



Customer success story:

The Apothecary Shoppe

Background

The Apothecary Shoppe is an efficient, well-run pharmacy operating in metropolitan Salt Lake City, Utah. Owner Kevin Demass is an astute business man and pharmacist, eager for information and always proactive and engaged in the operation of his business.

Challenge

Early on in the business coaching process, Kevin recalls his coach pointing out that a significant portion of his business came from a small group of physicians located in a clinic upstairs from the pharmacy. At the time, he was confident that he had a good relationship with the providers in the clinic and the thought of losing them seemed a remote and unlikely possibility. But that possibility became a reality when the clinic decided to move and open an in-house pharmacy. As a result, The Apothecary Shoppe began experiencing the slow but steady decline in volume that would result in about a 30 percent loss of business over the course of more than 12 months.

Solution

With the help of his business coach, Kevin identified key prescribers and made a commitment to begin marketing directly to prescribers and their staff. As he saw his prescription volume decreasing, Kevin was also concerned about his labor costs. Fortunately, Kevin and his coach had evaluated his labor costs and productivity shortly before volume began to decrease and determined that Kevin's productivity ratios were good and his labor costs were well controlled and indicative of an efficient and well-scheduled staff. Working with his business coach, Kevin was able to make small changes in the schedule, minimize disruptions to his staff and keep most of his long-time employees.

"This new business isn't coming from the hospital next door – I had already tapped that business – I had to go outside of my comfort zone and talk with prescribers who didn't know me or my pharmacy well. I had to work to get this new business."

Kevin Demass, The Apothecary Shoppe

“You could stand in the pharmacy with the doors open, and wait for business to come to you; or you can strategize with the business coach to decide where are the pockets of business and how do I get them. There are a lot of reports available, but my coach takes that information and points out what it means – giving me direction and helping it all make sense. Then my coach comes back and we re-evaluate – how did the strategy work, what should I do differently?”

Kevin Demass, The Apothecary Shoppe

Outcome

Over more than two years, Kevin has been able to re-grow most of his business—increasing his volume by nearly 34 percent. “This change didn’t happen overnight – what I’m seeing now is the result of more than three years of work. I take my day off each week, and I go claw my way back – taking the time to build the relationships and the trust with these practices.” His efforts to proactively market his pharmacy to targeted prescribers resulted in significant growth for The Apothecary Shoppe. The top three prescribers, who once represented 1.3 percent of the total script volume, now represent 16.4 percent of the pharmacy’s total script volume and 61 percent of The Apothecary Shoppe’s new business growth.

Kevin finds himself again on the verge of change as top prescribers move or retire, and the makeup of prescribing habits change. But the last few years have left him better prepared, and he has built up his business by spreading his prescription volume among many prescribers rather than focusing on just a few. Recouping his lost business and protecting his margins have been his focal point for the last few years; as his business changes, Kevin shifts his efforts to cornering a more moderate segment of the business, with less of a tendency to prescribe expensive specialty drugs – and he looks to his coach to help him maximize new resources and reporting functions, and to help him be even more strategic in his efforts to protect and grow his business.

To learn more about becoming a member of *Good Neighbor Pharmacy*, contact gnp@amerisourcebergen.com or visit www.wearegnp.com.



Regrew business by nearly 34% with the help of a business coach



Top 3 targeted prescribers = 61% of new business growth

- 01 Prescriber ranked #1, increased Rx count from 105 to 738,* 18% of new business
- 02 Prescriber ranked #2, increased Rx count from 24 to 743,* 20% of new business
- 03 Prescriber ranked #3, increased Rx count from 7 to 842,* 23% of new business

*Quarterly script count increase of top three prescribers as a direct result of the Apothecary Shoppe’s marketing efforts.