

Review of the Irish community pharmacy sector 2013/14 – sustainability in a changing environment

State savings

The State has extracted **€1.733bn** from the medicine supply chain since 2009



Opportunities

Expanded role:

The vast majority of Irish consumers would like pharmacists to prescribe for minor ailments

94%



Irish consumer

Minor Ailment Scheme:

The projected annual National Health Service savings from Minor Ailment Schemes in the UK



Business model changes:

44% of pharmacists surveyed joined a buying group in 2014

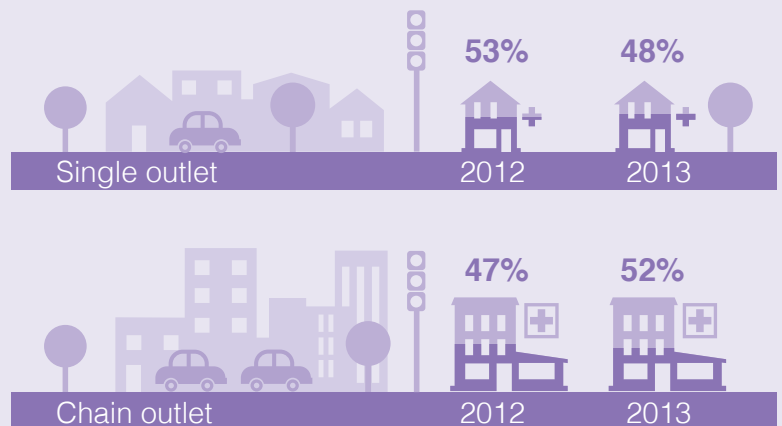
44%

18% of pharmacists surveyed joined a symbol group in 2014

18%

Ownership

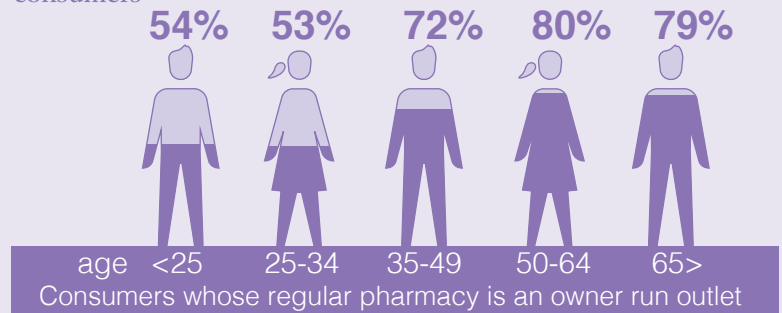
Pharmacy multiples and chain operators expanded their footprint in 2013 as trading conditions continued to present challenges to single outlet independent pharmacists



Threats

Consumer loyalty:

Loyalty to owner run pharmacies is weaker amongst younger consumers



At-risk pharmacies:

The number of pharmacies at risk of closure following the full implementation of reference pricing



Financial performance:

The average net profit decrease in 2013

7%

76%

Future

More than three quarters of those surveyed feel non-dispensary sales will be more important to their businesses in the future