have fun at the same time.



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