

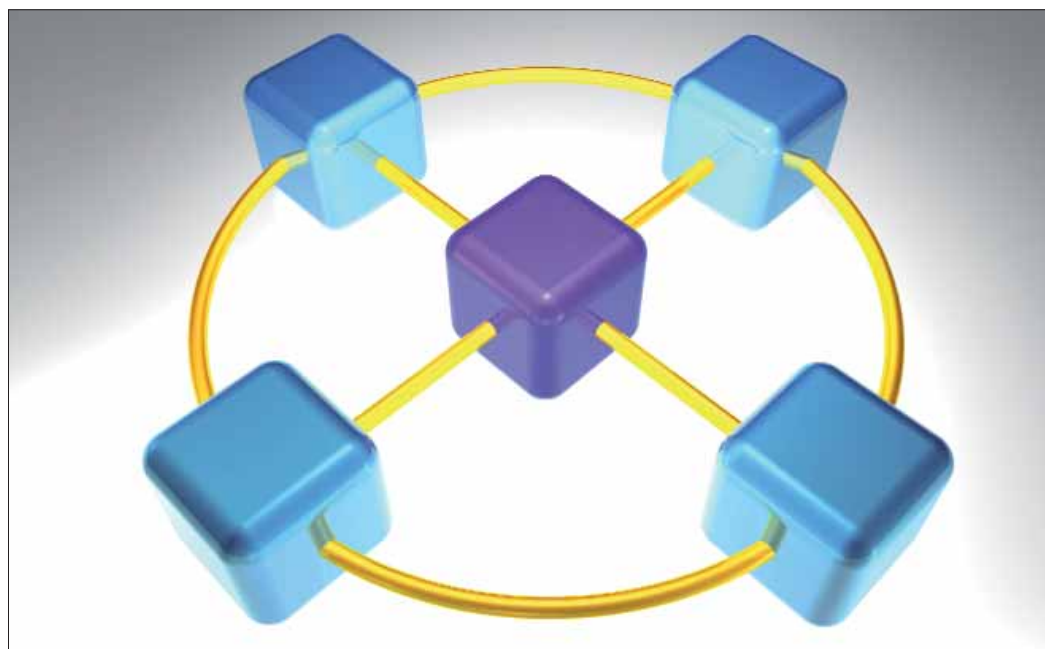
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retail

R O U N D - U P

Building alliances to fortify your business

Maintaining solid relationships with local businesses can have a positive effect on all parties. Gareth Malson examines the potential benefits



Bruno Barão/ Dreamstime.com

Many community pharmacy developments, such as the new pharmacy contract and POM to P switches, are developed at a national level, and guidelines are produced to help pharmacists implement them. However, local developments can also have an impact on your business. Any change in the services offered on a high street may affect the number of customers visiting that area, and this could impact on profits.

One way to maintain awareness about local developments is to build a network or forum with other proprietors in the area.

You may not be able to refer patients to the local butcher — at least not for health-related issues — but if the local butcher retired or went out of business, this may affect the number of customers shopping in your area. Other factors that may affect local trade include roadworks, proposals for new shops or shopping centres, changes to car parking regulations and new housing developments.

Forming alliances

Remaining abreast of local issues single-handedly can be daunting. However, these issues are likely to affect all traders in the area, so it makes sense to share the burden.

Local tradesmen will usually be aware of local developments and, since they work for businesses that are not direct competitors to a pharmacy, they may be receptive to forming an alliance.

Once an alliance is formed, a group can collectively determine the profile and needs of the local customer, and establish whether anything can be done to improve footfall into the trade area. For example, a group of traders could collectively lobby the local council for increased police patrols, litter cleaning services or CCTV coverage.

Peter Badham, managing director of Badhams Pharmacy Ltd, Gloucestershire, was one of

Childhood eczema

An increase in cases of childhood eczema in the past 12 months has been reported by 27 per cent of dermatologists, a new survey from the British Skin Foundation shows. New statistics from the British Association of Dermatologists show that 52 per cent of carers of children with eczema believe they have no control over their child's condition, 23 per cent never get a good night's sleep and 15 per cent feel that the whole household is disrupted.

Sponsored swim

A sponsored swimming event, "Swim for skin", has been organised by the British Skin Foundation to raise money for the childhood eczema fund. Children over the age of three are encouraged to take part, regardless of swimming ability. Registration can be made online from October at www.swimforskin.org.uk. The event, supported by Sanex Kids, will take place in January.

Working mothers

Employers could be missing out on a large pool of talent by not offering flexible working hours to mothers, according to a new survey by WorkingMums.co.uk. Over half of the 600 women surveyed believed that employers were not sympathetic to mothers, and 86 per cent believed that flexible positions paid less. Two thirds of those surveyed said they wanted to work but were not prepared to settle for jobs below their level of experience to get the flexibility they need.

the founder members of the local chamber of commerce in Bishops Cleeve. The group formed in response to an application by Tesco to open a supermarket in the area. Local traders allied, and a group with common commercial interests was formed.

Mr Badham explains: "We had more power as a group than we had as individual traders. Consequently, this allowed us to deal with issues such as parking fees, double yellow lines and business rates. We have also found that we all bring different skills to the group. For example, one person maintains the websites for all the shops in the group." While the group were unable to stop the Tesco store opening, they ensured that the amount given back to the community by Tesco was maximised, such as disabled parking at the library.

Planning for the uncertainties of the future can be an impossible task. However, by being proactive and building strong links with other local traders, pharmacists can remain aware of future developments as soon as they appear on the horizon. It will then be easier to limit the damage from or even capitalise on any unexpected circumstances.

Know your GPs

Just because pharmacists have regular dealings with local GPs does not mean that they are capitalising on the relationship. Most community pharmacists are aware of all the GP practices in their area, but they may not be aware of the GPs' future plans. Raj Nutan, pharmacy business manager at the National Pharmacy Association, suggests that the following questions need addressing:

- Will a GP be retiring in the next few years, and how easily will he or she be replaced?
- Is a GP planning to move premises or merge with another practice?
- Are the GPs involved with local initiatives that may require them to relocate?

Any change in the location in which prescriptions are written will affect the pharmacy that patients use, and the pharmacist in charge should be ready to respond.

Other health services

Allied health services encompass services such as local physiotherapists, chiropractors

and osteopaths. Networking with these individuals can enable the pharmacist and other health care provider to refer each other's services. This provides mutual benefits to both businesses and may also benefit patients who would not have considered using an allied health service. A successful referral will also raise the profile of the pharmacy in the eyes of the patient. Schemes to refer patients to other NHS health care professionals should already be in place, as part of the signposting component of the new pharmacy contract.

In addition, this network of professionals could be tapped for advice over a difficult query.

Peter Marks, former pharmacy proprietor in Cheshire, built up his businesses by building strong relationships with local health care professionals. He initiated services to nursing homes and GP practices and continued to deliver those services for many years. He commented: "By offering and delivering a service in an approachable manner, and being willing to go that extra mile, customers will not want to take their business elsewhere."

Examples of engaging with other local businesses

The following pharmacists told *Retail Round-up* about their involvement with other local businesses:

Raj Nutan, pharmacy business manager at the National Pharmacy Association: "When working as a store manager in Barking, I became involved with a forum of local business owners who co-organised a family fun day every six months. Each member would chip in approximately £60, and we would have family activities and entertainers performing. The idea was to promote the area as somewhere for people to come and shop."

Ziad Suleiman, former manager of Alliance Pharmacy in Fairford, Gloucestershire: "I approached the local chiropodist and osteopath in the hope of improving the relationships with the surrounding businesses. We agreed a set of medical conditions that an osteopath or chiropractor could successfully treat, and I could recommend them to appropriate patients. In return, I placed leaflets in the practices for pharmacy products, such as magnetic bracelets, which would potentially be beneficial to their patients."

Linda Ferguson, business development manager for Manor Pharmacy Ltd, the Midlands: "For years, we have maintained a good relationship with a car mechanic service near one of our branches. The owner approached us prior to the implementation of the smoking ban, as they had approximately 20 members of staff who regularly smoked at work." She explained that the company provided an initial information session focusing on the benefits of stopping smoking, and the different forms of nicotine replacement therapy available. After 12 weekly follow up sessions, six patients quit completely, and all 20 stopped smoking during work hours. "While this wasn't directly a highly profitable exercise, it has certainly raised the profile of the pharmacy and benefited the community," Mrs Ferguson says.

Flu prevention

Simple measures that will help prevent the spread of infection in the event of a major outbreak of flu are outlined in a new report from the British Medical Association. "The prevention and treatment of viral respiratory disorders" advises using disposable tissues, cleaning surfaces thoroughly and not sharing glasses or utensils. The report can be accessed via *PJ Online* (www.pjonline.com/rr).

Ethical employers

More than half (57 per cent) of jobseekers believe that having an ethically and socially responsible employer is important, according to new research by Reed Employment. The social issues rated as most important in the survey of over 6,000 people were: equal opportunities (44 per cent); diversity of workforce (26 per cent); environmental policies (16 per cent); and charity work (6 per cent). A similar survey of employers found that 83 per cent believe it is important to have socially and ethically responsible partners, but only 35 per cent have their own corporate and social responsibility policies.

Food intolerance

Less than a quarter of the 12 million people who claim to be intolerant to certain foods have been medically diagnosed, a new study shows. Research carried out by the food diagnostic company YorkTest found that 39 per cent of people think it is trendy to be food intolerant, and one in 50 said they only noticed the condition when a friend had similar symptoms. A spokesman for YorkTest commented: "Food intolerances are on the increase but it is worrying to think that many sufferers have never actually been tested or diagnosed."

How to manage the health and safety risks in your pharmacy

Pharmacy proprietors must carry out a risk assessment of their premises to comply with health and safety law. Clare Bellingham describes what is involved

Health and safety risk assessment is not a phrase that fills many pharmacists with excitement. But health and safety law applies to all businesses so pharmacies have to comply.

The basic aim of health and safety law is obvious: to prevent people from being harmed or becoming ill through work. The difficulty is translating this into practice. The good news is that a wealth of information exists to help employers implement health and safety law.

The legal requirements are laid out in the Management of Health and Safety at Work Regulations 1999. What these regulations mean in practice is explained by the Health and Safety Executive (HSE), the Government body which enforces health and safety regulations in Great Britain.

The HSE says that employers must make the workplace safe, ensure safe systems of work are followed, and provide information and training about health and safety. The key to delivering this is carrying out a health and safety risk assessment.

Risk assessment

Risk assessments are designed to take a thorough look at the workplace and its working practices to assess if anything presents a risk to people. Undertaking a risk assessment is a legal requirement for every employer and, if the business has five or more employees, the findings must be written down.

“ Undertaking a risk assessment is a legal requirement for every employer and, if the business has five or more employees, the findings must be written down ”



Richard Thomas/Dreamstime.com

Specific information about pharmacy risk assessment is available from the National Pharmacy Association. Ruth Wakeman, NPA information department manager, says that the NPA has produced a guide to risk management. It includes not just health and safety risk assessment, but

also clinical risk assessment (which is not tackled in this article). “ It translates information about risk management into practical advice for community pharmacists with real-life examples from pharmacies,” she explains.

The HSE provides a five-step plan to risk assessment (available on its website, see panel overleaf) and its recommendations are summarised below.

Step one: identify the hazards Identifying the hazards involves physically walking around the workplace to identify anything that might cause harm. Hazards can also be identified by looking at lists of hazards on the HSE website, by asking employees what they think, and by examining the workplace accident records. Examples of hazards in pharmacies include liquid spills, lifting heavy items, tripping over stock boxes, use of step ladders, violence towards staff and handling chemicals.

“A wealth of information exists to help employers implement health and safety law”

Step two: decide who might be harmed and how For each hazard identified, the people who might be harmed must be listed. For example, if lifting heavy boxes is identified as a hazard then the people who might be harmed could be shop assistants or delivery drivers. Within this section, special attention needs to be given to people with particular needs like pregnant women or people with disabilities. This is important because if an employee's circumstances change, the risk assessment must be reviewed for that individual.

Step three: evaluate the risks and decide on precautions The third step is about taking action — deciding what to do about the hazards that the assessment has identified. According to the HSE, “the law does not expect you to eliminate all risk but you are required to protect people as far as ‘reasonably practical’.” This means that the hazard should either be removed or, if this is not possible, then its risk should be minimised. This could be

achieved by, for example, changing a procedure to a less risky option, preventing access to a hazard, or issuing protective equipment.

In a pharmacy, a potential hazard might be tripping over boxes. Ways to minimise this risk include better housekeeping, creating a specific storage area and training staff on the importance of keeping walkways clear.

Step four: record your findings and implement them Recording the findings of the assessment and the action taken is essential for any employer with more than five employees and is generally the easiest way to demonstrate that a risk assessment has been undertaken. An example of a record might be: “Hazard: tripping over boxes. Action: specific area designated for storing boxes, staff instructed, process checked weekly”.

Step five: review your assessment and update if necessary Risk management is an ongoing process. An annual review of

the risk assessment is needed to ensure it is up to date, ie, any new equipment or procedures should be assessed.

Risk management is clearly essential but, according to the Health and Safety Commission it does not have to be over-bureaucratic or cumbersome. Its chairman, Bill Callaghan says: “Our approach is to seek a balance between the unachievable aim of absolute safety and the kind of poor management of risk that damages lives and the economy.”

Further information

Further information can be obtained from the websites listed below. They can also be accessed via *PJ Online* (www.pjonline.com/rr)

- Management of Health and Safety at Work Regulations 1999 (www.opsi.gov.uk)
- Health and Safety Executive: Getting started on health and safety (www.hse.gov.uk/smallbusinesses/gettingstarted.htm)
- Health and Safety Executive: Risk management (including how to carry out a risk assessment and hazard lists for different workplaces) (www.hse.gov.uk/risk/index.htm)

Retail Round-up

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Business basics — answers to your common retail problems

By business contributor Reg Peplow

Banking advice

Question My business is going through a bad patch and I don't want to ask my bank for advice in case they cancel my overdraft or loan facility. What are my options?

Answer Keeping quiet would be a recipe for disaster. The earlier the bank staff are alerted to a potential problem the sooner they can work with you to address the situation. Burying your head in the sand could cause you more worry because the bank may not trust you when your predicament becomes apparent, as it will.

Free advice is available from the Business Debt helpline on 0800 197 6026.

Taking a new lease

Question I am planning to lease my first retail premises and have been offered a long-term arrangement as opposed to short-term at a higher rental. Are there any special considerations I should take into account?

Answer As a newcomer to the business property world you should opt for a short-term lease on the grounds that you never know what is around the corner. You may pay a little more, but one day you may appreciate the ability to move quickly. Be prepared to haggle a bit and decline the first rental figure on offer. If the price won't drop, ask the landlord to throw in a few extras, such as a coat of paint, a thorough clean of the building or free signage.

Are you maximising OTC sales?

Community pharmacies are losing over-the-counter business to supermarkets. Matthew Wright looks at how pharmacists can engage with customers better to make the most of OTC sales, and ensure repeat custom

Over-the-counter medicines sales are an integral part of pharmacy business. Increasingly, large pharmacy multiples and supermarkets are taking a bigger piece of the OTC pie as customers seek out the lowest price. Colin Stuart, director of commercial finance, Boots the Chemists, says that independent pharmacies in particular are finding it difficult to compete.

"The grocers, in particular, are making OTC and toiletries increasingly competitive marketplaces, with falling prices and increased promotional activity," he says. Mr Stuart explains that counter business is typically a much smaller source of revenue than that gained from dispensing, but says: "Nevertheless, it has good margins and is an important part of the offer. The issue is, how can the independents remain competitive against this huge buying power and supplier-funded promotions?"

Trevor Gore, Reckitt Benckiser's training and development manager, says that pharmacy's OTC market has declined by at least 2 per cent in two years, whereas the grocers' has grown by some 2.6 per cent. "You are losing your OTC business," he warns.

Advice is key

Mr Gore describes people's shopping habits as "sophisticated" — they pick up medicines as part of their weekly shopping and do not consider many minor ailments to be illnesses. However, he believes that when people are unwell, they are more likely to go to a community pharmacy than to a supermarket to buy their medicines.

Providing people with advice can be the key to a community pharmacy's OTC success, Mr Gore suggests. He makes it clear

Key tips for success

Trevor Gore, training and development manager at Reckitt Benckiser, suggests three key tips for success:

- Advice is what draws customers to a pharmacy — ensure you provide it
- Find a way to add value on all over-the-counter sales — ask open questions
- Talk about the benefits of a product, not its features



Customers buy medicines from pharmacies because of the advice they receive

that pharmacists should not try to beat supermarkets on price. "Beware price cutting as a way of adding value . . . Before long you will be selling products for nothing," he insists. "If they are going shopping in a supermarket they are probably looking for price; if they are going shopping in a pharmacy they're looking for advice."

Unfortunately, it appears that many people who go into a pharmacy wanting advice do not receive it. Mr Gore claims that only about one in 10 pharmacy customers are offered advice without asking for it — and their main reason for choosing to shop in a pharmacy was to obtain advice.

Retaining custom

Mr Gore believes that community pharmacies lose repeat business to supermarkets because they do not ask the right questions. He presents a common scenario:

A pharmacist will use his or her best communication skills when a customer presents with a problem, and sell them an OTC product. The customer, appreciating good service, comes back into the pharmacy to buy the same product next time. Rather than receiving further advice, they are asked "is it for you?" or "have you taken it before?". Invariably the customer says "yes" and is sold the product. In future the customer will buy the product from a supermarket where he or she can get their medicines at a lower price.

So it appears that many customers want advice when they come to the pharmacy, but when asked a closed question, they

will opt for the easiest answer. In such cases, what the customer thinks they want to purchase might not be the most appropriate product this time around. Asking open questions, such as "what kind of symptoms do you want to treat?", can open the door to a health care transaction that is beneficial to both parties — and to future business.

"Find out what the person is using it for on that occasion and, where possible, add value — advice, alternative products, additional products," says Mr Gore.

Selling the benefits

According to Mr Gore, customers have been shown to be more willing to purchase a product when they are told the benefits that the product will bring. Pharmacists — and their counter assistants — tend to tell customers what a product contains, which, unsurprisingly, does not mean very much to many consumers. They just want something that will do the job.

Mr Gore says that customers buy benefits, but pharmacy tends to sell features. "Customers do not buy products for what they are; they buy them for what they do," he explains.

Colin Stuart and Trevor Gore were speaking at the UniChem Convention 2007, held in Barbados, 1–7 September. Matthew Wright attended the convention courtesy of UniChem Ltd.