



Case Study



Largest Pharmacy Network
in the Czech Republic

Intelligent Solution for Retail Management

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The beginning of the effort to manage displayed products at Dr.Max Czech Republic dates back to about 2010. These were Excel spreadsheets listing brands on shelves, not specific products. This sorting was more like Brand Management — an approximate guideline for creating product and supplier visibility based on trade agreements.

At that time, the technical department decided on pharmacy areas according to indications which had nine groups of products assigned to pharmacy modules according to the priorities given by the store.

Category Management commenced in 2010 with a true categorization of products under the guidance of the consulting agency Roland Berger.

At that time, it was decided to use 3D SW for managing CM. Spaceman was chosen from those available on the market as being the most advantageous.

In 2011–2012, the space for the categories was managed based on average sales data and products on display were more effectively managed with the help of planograms.



Dr.Max is the largest
pharmacy network
in the Czech Republic
with its nearly
400 stores



In 2013, we were presented Quant, which combined space and product management in one user module – unlike Spaceman that we had been using.

We chose Quant after first becoming acquainted with and considering all of the **PROS** (the clear potential to effectively manage spaces + assortment, simple access to outlets – exports) and **CONS** (zero references from users in the Czech Republic, a non-existent manual...).

After migrating existing planograms into Quant and the initial change in conceiving category layout, we soon began to use simple and effective management.

Simplification and acceleration we appreciate:

- Prepare a floor plan of pharmacies with the help of rapidly available Space to Sales analysis.
- Fast and convenient upgrade of the assortment – bulk substitutions in the entire category.
- Resolving non-standard module widths and complex planning of assortments according to different dimensions.
- Easy communication with pharmacies via built-in chat and blog.

Integration of store specific planograms was major turning point in 2015 and it led us to solving the “dead stock” which had been discussed over a long period.

Another advantage is mistake elimination in range of products. Products are selected according to Pareto principle and business contracts in all sizes of planograms. Range of products is automatically prioritized nowadays. Priorities are assigned based on the information from the data warehouse and are automatically transferred to Quant according to given purpose. It guarantees the right display of products each month including the promotion items.



Nela Bartošová

Marketing Manager
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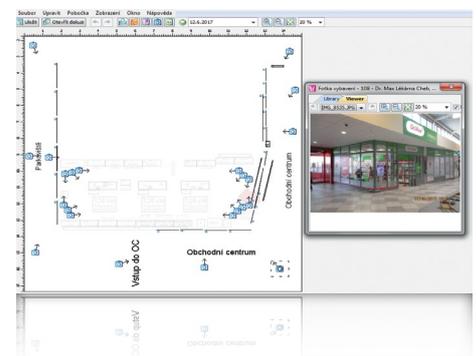
We use the Quant system as part of the long-term Album marketing project. The aim is to overhaul and develop a unified concept of marketing communication inside and outside the pharmacy.

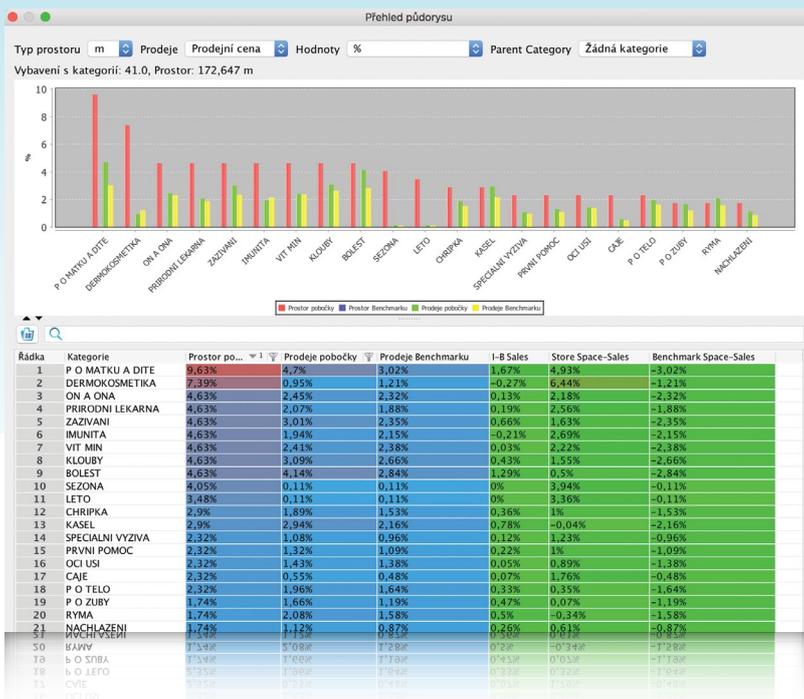
In the first phase of cooperation with Promotime agency between August and December 2015, we mapped out the current status of all stores and provided information on all the equipment, including detailed photographic documentation. Among other things, we mapped the dimensions, types and materials of price tags, billboards, poster frames, floor stickers and supply stands.

A live, continuously maintained database was created to help us realize the following goals:

1. Mapping existing and creating new areas for communication, including unifying the look.
2. Determining the concept of marketing communications (i.e. their location, format, own communication in relation to customer / patient shopping process).
3. Overview of communication channels outside and within pharmacies for the Marketing Department.
4. Optimizing materials and targeted communications.
5. Centrally managing communication – marketing planograms with control functions.
6. Gradual unifying in-store communication and creating processes for managing, registering and controlling the placement of marketing materials.

Involving pharmacies was easy, as we only expanded Quant's web interface, which has been used for a long time to publish marketing planograms.





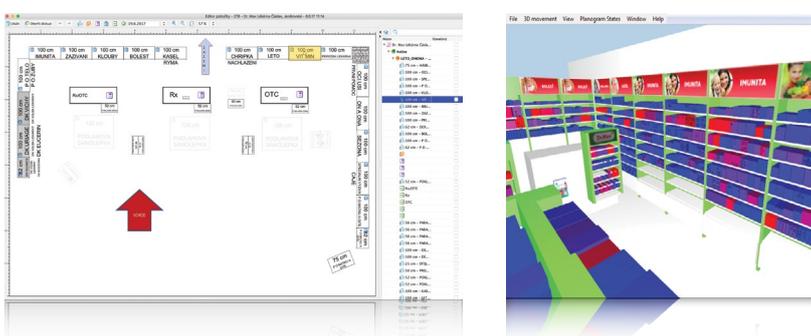
Other Quant tools could be said to have been developed for Dr.Max, whether these are further analyses (TOP, development, spatial, product placement), as well as outputs for other cooperating departments and suppliers.

We especially use a simple comparison and automatic visualization of changes in planograms for pharmacies, information about the products placed for the supplier, as well as variations of the floor plan with a listing of special equipment for the technical department.

For example, Web access allows suppliers to edit their products — e.g. in the case of change in package. Using this approach it is possible to limit the visibility of information, including automatically generated planograms without the products of other suppliers.

Updated planograms with highlighted changes provide simple access to pharmacies and allow control over implementation based on pharmacy confirmation. If this confirmation is not obtained within the required date, the system automatically informs us.

Another major advantage of Quant is that it collects all the information about pharmacies together — contacts for pharmacies, addresses, telephone numbers, emails, regions, clusters and photographic documentation...



Marek Tichý

Senior Data Analyst
at Česká Lékárna Holding a.s.

During the pilot phase, we successfully set up an automatic import of products, stores, sales and inventory data into Quant.

Integration with the Planning Wizard and automatic ordering data from Quant was completed in 2014.

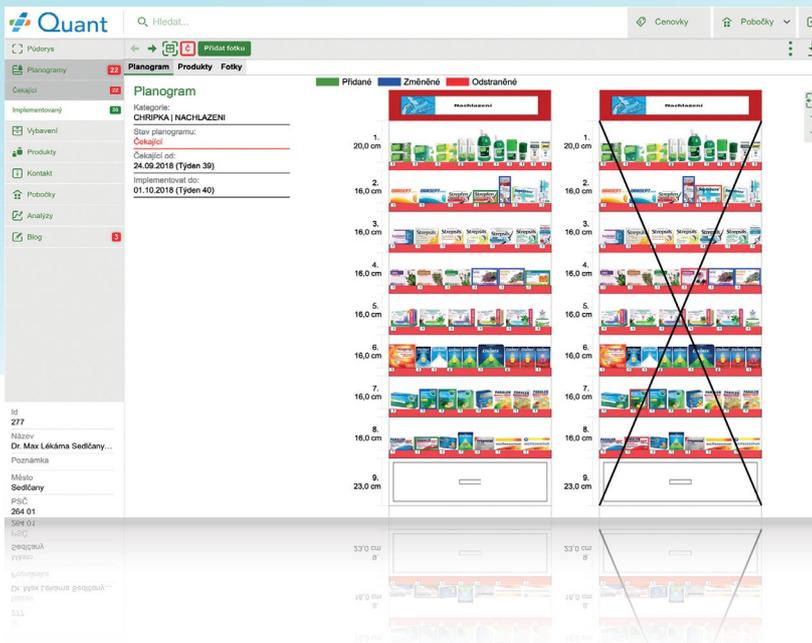
The main benefits are:

- Optimizing inventory.
- Calculating the number of products on display according to their own algorithms.
- Information on minimum, optimal and maximum capacities used in automatic orders.
- The possibility of having various supply regimes.

In addition to automatic orders, we use automatic data export from Quant for the data warehouse, BI and POS (Farmis).

This particularly involves the following:

- Publishing planograms (Life Cycle, Prepared, Waiting and Implemented).
- List of categories in Quant.
- Relation product x category.
- List of products displayed (maximum width even according to a store) in Quant with pivot tables.
- Once planograms are published, new information needed for displays is automatically uploaded.
- After publishing planograms, the safety stock is increased by the Face quantity on display.
- After publishing planograms, the required safety stock is automatically lowered for products that have been taken out of display.
- After publishing planograms, new products will automatically be included for printing shelf price tags.
- After publishing of planograms, product display changes are tagged automatically for easier orientation and search.



Quant opens up new possibilities for advanced Category Management

It also includes support for the seasonal version of the floor plans and their automatic rotation according to the given date, a special floor layout with marketing equipment, information on the dimensions, materials and number of marketing facilities, photographic documentation of the pharmacies and technical floor plans.

In Quant, it is possible to sort pharmacies into groups, for example according to the facilities or the assortment. The groups can then be used for simple mass communication and also when conducting analyses.

The Quant's Web application has proven to be an ideal tool. Its simplicity and comprehensiveness allows you to work without complicated training from anywhere just with an Internet connection for all levels of users.

In the future, we are planning a wider use of Quant for the production and distribution of marketing materials (POS, flyers and price tags).

The next step is to prepare a digital pharmacy.



Interested in a presentation?

We would be happy to give you a personal presentation of Quant with the full scope of features which might be interesting for your company.

www.quantretail.com

For further information please contact:

E-mail: sales@quantretail.com