

Trends in Dispensing Automation

| [Print](#) |



In this interview with *ComputerTalk's* senior editor, Will Lockwood, Parata's executive VP of sales and marketing, Tom Rhoads, pictured at left, discusses the results and lessons of two recent surveys on dispensing automation, that cover independent, chain, and institutional pharmacies. Read on for his take on the trends revealed, pharmacists' attitudes toward their industry and their future, and the tools that can help make sure that investment in automation pays dividends.

CT: Tom, let's start off with where pharmacists see themselves right now. What view of the current pharmacy environment emerged from these surveys?

Tom Rhoads: We heard a lot about issues such as PBMs, AMP, and increasing competition among chains and independents. We also heard about declining reimbursements, staff shortages, and limited space in pharmacies. The survey respondents said that in order to survive, they need to keep their cost per prescription flat and double their volume. Despite these challenges, though, we found that about 73% of the independent and institutional pharmacists surveyed are optimistic about their outlook and anticipate growth.

CT: So what's the plan?

Rhoads: It's an environment that is going to reward looking at all the options to meet these expectations for growth. One of the approaches that stood out is a sharper consumer focus. Pharmacies recognize the need to attract more consumers and build loyalty in their existing base. Accomplishing these things requires offering more personalized service to highly informed consumers using mini-clinics, for example. But safety and accuracy can't take a back seat to convenience and access.

CT: What's technology's role in this consumer-centric growth model?

Rhoads: The consumer is most familiar with the front-end technologies that make their experience faster and more convenient: IVR and signature capture, for example. What they don't see and appreciate is the back end, which is where automation has traditionally played its biggest roll. Automation has been key to increasing productivity, as it has been proven already in many other industries and it can be for pharmacy as well. Our research convinces us that, as automation providers, we haven't done a good-enough job yet of convincing pharmacists how streamlining that back end with technology is essential to free up resources to create that high-touch consumer experience.

CT: How do pharmacists view dispensing automation right now?

Rhoads: Safety is the number-one demand that pharmacists have for automation. This is different from three years ago. Early adopters looked for speed so they could drive growth of their customer base. While we've seen that growth is still a key objective, recent customers are more focused than ever on the safety assurance that automation offers, while allowing for moderate growth. The next most important desire is to free up staff time to improve service and patient care. Even so, about 80% of the pharmacists in our surveys say they are still reluctant to consider dispensing automation. Common reasons are that they view it as too expensive, the pharmacy has some form of automation

already, or they don't believe they have enough volume. Our position is that more pharmacies are ready for automation than realize it, particularly if they want to increase their focus on the consumer.

CT: What's the value that pharmacists are typically not perceiving when they offer these reasons, then?

Rhoads: We get back to pharmacists' interest in increasing consumer focus for growth, while at the same time worrying about increasing volume to combat shrinking margins on prescriptions. The good news is that the filling process is a repetitive, predictable task that is ideally suited for automation. So to increase and sustain higher volumes you need a consistent back end. But with limited resources, you need something to deliver this and automation fits the bill.

CT: Automation isn't necessarily only for the back end these days, though, right?

Rhoads: Yes, that's right. That's why Parata recently acquired the assets of Distributed Delivery Networks [ddn] and its automated prescription machine [APM] kiosk technology. The Parata APM is another great way for automation to provide consumers with the in-store experience they're looking for. APMs create greater consumer access to refill prescriptions, and also serve as a highly effective point of contact for the consumer, allowing for automated will-call, which improves consumers' experience whether they come to the kiosk or to the counter for their prescriptions. Yet, it doesn't require significant changes in the pharmacy's back end. The time is here for them in pharmacy, and consumers will be ready for them. Consider that kiosks and other forms of self-service checkout are increasingly common. Just walk through any airport and you'll see kiosks providing travelers with secure, convenient access to everything from boarding passes to travel accessories. We see kiosks in more and more retail settings too, offering DVD rentals, photo processing, gift registries, and more. It's technology that consumers increasingly expect to provide convenience and flexibility, and in this case it has the back end benefit of automating the will-call process. APMs are going to be a great way for pharmacies to improve customers' satisfaction and keep them coming back.

CT: So you're saying that automation can be a great way for pharmacists to gain the filling efficiency and volume they need to really sharpen their relationships with their customers? What else is going to help convince the skeptical pharmacists out there?

Rhoads: Very interestingly, we've found that our new product installations have a ripple effect on pharmacies close by. What that tells us is that if pharmacists can see the technology at work in a real pharmacy, it helps them overcome a lot of other hurdles to adoption - quickly. And as more and more automation comes into the market, it's going to be increasingly easy for pharmacists to see the value firsthand.

CT: Was there anything else from the studies that you found particularly interesting?

Rhoads: The research findings are really timely for Parata for a couple of reasons. We began exploring a year ago the topics we've been talking about. We started off by seeking to understand how we could best facilitate pharmacists' exploration and research into automation. What we discovered is that while we were focused on providing good reasons for investing in automation, it is also extremely important to emphasize the benefits that will come after the automation is in place - such as better service, more time, and new opportunities. We also discovered that there is great demand for information and tools that allow pharmacists to evaluate their installations and to execute a business plan based on new opportunities that arise from adding automation. In response to this

need, we've developed a new tool set that we're calling Real Results. Say a pharmacist has implemented automation and spent the money; how is he going to know he's getting the results he should be? We're providing metrics to measure progress with new automation and tools to help improve results if things are lagging. *ComputerTalk* readers can take a test drive at www.parata.com/realresults . It's part of our effort to offer very tailored support for achieving growth and adding new markets through automation.

CT: To wrap up what's the overall message, in your view?

Rhoads: I think the message we'd like pharmacists to take away is that, in order to deliver the value you know your customers expect from your pharmacy team, it's essential to look at how your team can work smarter, because you sure don't need to work any harder. Make a commitment to yourself to become educated about what automation can do - see it in action at a colleague's pharmacy. And have the confidence of knowing that once you decide to automate, ask for and take advantage of the tools available to make sure you get the value from your investment.

CT: This has been very informative. Thanks for taking time to talk with us, Tom.

Close Window