

Marketing Outreach

“We’re Old but we’re New”: Using technology to expand our pharmacy business

by Raymond Matthews

Matthews Pharmacy has been at its location at 101 Canal Street in Ellenville since 1948. As my aunts remind me, the various partnerships and permutations that led up to what is now called *Matthews Pharmacy* have been in continuous operation in Ellenville since 1858.

While growing up in a pharmacy operation all my life, I have experienced tremendous changes. In 1929, my grandfather, Clyde Matthews, graduated Albany College of Pharmacy with a 2-year degree in Pharmaceutical Chemistry. Thirty years later, my father, Ronald Matthews, graduated from the same school, with a 4-year degree in Pharmacy. Thirty years after that, I graduated from that same institution with a 5-year degree in Pharmacy. (Today, a student entering the profession of pharmacy will complete a 6-year doctorate program.)

Technology has become a mainstay of our operation. It has been 23 years since the installation of our first computer. This was a CRT with a built-in keyboard that looks like what is now a child’s learning tool you can purchase for \$39. This system was “on-line” by phone with a CPU in Buffalo, New York, which housed our patient database in a mainframe; nothing was kept in our “dumb” terminal. We processed prescriptions to them, and they sent back labels to our printer. By today’s standards, it moved slower than a turtle, with every phone-line problem spanning the 300 miles affecting the daily operation.

Since then, we’ve gone through ten hardware upgrades, changing systems roughly every three to four years.

Back in 1992, we also introduced a self-contained, customer-operated kiosk that printed out detailed answers to questions on a whole range of subjects from databases not normally available to the consumer; alas, the company went out of business, so the data couldn’t be updated, and we took the machine off the floor. (Anyone interested in a museum piece?) But now, the same, but updated, info can be appended to your receipts from our newer technology.

At present, we are moving data through our own CPU, connected continuously through broadband via the Internet. Before a prescription is filled or claim is made to an insurance company, payment is either accepted or denied and co-payment and reimbursement is determined in a matter of seconds. Clinical databases are used as an aid to scan drug-drug, drug-disease, appropriateness of medicine based on age,



*Ray Matthews of **Matthews Pharmacy** shows how easy it is for customers to send in their refill info from home by using the Internet.*

weight, etc.; cross-references are verified through databases of a patient’s use of prescription medicine, even if obtained at another pharmacy location. Thus, the Internet is already an extremely valuable tool that our business could not exist without. In claim adjudication on the Internet, for example, insurance companies confirm data in just 15 seconds; earlier direct-dialup modems averaged two minutes per claim. Saved: 1:45 minutes each claim.

Also, there’s improved efficiency of info retrieval; e.g., you come in with nine drugs you’re taking, and you just went to the doctor and want to know if the last one prescribed is a potential drug-drug problem. Now, we’ve been educated to know different classes of medicines, and we can consult a printed source book. But, today we can consult online to a total database of drug interaction in just seconds. Also, we now get several publications on medical info, and specialty sites like WebMD, by subscription, rather than having to wait for or wade through the print versions, and can zero in on the data we need.

Our website, www.matthewspharmacy.com, set up nearly two years ago, has added a new state of retailing to our operation. The ability to offer diverse products and services in a small retail operation is most difficult. The consumers in today’s retail environment have a tendency to shop in the large one-stop “Box” stores, stores that have one’s every need under one roof. Since the floor space under OUR roof is very small, we cannot service this part of the consumer’s needs.

With our website, we can service the consumers with specialty products, better known as “niche” marketing; we are able to research, study, and choose a few specialty products that consumers find difficult to locate in the big “Box” stores. ➤

With the website, our clients come from all over the world. Indeed, every month we make up a special medicine for a 3-year-old in India, whenever we get the email request from a US State Dept worker in Nepal who has roots in this area.

Our current site, in development and operation for a year, was designed and is maintained by our drug wholesaler, and is changed and updated every thirty days. We only sell non-prescription items this way, and have found that herbal products in general, and products for carpal tunnel syndrome in particular, are most popular, and our name comes up at the top of search engines for those items. There are 50-60 items in our diabetic line. I'd say we average one non-local sale per day from our inventory, by this type of Internet access.

My goal with our Internet site has been not to sell a few of many products, but to sell many of a few products.

This site, in addition to non-prescription sales, has the ability to accept your refill numbers for refilling prescriptions, thus keeping you off the phone and out of long lines at the pharmacy. This includes "snowbirds" who can order refills online instantly, as a local call to them; orders can be shipped overnight. So far, I'd say 50% of our online business is local refill requests, and 50% is non-local specialty orders. To encourage local use, we promote the website on statements, letterheads, and all ads.

We aim to become a full-service site, but we are going slowly, keeping it under control, and if something doesn't work, we get rapid feedback, and we can drop it. In six months, we expect to make our entire wholesaler's inventory of health and beauty supplies part of our website, with overnight shipping, with Matthews Pharmacy as the store front for the total inventory that we won't have to stock, making us BIGGER than the "box" stores!

These are some ways a small, local, family-owned business can stay current and competitive by embracing the latest technology and thinking outside the "box"!

For more information, go to our website at <http://matthewspharmacy.com>, or email matthewsrx@aol.com, or call 845-647-6222, or fax 845-647-1558. 



The future meets the past at the entrance to **Matthews Pharmacy**. If YOUR business is using the Internet or other new technology to increase sales or break into new markets, let us know! We would love to feature your business in a future issue!

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