

Tesco Shopping Centre
Ennis, Co. Clare



CASE STUDY: DUFFY'S PHARMACY

<http://www.ennispharmacy.com>

FACT FILE				
Company name	Duffy's Pharmacy			
Business Activity	Pharmacy selling pharmaceuticals, drugs and health/cosmetic products			
Region	Shannon, Ireland			
Number of employees	12			
Business Range	Local	Regional	National	International
	Yes	Yes		
Description of market / client /target group	Clients are the general public seeking pharmaceuticals and health/cosmetic related products. Clients are predominantly young mothers, because of the pharmacy's location in a shopping centre.			
Description activities / products / services	Prescriptions are filled, advice is given on general over the counter health products, retail of beauty, cosmetic and childcare-related products.			

CASE DESCRIPTION:

The business

Duffy's Pharmacy is in the retail pharmacy trade, providing prescription and over the counter drugs to the local community, as well as general health and cosmetic products. The pharmacy is located in a shopping centre in Ennis, the local county town, and its client base is mostly people from the area surrounding Ennis who come into the shopping

centre for their shopping needs. Young mothers are amongst the biggest sector catered for by the pharmacy.

Introduction of e-business

The move to go online originated from the possibility and opportunities arising from the Ennis Information Age Town initiative, which made funding and support available to companies developing an online presence (http://www.ennis.ie/cgi-bin/eiat.cgi?page=information_age_town.htm). Funding, advice and encouragement were available from Ennis Information Age Town staff, who actively encouraged this and other businesses to consider e-business. The pharmacy thus decided to take the plunge and go online.

An interactive web-site has been developed through which advice and product information is made available and where online shopping is possible. The online shopping is limited to gift and cosmetic items, since pharmaceuticals may not be sold online under Irish law. The owner-manager sees the advice and information sections of the website as perhaps being the most valuable. An average of 3 orders a day are received via the website, and given the staff time required in preparing these orders and going to the post office to ship them, this does not compare well in terms of cost-benefit/profit with the lucrative in-store business. However, having a web presence and providing health and beauty advice and information online has raised the profile of the business and has more than likely resulted in increased numbers of in-store customers. So, although online ordering is possible, the website is in effect seen more as a window to the pharmacy and another form of advertising, rather than an effective method of trading.

On the supply end, Duffy's pharmacy is linked electronically with a purchasing consortium called AEGIS, which attempts to gain preferential pricing by buying collectively from suppliers. Orders are uploaded by modem to the AEGIS system on a daily basis, however to date the requirements for these orders are gathered manually by shelf checks. The next e-business developments planned for the pharmacy will undoubtedly have a great impact on the business and profit of the company. A stock control database linked to the EPOS system and the AEGIS ordering system is planned. This should save staff time in terms of shelf checking and uploading of orders to AEGIS, and thus increase the profitability of the business.

Lessons Learnt

Although a high number of sales cannot be attributed directly to the website, the owner-manager is sure that the website has raised the profile of the pharmacy and thus increased the number of customers coming to the physical shop. Next developments, i.e. linking the stock control database with the EPOS system and the online ordering system, are expected to have a great impact on the profitability of the business.