The changes happening to today’s retail pharmacy landscape are undeniable, and while filling and dispensing medication safely and efficiently may still be at the core of what these pharmacies do, this line of business alone won’t keep them profitable in the long run.

In fact, today’s healthcare consumers increasingly expect their retail pharmacies to address additional health needs. For example, 58% of Americans are likely to visit a local pharmacy as a first step when faced with a nonemergent medical issue, according to the Wolters Kluwer Pharmacy Next: Health Consumer Medication Trends Survey. This statistic reveals the important role of today’s retail pharmacies in the overall healthcare ecosystem, serving as central hubs that connect communities to critical drugs and other healthcare-related services.
However, as consumer expectations rise, so does pressure on today’s pharmacists. The role of technology to streamline workflows and enhance the consumer experience without making the role of an already taxed pharmacist untenable will be paramount.

As retail pharmacy directors look ahead to the future, they must learn to capitalize on existing momentum while also expanding into new areas. Doing this requires a future-ready mindset and the willingness to act now.

Current challenges in retail pharmacy

Embracing a future-ready mindset first requires an awareness of challenges that may impede growth. These include:

• **Rising prescription drug costs.** One of the most obvious challenges is declining reimbursement and the pressure to contain overall prescription drug costs, including medication dispensing costs that average $12.40 per prescription.¹ List prices on more than 1,200 prescription drugs rose faster than inflation between July 2021 and July 2022, according to a recent report from the Department of Health and Human Services.² It’s not surprising that 37% of Americans chose not to fill a prescription because of cost, according to the Wolters Kluwer Pharmacy Next survey. Increasing cost pressure at the core of their business is something future-ready retail pharmacies will need to address through highly streamlined and efficient workflows.

• **Healthcare staffing shortages.** All types of pharmacies are facing shortages of staff to keep up with the increased demand for prescriptions.³ Hiring and staffing challenges coming out of the “great resignation” and the COVID-19 pandemic have led to shorter pharmacy hours and delayed prescriptions, and could signal conditions that lead to potentially dangerous mistakes. Without adequate staff, retail pharmacies run the risk of losing customers and closing their doors completely. Future-ready retail pharmacies will find new and innovative ways to attract and retain top talent by eliminating redundant tasks and helping employees work at the top of their licenses.

• **Pharmacist burnout.** Burnout is a persistent problem throughout the healthcare field and particularly among pharmacists, who say working conditions are more stressful now than they were before the pandemic.⁴ This added stress continues to affect pharmacists’ ability to ensure patient safety.⁵ Future-ready pharmacies will take proactive steps by using technology that optimizes alerts and reduces pharmacist burnout to keep patients safe.

• **Increased demand for an enhanced customer experience.** Although retail pharmacies are generally ahead of the game when it comes to meeting and exceeding consumer expectations, this doesn’t mean they can remain idle. In fact, just the opposite is true — particularly when it comes to service quality, store hours, on-demand pharmacist support, same-day delivery, personalized care and more. Future-ready retail pharmacies will embrace change to meet consumers’ needs and become a preferred business. This includes equipping pharmacists with up-to-date, evidence-based content to enhance the customer experience.
Looking ahead: Embracing opportunities

Embracing a future-ready mindset also requires retail pharmacies to move into a more visible role in the broader healthcare ecosystem. This means retail pharmacy directors must position their business as an important partner in value-based care, the goal of which is to promote positive outcomes, reduce healthcare costs, enhance the patient experience and promote health equity. Specifically, future-ready retail pharmacies will:

- Leverage patient engagement and patient education materials to ensure patients use medications appropriately and achieve positive outcomes.
- Promote better access to preventive care that can greatly enhance outcomes, lower costs, contribute to population health and support value-based care goals.
- Use social determinants of health-focused solutions to connect healthcare consumers with critical community resources and services to improve health and wellness.

Promoting financial sustainability: Strategies for success

The specific future-ready plan each retail pharmacy will embrace depends on its unique business model, customer demographics, and other circumstances. However, all retail pharmacies should strive to implement as many of these strategies — or some version of them — as possible to prepare for the future.

Take a holistic approach to health. Future-ready retail pharmacies will amplify their focus on medication adherence by providing trustworthy, evidence-based patient education, addressing SDOH and leveraging other tailored pharmacy-based interventions. However, they will also look beyond medication to identify complementary ways to promote holistic health. One example is the Food is Medicine Initiative, which is designed to prevent and manage chronic disease through healthful food choices. Through coupons and strategic product placement, future-ready retail pharmacies will steer people toward food that improves their health and well-being.

Personalize care. Future-ready retail pharmacies will tailor care for high-touch consumers with complex chronic conditions, providing proactive patient communication using apps, QR code-driven educational content, outreach tools to support behavior change and more. Digital tools will be especially important for digitally native healthcare consumers who tend to frequent retail pharmacies more often than their nonnative counterparts. More than half of Generation Z members and millennials (56% and 54%, respectively) have visited a local pharmacy to receive care in the past year, compared with 40% of Generation X members and 35% of baby boomers, the Wolters Kluwer Pharmacy Next survey found.

Add new services. Future-ready retail pharmacies will leverage clinical decision support tools and evidence-based content to provide in-demand services like medication therapy management (e.g., medication therapy reviews, pharmacotherapy consults and anticoagulation management), point-of-care testing (e.g., for influenza, strep A, lipids, hemoglobin A1c, hepatitis C, HIV, lab tests and pharmacogenetics), care coordination, chronic disease support and more. Vaccines and immunizations will be at the forefront of what future-ready retail pharmacies provide. Sixty-two percent of Americans would go to a local pharmacy to receive a flu shot or other vaccine, the Wolters Kluwer survey found.

5 questions to ensure a future-ready retail pharmacy

1. How can we become a more visible partner in the healthcare ecosystem?
2. How can we better leverage pharmacists to provide patients with other (more profitable) clinical services?
3. How can we provide a modern, patient-centric education experience that builds trust, drives medication adherence and promotes customer loyalty?
4. How can we use data and technology to drive our business strategy?
5. What are we doing to promote holistic health?
Expand the pharmacist’s role. New services and technology provide an opportunity to leverage pharmacists in novel ways at the top of their licenses. For example, in a future-ready retail pharmacy, pharmacists play a more active role in the treatment of minor illnesses. Eighty-one percent of Americans say they trust a pharmacist, nurse or nurse practitioner to diagnose minor illnesses and prescribe medications to treat them, the Wolters Kluwer survey found. Pharmacists treating patients will need engaging informational resources available in multimedia formats that cater to different learning styles and promote health equity.

Pharmacists can also collaborate with patients to optimize medication regimens, improve adherence and mitigate risk. They can provide evidence-based education, counseling and ongoing support to patients with chronic conditions to prevent medication administration errors. That’s in addition to informing consumers of lower-cost alternative medication. Eighty-six percent of Americans said they would use generic medications if it meant saving money, according to the Wolters Kluwer survey. Further, 92% feel their physician and pharmacist should inform them of these alternatives.

Forward-thinking pharmacists will also ensure seamless transitions of care by counseling patients upon hospital discharge. A recent study found that pharmacist-led patient engagement during hospital discharge, as well as patient outreach and follow-up care, can improve patient satisfaction and Hospital Consumer Assessment of Healthcare Providers and Systems scores by nearly 15%.

Collect and use data for strategic business decisions. Future-ready retail pharmacies will leverage data analytics to track patient outcomes, medication utilization patterns and adherence rates with the overarching goal of promoting value-based care. They will also collect and leverage SDOH data to identify and address healthcare consumer access challenges to promote health equity. Finally, they will collect and leverage consumer behavior data such as net promoter scores to fine-tune the overall consumer experience.

Leverage technology. Future-ready retail pharmacies will invest in technology that supports core business efficiency, offers transformed omnichannel experiences to drive growth and expands the retail pharmacy’s role in healthcare. This includes customizable solutions embedded into the pharmacist’s workflow that provide:

- Accurate and up-to-date clinical screening and drug data.
- Detailed breakdowns of therapeutic classes.
- Evidence-based, accurate and timely content aligned across care settings to educate healthcare consumers.
- Quick access to equivalency information for brand/generic substitutions.

As in other retail sectors, many drugstore pharmacies have invested in digital tools to offer more personalized service. These include dedicated customer portals that include wellness content, as well as automated outreach communications and on-demand information. The goal is to support customers’ holistic healthcare journeys.
Taking a proactive approach

Today's retail pharmacies are in a prime position to drive value-based care and support the delivery of high-quality, cost-effective healthcare. To succeed, pharmacy directors must start strategic conversations now. They must also prioritize financial investments in people, processes and technology, and then set measurable goals and identify the technology and content partners that can enable them. A trusted partner like Wolters Kluwer can help by providing high-quality clinical decision-support tools and patient education materials that streamline pharmacists’ workflow while improving care. Armed with these tools, the pharmacy of the future will position itself as a valuable resource for the healthcare consumers of today — and tomorrow.

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