



Amidst the calls for innovative service delivery, David Parker goes back to basics and looks at the importance of location to your NHS business.

With the new contract in place for several years and increasing competition from grocers, convenience stores and even petrol stations, the community pharmacy is being forced to divert its focus away from retailing and back onto the core professional services for which they are exclusively qualified.

From a professional point of view, earning ones living delivering high quality pharmacy services rather than selling Alice bands and “3 for 2” toothbrushes may be seen as welcome news. In truth however, the choice was neither a voluntary or altruistic one. In the face of shrinking OTC sales and margins, the pharmacist was forced to fight harder for each and every prescription.

Service delivery

The commercial battle that faces pharmacists in the future depends much less on attractive front of shop and much more on the delivery of convenient, fast, high quality professional services to core prescription customers.

Indeed, based on the number of articles we read in the pharmaceutical press describing novel peripheral pharmacy services, we could be forgiven for believing that anybody but

the most innovative and clinically minded pharmacist will be left behind in a cloud of dust. I am frequently asked by clients to suggest novel professional extras they can offer and for tips on “How the big boys do it”.

These initiatives should be applauded and certainly serve to lift our image above that of general shop-keeper, but I do believe that they offer a rather introspective view of what our patients really want. Although it hurts to admit it, if Les Dennis were to ask 100 members of the public “What do you most commonly require from a pharmacy?” I believe that;

1. Good location/ convenient access
2. Short waiting times
3. Product in stock first time

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would sit well clear at the top of the list, with “Cholesterol testing” and “Diabetes screening” languishing well down, perhaps even below the aforementioned Alice bands. Oh the indignity! How could the public be so indifferent to our professional wares?

Nevertheless, this is the commercial environment in which pharmacy must operate and, although innovative services could be viewed as the cherry on the cake, they alone

will not secure the future of your business. In the wake of the new contract and our struggle to re-invent pharmacy services there is a danger of spending 80% of our time on what 20% of the people want. From a commercial standpoint, it makes more sense to focus our efforts where they will receive greatest reward. On this basis, offering a good location and easy access should top your list of service priorities.

Location matters

Many pharmacies have been in their existing location for decades and whilst this location may have been appropriate in the past, circumstances change. Doctors and competitors move, parking restrictions change, supermar-

kets kill off the high street, etc.

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It would be rather patronising to suggest that most pharmacists are not aware of the importance of location, but many find themselves too bogged down in the day to day operation of the business to regularly take

an objective and analytical look at their own. Often the first time location will be seriously reviewed is when a competing pharmacy has applied to relocate or a GP surgery has announced they are upping sticks.

Do your research

Rather than simply defending against threats, as and when they arise, I would recommend a far more structured and pro-active approach to securing your prescription business. Many of the larger groups do this on the basis of what they call "protection maps". This is a simple map of your local area, clearly showing all of the local surgeries and all of the competing pharmacies. Where possible, the patient list



Easy access: Parking spaces can give your store that convenience factor, says David Parker

size and prescribing figures associated with each of these surgeries should be added along with the respective portion of your business that they currently represent. Already from this relatively simple desktop exercise, you should gain a clearer picture of importance of each prescribing source and the merits of your location compared to others. It is important to recognise that good location is relative rather than absolute. Being only 50 metres from a major surgery is only a good location if there are not two other pharmacies even closer. Conversely, if you are the only pharmacy in the village, being right on top of the surgery may be less important than good parking or a lower rent. The point of the "protection map" is not only to raise awareness of how you may improve your own location but, as the name implies, to help you defend against the possible moves of the GPs and your competitors.

Dividing the map into neighbourhoods, as would be reasonably agreed in a contract application, completes the picture and will allow you not only to assess which options you may have but also which may be available to your competitors. Be aware, that if you



Shopping spree: Find out which nearby pharmacies and health centres customers are accessing

consider yourself to be well placed, your competitor must by definition be feeling less well located and if they are in any way pro-active they will be determined to reverse this situation.

Impact of control-of-entry regulations

For those still confused by the amended control-of-entry regulations, pharmacies can, as before, relocate within their same neighbourhood (a minor relocation) subject to certain conditions. Consent is by no means automatic and can be appealed. The key change to the regulations is that a relocation of less than

in hand. What would be the most convenient pharmacy for you? Simple issues such as being on the left hand side of the road rather than the right when leaving the surgery, and having obvious and easy parking nearby become far clearer if you actually act out the journey.

Although surgeries are a key source of prescriptions, be mindful also of the fact that approximately 75% of prescriptions are repeat rather than acute and do not, as such, demand a visit to the surgery. The most convenient location for these may well be in the heart of the neighbourhood rather than alongside the surgery. When reviewing a location, so try then also to envisage, or even plot, the resident pop-

“Imagine leaving each of the important surgeries with a green piece of paper in hand. What would be the most convenient pharmacy for you?”

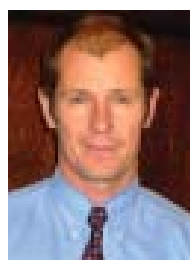
500metres by the shortest practicable route and within the same neighbourhood cannot be refused or appealed (although the definition of the neighbourhood could of course be challenged). Relocations to a different neighbourhood, although occasionally granted, can be considered an extreme long shot and unlikely to give rise to real opportunity or threat.

In your customers' shoes

As well as the above desktop exercise I would always suggest that you take a physical look at your competitive environment. Try to view this from a customer's point of view. Get out and walk or drive the streets. Imagine leaving each of the important surgeries with a green piece of paper

ulations that you would naturally expect to gravitate to a pharmacy located there.

Whilst there are no simple or hard and fast rules about what defines the best pharmacy location, some factual information a sturdy pair of shoes and a large dose of common sense will stand you in good stead and with any luck when Les Dennis shows up in your town and asks members of the public to name a local pharmacy, yours will be top of the list.



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