

The Front-End Opportunity:

Capitalizing on the Highly-Profitable
Pharmacy Front-End



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Foreword

At Upsher-Smith Laboratories, Inc., we are dedicated to the pursuit of innovative products that enable people to live life to its greatest potential. Connecting people with those products is our passion – just as it is for the thousands of community pharmacists who guide the health decisions of their patients on a daily basis.

This e-book, *The Front-End Opportunity: Capitalizing on the Highly-Profitable Pharmacy Front-End*, celebrates the ability of community pharmacies like yours to provide exceptional patient care and examines a sometimes overlooked profit generator within your stores: the front-end.

As the healthcare landscape becomes increasingly complex, patients are seeking more affordable self-treatment options. Seventy-three percent of U.S. adults prefer to treat minor ailments with OTC medicines before seeking professional care.¹ These evolving attitudes are driving more shoppers to rely on over-the-counter (OTC) remedies for their conditions, which presents an exciting opportunity for you, the community pharmacist, to revitalize your front-end to meet those needs.

We invite you to utilize this e-book as an interactive tool to identify specific front-end opportunities within your store, and we wish you success, both in strengthening your front-end sales and in the long-term success of your pharmacy.

Jim Maahs, Sr. Director, Product Portfolio Management
Upsher-Smith Laboratories, Inc.



Profit in the Aisles: Determining the Potential of Your Front-End

Facing increasing competition from national drug chains, mass retailers, grocers, and now more than ever, the dollar channel, community pharmacists are in a decidedly challenging position. The evolving healthcare marketplace has forced community-based pharmacies such as yours to quickly launch new efforts to remain competitive and retain profit.

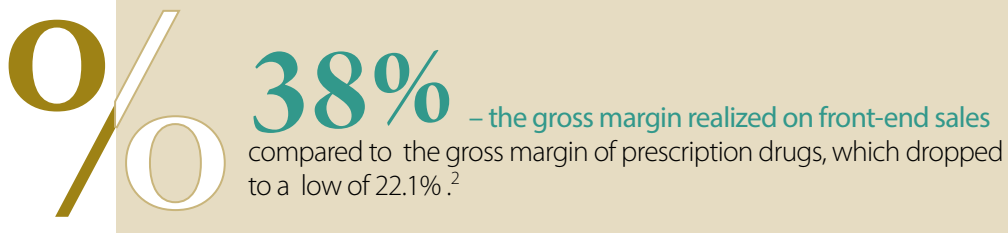
Still, many neighborhood pharmacies aren't maximizing the tremendous competitive advantage and revenue opportunity that is quite literally at their fingertips.

The front-end is sometimes viewed as no more than the series of shelves customers must pass through to arrive at the prescription counter. Front-of-stores operated by pharmacists with this mind-set may be understocked, overstocked, poorly merchandised, and easily ignored by shoppers. How could such a front-end be profitable?

One of many reasons to take an interest in your front-end is because margins are high among these products.

While sales volume may always be strongest in prescription sales, the widening gap in margins between prescription and front-end items suggests that attention should be paid to developing sales in the front-of-store.

Through a back-to-basics approach of exploring variables affecting profit and how they relate to your bottom line, you will soon discover how making a dedicated effort to your front-end can reap financial rewards.



Back to School: Profit and Loss 101

It's important to apply the principles of income statements to your front-end improvement strategy. These calculations will provide "the hard numbers" that will help you set realistic goals for increasing front-end profitability.

If you haven't had the opportunity to drill down to your pharmacy's expenditures in some time, here is a quick review of what you should examine. Using a standard profit and loss (P&L) statement is an easy way to focus on different factors that can influence your profitability.



Base elements of a P&L:

Net sales: total revenue (less the cost of sales returns and discounts)

Cost of goods sold (COGS): direct costs related to the production or acquisition of goods (merchandise) sold by a company

Gross profit: difference between revenue and cost, or the selling price of an item less COGS

Operating expenses: fixed and variable costs associated with running a business' daily operations (labor, rent, utilities, and office supplies)

Net profit: often referred to as "the bottom line," this is calculated by subtracting operating expenses from gross profit

Net margin: the ratio of net profits to revenues – expressed as a percentage by dividing net profit by total revenue

Sample P&L Calendar Year 2012

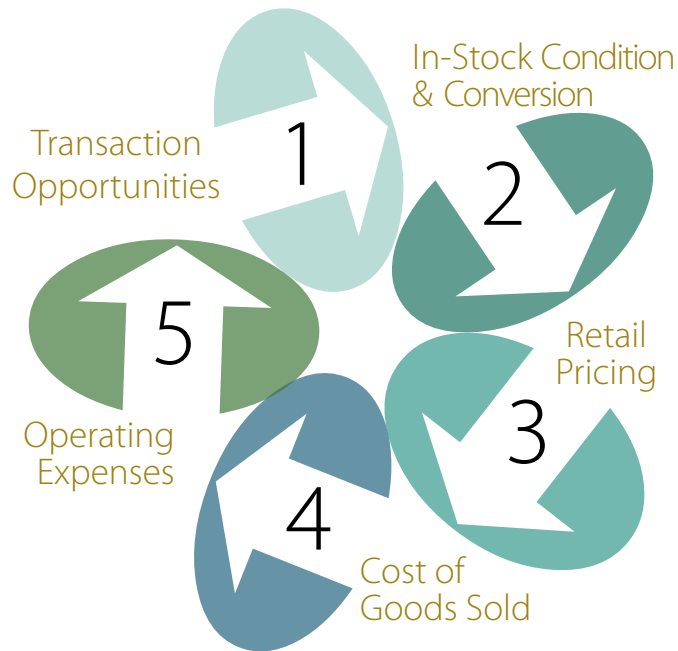
Sales	\$3,854,158
Cost of Goods Sold	\$2,960,000
Gross Profit	\$894,158
Payroll Expenses	\$528,020
Other Operating Expenses	\$250,520
Total Expenses	\$778,540
Net Profit	\$115,618
Net Margin	3.0%

(Source: 2013 NCPA Digest)

info:

Use the P&L calculator at www.hamacher.com/profitcalculator to learn how implementing small changes within your store will impact your bottom line.

The Front-End: Five Profit Variables



A well-merchandised, well-managed, and well-promoted front-end can generate exciting increases in your store's total revenue. There are five key profit variables to consider when reviewing your front-end's current state and future potential. **Unlike industry challenges outside your four walls, each one of these variables is in your control.**

0% Even a small percentage of change in a single variable can yield a gain in your net profit.

high
2-3%

medium
1-2%

low
.5-1%

For each variable you will find listed a series of tactics/strategies to consider. The potential impact of each tactic is included as a guide. Of course, results may vary and a number of mitigating factors such as location, competition, community, etc. will affect your results. For purposes of this e-book, high impact factors may result in an estimated increase of 2-3%; medium impact 1-2%; and low impact .5-1%.

The Front-End:

Profit Variable 1

Transaction opportunities

Transaction opportunities are precisely what they appear to be: the number of individual opportunities you have to sell to unique customers. You may not have complete control over the number of prescription purchases your patients make, but you have the power to take action to bring more shoppers into your store each day (e.g., foot traffic). You may also increase transaction volume for your front-end by converting Rx-only patients to full-store shoppers.

10 ways to increase your front-end transaction opportunities:





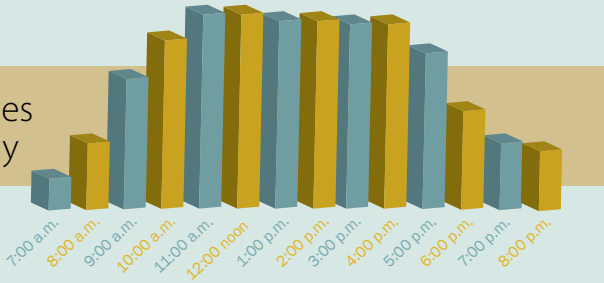

Tactic/Strategy	Description	Impact
Effective Store Design	<p><i>Can shoppers easily navigate your front-end to find the products they seek? Are departments arranged in a logical way? If not, it may be time to reorganize to encourage cross-purchasing between departments.</i></p> <div> fyi: Research conducted by DJL Consultants (How much is a facelift worth? Retail Leader, Stagnito Business Information, 2014) suggests a remodel may result in a 5 to 10 percent increase in sales.</div>	
Value-Added Services	<p><i>Does your pharmacy offer a loyalty rewards program? Do you offer delivery services? Customized services are opportunities for you to encourage shopper visits. Insert flyers into delivery packages or offer in-store-only promotions to these customers.</i></p>	
Customer Service	<p><i>Service is the number one reason community pharmacy shoppers remain loyal to their neighborhood stores.² How you and your staff treat shoppers at your store can play a big role in building your transaction opportunities. Help them feel welcome and valued.</i></p>	
Community Involvement	<p><i>Sponsoring a health fair at your store or partnering with local health and wellness organizations can present excellent opportunities to promote your store and attract new customers. Recommend front-end items at these events. "New customer" specials assure that patients purchase from your store.</i></p>	
Niche Marketing	<p><i>There are unique shopper segments in your community that may be waiting for a destination such as your store to cater to their health and wellness concerns. Conduct research to discover potential niche opportunities.</i></p>	

more>>>

The Front-End:

Profit Variable 1

Transaction opportunities

Tactic/Strategy	Description	Impact
Advertising & Circulars	Don't overlook the advertising vehicles, traditional and digital messaging options, and merchandising services offered by your primary drug wholesaler .	
Front-end Resources	National Community Pharmacy Association (NCPA) offers valuable insight through its Front-End resource center: http://www.ncpanet.org/ownership/front-end-overhaul	
Online Presence &/or Social Media	A strong online presence will bring more shoppers through your doors. An increasing number of shoppers preview businesses online before they visit. Letting potential customers know on your website what your store offers, who you are, and what special services you provide will convince them to visit you. <div style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>fyi: More than 70% of shoppers browse online before going to a store to make a purchase.³</p> </div>	
Rebates/ Coupons	Whether you offer a coupon through your store's Facebook® page or run an ad in the local newspaper, discounts and special savings will attract shoppers to your store. Also consider coupons for your drive-thru customers to get them in the store!	
Expanded & Convenient Hours	The busiest time for front-of-store sales is between 11am – noon. ² Make sure your pharmacy is well-staffed to accommodate shoppers who are completing errands on their lunch breaks. Expanding evening and weekend hours may also be vital to meet the needs of today's busy families. <div style="text-align: center;"> <p>Front-end sales by time of day</p>  </div>	

Impact*:

A 10% increase in both Rx and front-end transaction opportunities may add **\$35,000** to the bottom line.



The Front-End: Profit Variable 2

In-Stock Condition and Conversion Rate

A proactive approach to front-end merchandising and its direct effect on sales underscores the importance of paying attention to your store's in-stock condition. Foot traffic is quite often lower for independents compared to the competition.

It is critical to focus on conversions and take advantage of every opportunity.








10 surefire ways to make a difference:

Tactic/Strategy	Description	Impact
Consistency of In-Stock Service Levels	<p><i>Empty shelves drive shoppers to your competitors' doors to get the products they seek. Make sure your front-of-store is well-stocked and you are refilling slots as needed to allow shoppers to find what they need.</i></p> <p>fyi: Consumers spend only 6 seconds trying to find a preferred brand at shelf (2014 Retail Shopper, Essentra Specialty Tapes, 2014).</p>	
Use Endcaps Effectively	<p><i>Endcaps present a wonderful opportunity to creatively merchandise and drive front-end sales. Get your team involved in crafting monthly or seasonal themes, and put endcaps to work to solve your customer's unique challenges. To be most effective, endcaps should be rotated every 45-60 days.</i></p> <p>fyi: Endcaps are the second most-shopped section in any retail setting: one in six purchases are for brands on display (2014 Retail Shopper, Essentra Specialty Tapes, 2014).</p>	
Recommend Products	<p><i>69% of shoppers rely on pharmacists for OTC recommendations. Shoppers who seek pharmacist advice are more likely to make 25% to 50% or more of their OTC and HBW purchases at community pharmacies.² Your shoppers want your recommendations, and providing them will encourage customers to return to seek your expertise for future purchases. Train your employees on simple sales techniques and consider incentives to motivate them to take advantage of sales opportunities.</i></p> <p>fyi: Pharmacist recommendations are acted on up to 8 out of 10 times. [2010 Over-the-counter Product Survey, American Pharmacists Association. (APhA)]</p>	

0% **50%** of pharmacists who rely equally on in-store merchandisers and planograms to direct their merchandising strategy reported that their front-end sales are growing.²

The Front-End: Profit Variable 2

In-Stock Condition and Conversion Rate

Tactic/Strategy	Description	Impact
Merchandising & Placement	<p><i>Taking advantage of planogram options offered by your primary drug wholesaler can ensure you have the right product assortment arranged for optimal sales.</i></p> <div style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>info: Front-end resources: National Community Pharmacy Association (NCPA) offers valuable insight through its Front-End resource center: http://www.ncpanet.org/ownership/front-end-overhaul</p> </div>	
Industry Studies	<p><i>Review various industry resources to compare your operation to industry benchmarks and uncover new ideas to meeting the needs of your customer base. Here are two to consider:</i></p> <div style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>info: NCPA Digest: http://www.ncpanet.org/docs/default-source/default-document-library/2013-ncpa-digest-sponsored-by-cardinal-health.pdf Healthcare Distribution Management Association (HDMA) Publications: https://sv-db.hdma.net/EWEB/DynamicPage.aspx?Site=HDMAEweb&webcode=COEPubSearch</p> </div>	
Proper Product Mix	<p><i>A balanced selection of products that cater to your key shopper demographic will encourage them to shop at your pharmacy, and draw them back for repeat purchases. Stocking everyday essentials – core items – will also ensure their needs are met.</i></p>	
P.O.P. Signage	<p><i>Clear at-shelf signage guides consumers to the front-end items they seek. Refresh your shelf signage frequently so it catches shoppers' eyes, enticing them to engage.</i></p>	
Size Departments to Sales	<p><i>Recent research has shown that Cold & Allergy, Pain Relief, and First Aid are the top performing front-end categories in community pharmacies.² Dedicate plenty of shelf space to these categories to capitalize on their popularity.</i></p>	
Highlight New Items	<p><i>What's new is always exciting! Use signage to draw shoppers' attention to new items. If the manufacturer or your wholesaler provide promotional materials, place them at-shelf or at the pharmacy counter. Staff recommendations can also help build sales.</i></p>	
Front Products Daily	<p><i>First thing in the morning or before leaving for the night, and at least once during the day, have an employee walk your aisles and move products to the front of their shelf or hook so that your assortment looks well-stocked and is easily shopped.</i></p>	

Impact*:

Improving front-end conversion rates
20% can deliver **\$9,300+** in potential profit.



The Front-End:

Profit Variable 3

Retail Pricing

It stands to reason that your front-end prices will have a direct effect on your P&L statement. But, remember, price is not the number one reason consumers shop your store, it's value.

8 ways to do it:

Tactic/Strategy	Description	Impact
Managed Zone Pricing	Using a managed pricing program available from your primary drug wholesaler will take the guesswork out of your strategy and protect your profitability while remaining competitive. Consider strategies to maximize your price point.	high
Ownership Learning	NCPA offers a unique Ownership Workshop that helps to maximize the performance and profitability of a retail pharmacy operation. Perhaps this could benefit your operation: info: http://www.ncpanet.org/conferences-events/ownership-workshop	medium
Positioning	Position your store through branding, product assortment, and specialized services to fill a niche market in your community. Shoppers may pay slightly higher prices to purchase the unique items they can only find on your shelves and the unique value you can provide.	medium
Implement Price Changes	Adjust the retail prices on products on your shelves as soon as you are aware of changes. The cost increase on an item allows you to capture additional profit. fyi: Studies have shown that small variations in price can raise or lower profitability by as much as 20 to 50%	medium
Private Label Emphasis	Pricing private label items sensibly is your best opportunity to retain profit from these sales. Use a formula to price your private label products as a percentage of the brand name products to deliver savings to your customers, and higher profits for you.	medium
POS Consistency	Maintain the accuracy of your point-of-sale system and work with your staff to reduce scanning errors.	low
Price Parity	Assign the same retail price to different flavors or forms across a line (e.g., Tylenol® or Clairol® hair coloring). Maintaining price parity across an entire line is much easier when a managed pricing program is utilized – but be careful of overrides that may cause misalignment.	low
Rounding Formula	If you're one of the few community pharmacies that don't yet use a rounding formula, it's time to get started. What is a rounding formula? It's a scientific calculation that optimizes retail prices by rounding up to seven or nine. It's simple – and effective.	low

Impact*:
Raising front-end retail prices by an average of 15 cents can increase profits by **\$4,200.**



The Front-End:

Profit Variable 4:

Cost of Goods Sold

While it may seem challenging to control your cost of goods sold (COGS), there are some steps you can take to keep costs in check and continue to build front-end profits. Accurate inventory and strategic purchasing on your part can reduce your COGS and increase profit.

8 ways to do it:

Tactic/Strategy	Description	Impact
Build Wholesaler Relationships	Wholesaler programs offer special pricing and purchase terms that can help you save money. Collaborate with your wholesalers and ask about their programs.	medium
Don't Overbuy	Ordering more product than you can move in a reasonable amount of time locks your assets and prevents you from fluidly selling through your inventory.	medium
Private Label Focus	Shoppers understand that private label products are just as effective as name brand products, and are choosing these lower-priced options. With their higher margins, private label products offer tremendous front-end sales opportunity.	medium
<p>fyi: 90% of pharmacists and 71% of consumers purchase private label headache remedies rather than the nationally branded OTC treatments.⁴</p>		medium
Buying Group Affiliation	Large purchase volumes can drive down costs, but it is challenging for small businesses to order the quantities required to earn substantial discounts. Buying groups unite small businesses and use their collective purchasing power to arrange the best prices and terms.	medium
Inventory Control Plan	Proper inventory levels both control cost and indicate the overall strength of your operation. To avoid the fiscal trap of too much stock or too little, identify your slow-moving items so you can remove them from your assortment, and identify high-performing items so you can focus on driving turnover.	low
Buy "On Deal"	Quantity discounts, prompt-payment discounts, contracting agreements, and first-time ordering discounts may be available from vendors. Do your research before purchasing to ensure that you are receiving the best value.	low
Take Advantage of Terms	Special payment terms can help you save on your COGS. For instance, some vendors may offer payment terms of "2% Net 10," offering you a 2% cash discount on your total invoice if your entire balance is paid within 10 days. ⁵ Take advantage of these opportunities to save. It can encourage vendors to offer you preferred terms.	low
Assign Department Responsibility	Share inventory management responsibilities with your team. Assign managers to your front-end sections so that each department receives hands-on attention to succeed. Department managers can also be trained to analyze and manage sales and inventory data.	low

Impact*:

Reducing total store COGS by 3% can increase net profit by **79%**.








The Front-End:

Profit Variable 5:

Operating Expenses

Don't worry: you don't have to slash your salary or cut your employees' benefits to reduce your total store operating expenses.

4 simple ways:

Tactic/Strategy	Description	Impact
Create a Budget	<i>Developing an annual budget for your store provides boundaries and accountability for yearly spending, and reviewing your budget against your actual expenses will aid in planning for the following year. Adhering to your budget prevents unnecessary spending and keeps your costs in check.</i>	
<div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p>info: Front-end resources: National Community Pharmacy Association (NCPA) offers valuable insight through its Front-End resource center: http://www.ncpanet.org/ownership/front-end-overhaul</p> </div>		
Insource Rather Than Outsource	<i>Do you hire maintenance workers to clean your store, wash your windows, or shovel your sidewalks? Assign these simple tasks to your team to save hundreds to thousands each year.</i>	
Reduce Advertising Costs by Using Digital	<i>Use your advertising budget wisely to balance print and digital initiatives. Print advertisement can be costly, and unless you track the return on your advertisements, you may not know their effectiveness. Digital strategies, using such tools as social media, email, and your website to promote your business are not only less expensive than print, but provide analytics and measurable responses so you can evaluate the efficacy of your promotional efforts more accurately.</i>	
Renegotiate Lease	<i>Renegotiate your lease according to market rates in your area. Conditions change, as well as values, however, your landlord will not likely proactively reduce rates.</i>	
Operational Efficiencies	<i>Save on energy costs by using energy-efficient compact fluorescent lamps (CFLs) or light emitting diodes (LEDs). These lights can be more expensive but last much longer. Implementing technology can provide productivity savings. An up-to-date POS system will improve inventory management, sales reporting, and cost management.</i>	

Impact*:

A one percent reduction in operating expenses may deliver **\$7,500** or more in profit.



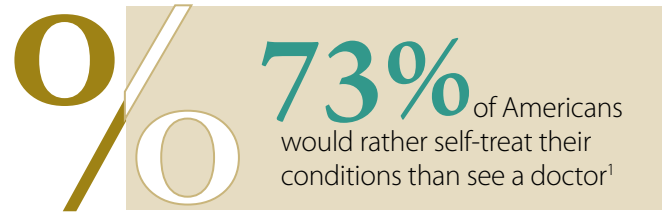
The Front-End: Putting It All Together

Fill in the numbers

Now that you understand how many ways the individual profit variables can impact your front-of-store, it's time to look at combining the factors to demonstrate the return a little effort can have on your bottom line. Once you have a plan, stick to it and measure your progress on a regular basis.

You first need to get a clear picture of your business and identify the realities of your annual transaction opportunities. Consider your pharmacy, and think about the following numbers:

- Number of prescriptions dispensed per day
- Number of unique patients who purchase prescriptions each year
- Percentage comparison of prescription to OTC/HBW sales
- Number of days your store is open each week



Using data from the NCPA Digest and Hamacher Resource Group's exclusive model file, we have identified average numbers that are typical of many community pharmacies and used them in these examples. Implementing this data as our standard variables, we can assume:

- If 29,564 prescription patients enter your store annually, likely representing over 60,000 prescriptions actually dispensed, each corresponds to a complementary front-end "opportunity."
- The financial calculations assume 90% of Rx opportunities are actually filled (recommendation not taken, product out of stock, transaction not completed for some other reason, etc.) and about 45% of front-end opportunities are successfully converted.
- The average retail price of a prescription is \$56.04. The average retail price of a front-end item (including a blend of general merchandise and HBW items) is \$7.68.
- The average cost of goods for your Rx products is estimated at \$43.71; front-end \$4.76.
- According to the NCPA Digest, store operating expenses are approximately 20% of annual sales.

The Front-End: Putting It All Together

Fill in the numbers

Let's suppose you committed to a 5% increase in your front-end transactions, a 2% boost to the conversion rate for your front-end, and a 1% decrease in operating expenses with no change to retail prices or cost of goods; using the factors stated on page 11 for the average independent pharmacy dispensing 201 prescriptions per day, open six days per week, and generating 93% of their annual sales from pharmacy, these subtle changes would net the store an additional \$10,900 in front-end profit!**

Information entered into the calculator is not captured, shared, or stored.

HRG Profit Variable Calculator

Enter Profile Information

Rx dispensed per day: 201
 % Rx sales: 93%
 No. days open per week: 6

Beginning Financial Statement

Annual Sales	\$3,741,114.70
Cost of Goods	\$2,876,168.98
Gross Profit	\$864,945.72
Operating Expenses	\$755,705.17
Net Profit	\$109,240.55

Profit Variable Improvements: Front-End

Percent Change: 0 10 20

Transaction Volume Increase: 5%
 Conversion Rate Increase: 2%
 Retail Prices Increase: 0%
 Cost of Goods Reduction: 0%
 Operating Expenses Reduction: 1%

Adjusted Financial Statement

Estimated Rx Sales	\$3,479,236.68	
Estimated Front-End Sales	\$261,878.03	
Annual Sales	\$3,759,708.04	% Increase: 0.50%
Cost of Goods	\$2,887,696.86	
Gross Profit	\$872,011.19	
Operating Expenses	\$751,866.41	
Net Profit	\$120,144.77	9.98%
Estimated Rx Sales	\$3,479,236.68	
Estimated Front-End Sales	\$280,471.37	

Profit Variable Improvements: Rx

Percent Change: 0 10 20

Transaction Volume Increase: 0%
 Conversion Rate Increase: 0%
 Retail Prices Increase: 0%
 Cost of Goods Reduction: 0%
 Operating Expenses Reduction: 0%

You just uncovered a profit of: \$10,904.22

Buttons: Update, Reset, Print

Connecting the Total Store: Opportunity Knocking

Rx-to-OTC switches represent an enormous sales opportunity in your front-end.

Rx-to-OTC products contributed 13 percent of total OTC sales and approximately one-quarter of all OTC growth over the past five years; as of 2009, Rx-to-OTC switches had generated \$1 billion — about 10% of total industry sales for 2009.⁵

With self-treatment comes potential confusion, and pharmacists play a vital role in guiding their patients on the self-care continuum. Allowing easier access to certain medications while ensuring patients use them appropriately could help patients keep certain conditions under control more cost-effectively, while presenting a huge opportunity for you to boost sales in your OTC aisles.



Capitalizing on OTC Switches

Properly facilitating an Rx-to-OTC switch within your pharmacy is a win-win opportunity: you will see an increase in your front-end sales, and your shoppers will be able to manage their conditions more conveniently. But in order for your sales to climb, steps must be taken to ensure that your store is prepared to accommodate the new products and the shoppers who will seek them.

Fifty percent of the shoppers who purchase an Rx-to-OTC switch in the first year following its launch were users of the product when it was prescription-only; the remaining 50% are new users. Whether they are familiar with the product or trying it for the first time, Rx-to-OTC purchasers generally seek the products as destination items. If you are not well-stocked, you risk losing those customers.

fyi: A recent report identified **\$35.7 billion** worth of potential Rx-to-OTC switches in a range of indications, from hypertension and chronic obstructive pulmonary disorder to high cholesterol and erectile dysfunction.⁶

Follow planogram recommendations to make sure the newly switched product is merchandised properly within its core category. Manufacturers may provide promotional items or display materials to help create awareness in your store regarding the new product. Take advantage of these materials to drive shoppers to these profitable purchases.

Connecting the Total Store: Opportunity Knocking

Your Staff – Your Greatest Front-End Asset

By now, you're likely convinced that a renewed focus on your front-end will result in a positive impact on your revenue. Perhaps you're already brainstorming ways to build your transaction volume and improve your in-stock condition; maybe you're reevaluating your pricing, reflecting on your cost of goods sold, and slashing those operating expenses.

But wait – there's one more way to improve your front-end performance that is incalculable – because the more time you invest in it, the more your return will be. That asset is your staff.

The key to securing that sale is making sure that your staff is familiar with your front-end.

Develop a thoughtful approach to familiarize your staff with your front-end. Although not all members of your team can recommend OTCs and HBW products, they can assist customers in quickly finding the items they seek. Ensure that your staff is confident navigating your front-of-store so that they can provide efficient service to your patients. Patients will appreciate it, and will return to your store knowing that your team is prepared to meet their needs.



The Fantastic Front-End: Your Opportunity Begins Now

We hope you've gained a better understanding of the potential impact a few small changes can have on your front-end revenue. We anticipate your imagination has been sparked and you're thinking of other modifications that can produce positive results.

Review and reflect on the recommendations and calculations, and begin developing your store's unique strategy to redefine your front-end experience. Every community pharmacy is different, and we encourage you to experiment to find what increases sales in your front-of-store. Not only will a fresh approach appeal to your shoppers and re-engage your staff, it will guide your store along the path to continued success.

Position your pharmacy for future growth

For additional insights into merchandising tactics, staff engagement, marketing strategies, and other exciting ideas to strengthen your pharmacy, please download *Community Pharmacy: Foundation for the Future*, the first e-book in Upsher-Smith's free e-book series for community pharmacists.



Best wishes, and remember — even the smallest changes can make a **big** difference.

About the Author

In 1980, Hamacher Resource Group (HRG) pioneered drugstore category management to help retailers and wholesalers optimize the independent pharmacy front-end. With our roots firmly planted in providing services to help independent pharmacies succeed, today we use that expertise to develop category management, marketing, and research solutions for the entire health, beauty, and wellness supply chain. We serve consumer healthcare product manufacturers, chain and independent drugstores, food, mass, convenience, dollar and online retailers, retail technology providers, and healthcare distributors. All of our solutions are developed with the same goal in mind: dynamically shaping the shopping experience for consumer healthcare at retail. Learn more at www.hamacher.com.

About Upsher-Smith Laboratories, Inc.

Upsher-Smith, founded in 1919, is an independent and privately-owned specialty pharmaceutical company headquartered in Maple Grove, Minnesota that focuses on product growth and innovation for branded and generic pharmaceuticals. Upsher-Smith has a particular focus on developing therapies to assist people suffering from central nervous system diseases and also markets products relating to cardiology, dermatology, and women's health. For more information, visit www.upsher-smith.com.

The views and opinions expressed herein are those of the author (HRG) and do not necessarily reflect those of Upsher-Smith Laboratories, Inc.

Sources

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*The example impact statements were calculated using the base model numbers.

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