

Outpatient Pharmacy Layout

The Brand Face

"Envision and Think In Terms of the Future State" Sabrina Hannigan TransformationalOutpatientPharmacy.com

It is important to keep in mind that patients are foremost, consumers. Patients and visitors have little reason to "shop" your store. In fact, there are more compelling reasons to not divert or delay their exit route. Not even the most compelling table tent will persuade a consumer to patronize a store if it does not provide an *emotive experience*.

Layout design is the *last* step of a process that begins with defining market potential and demands. However, this was not true for outpatient pharmacies I consulted or visited. Even the major pharmacy consulting firms skip these essential steps.

Most hospitals shoehorn workstations and shelving into closets and other undersize locations. The few with adequate footprints did not lay out the pharmacy to support their markets or attract consumers.

I have found outpatient pharmacies in basements, utility closets, behind an elevator bay, carved out of a hallway, hidden behind doors, walls, and glass walls. Starbucks, gift shops, and eateries receive higher profile treatment than a key patient need and strategic imperative. The former are destination products and do not require prime real estate inside a hospital, whereas the latter needs the convenience of this real estate.

Example 1 shows the brand face for one of the top five hospital systems in the country. This is one of the 'behind an elevator bay' locations. Even the signage above the door creates confusion for patients and communicates 'stay away'. The pharmacy doors were closed even as this gateway was teeming with patients and visitors. The only exterior signage were two small sheets of paper. This would suggest the pharmacy does not know how to capture the market or simply does not want to.

EXAMPLE 1 POOR GATEWAY BRAND FACE



This 400-bed hospital with three connected medical centers, on a primary, high traffic road, has zero presence. It screams do not shop me, do not look at me. In fact, this pharmacy is actually *closed* during the peak discharge window.

It is just as well the pharmacy is closed during peak demand as it has no chance of serving the needs of this substantial patient population. I wonder from time to time how a CEO or board member could accept this level of non-performance.

GOALS FOR LAYOUT

Layout design must produce maximum efficiency and effectiveness. This must be accomplished while producing desired patient/consumer response and production/delivery stability. We can look at the goals for layout with respect to the front-end and back-end. In this article we will take a quick look the front-end. Diagram B-1 identifies the three primary front-end goals as *attract*, *distract*, and *leverage* the consumer. The face (brand) of the pharmacy must be aesthetically pleasing and invite interest, curiosity, and action. Gateway locations <u>must</u> be malls. Be prepared to tear down a wall or two to ensure the footprint is adequate to layout goals. The example Mall Facing (Design 1) is a variation on the design of a gateway pharmacy previously enclosed behind a glass and stone wall.

DESIGN 1 MALL FACING



A glass enclosed medical services/private consulting room was added replacing under and pooly utilized space. The inviting look of this space advertises services which which help leverage the value of pharmacists and can be used for non-drug prescription services to encourage patients to return to this (or an in-market) location.

In addition to the services suite, the pharmacy footprint was expanded into an under utilized space to accommodate an OTC sales area specializing in diabetic supplies, DME, and post-discharge surgical and recovery supplies. Product is displayed to help and encourage patients/family to leave the hospital with all the supplies required for care.

An accommodations area is provided directly across from the pharmacy. It consists of couches and chairs for seating as well as privacy learning kiosks offering instruction on surgical care, prescriptions, disease states. In addition, it provides a privacy kiosk for virtual pharmacist consults.

DESIGN 2 MALL FACING



Design 2 Mall Facing illustrates a redesign of a undersized quasi-gateway location. It would have been preferrable to relocate to a true gateway location across the hall, which in that case, Design 1 would have been possible. This design requires a *higher* **push/pull ratio** owing to it not being a true gateway and undersized. Nevertheless, this design increases the appeal and aesthetics to create a more inviting experience.

A medical/consulting service area was added in lieu of OTC because of the high push/pull ratio and access to an exit allowing for walk-in patients. The latter would require signage on the façade or glass windows. This was a case where the hospital chose to provide staff with a street looking conference room in *prime* retail space. With direct street access, the pharmacy could have expanded to include OTC and learning center to capitalize on walking traffic.

The mall facing offers inviting access and interest, product/service display to engage the consumer. While layout of the front end can take on different looks, the components are key to attracting, distracting, and leveraging the value of the pharmacists to drive hospital traffic and revenue.

JUST ANOTHER PRETTY FACE

I have visited some outpatient pharmacies that were pretty on the outside and had no chance of capitalizing on location and the brand. An in-hospital major retail brand comes to mind. The aesthetics of an old apothecary mixed well with other retail aligned at the entrance/exit of the hospital. (I would argue that the destination retailers would perform as well at near entrance hallway locations and the patient-centric pharmacy footprint could have expanded.)

Drug store clones cannot serve complex hospital markets, and for this reason, the gateway location and branding became just another pretty (and expensive) lobby face. The message here is that you need product *behind* the face to succeed. The right push/pull ratio, process, production output rate, production floor layout, inventory model, fixtures, and technology. Getting the right 'engine' for the brand face is the reason why layout is the last step in the process of building out an outpatient pharmacy.

Post-script

My front-end designs tend towards more traditional and functional aesthetics. For a *truly* emotive experience, I

would suggest looking at work by <u>Fiona Sartoretto</u> <u>Verna</u> out of Rome, Italy. My feeling is that, while her designs would not necessarily fit with large drug chains, they could be adapted to blend with hospital aesthetics.

About the Author

Sabrina Hannigan is a retired Walgreen executive with over three decades experience in labor, location, layout, and operations. She consulted HURON Healthcare and clients on outpatient pharmacies.

Sabrina recognizes retail models are not transferable to the complex hospital markets. She created outpatient pharmacy business models incorporating methods and processes experienced over 50 years in manufacturing retail, and consulting.

Sabrina envisions hospital-centric solutions improving therapeutic outcome and population health. Towards this end, she continues to develop new processes and methods for outpatient pharmacies.

