

THE IPG WEBINAR

Core Range



Make it easy for customers

What Customers Want:



Category Management

Category management is the science of ranging, displaying and selling the most effective range of products in each retail category.

It involves product selection, pricing, promotional displays and signage – and when it is done well it makes the instore retail experience easier and more satisfying for customers.

Follow these steps to improve your retail category management:

1. **Identify your retail categories (= Toniq “Groups” or RxOne “Classes”) and sub-categories (= Toniq “Departments” or RxOne “Groups”).**
2. **Select the best sellers for each “customer need” (Sub-category) plus 1 or 2 alternatives.**
3. **Allocate the right space and the right locations for each category.**
4. **Merchandise your product range with the right number of facings of the top sellers at eye-level.**
5. **Ensure every category has clear signage.**

Not every pharmacy stocks every category – for example medical centre pharmacies don't need fragrances, cosmetics or gifts.... So knowing your market and getting your product strategy right is the first step towards rationalising your product range and maximising your retail results!

Pharmacy Category Tree

Digestive Care	Constipation
	Detox
	Diarrhoea
	Digestive Care
	Fibre Laxatives
	Haemorrhoids
	Healthy Bacteria
	Indigestion
	Rehydration
	Travel
	Worms

Health Supplements	Brain & Memory
	Energy
	Healthy Heart
	High Cholesterol
	Homeopathy
	Immune Boost
	Magnesium
	Mens Nutrition
	Multis & Antioxidants
	Omega 3 Oils
	Sleep
	Sports Nutrition
	Stress
	Superfoods
	Turmeric
	Vision
	Vitamin C

Womens Health	Calcium
	Collagen
	Contraception
	Healthy Oils
	Iron
	Kidney & Bladder
	Menopause
	Period Pain
	Personal Lubricants
	Pregnancy
	Pregnancy Tests
	Sanitary
	Skin, Hair & Nails
	Thrush
Womens Nutrition	

Weight Management	Appetite Suppressants
	Blood Sugar
	Meal Replacements
	Protein

Joint Care	Arnica
	Anti-inflammatory
	Heat Rubs
	Joint Nutrition
	Muscle Pain
	Wheat Bags

Pain Relief	Anti-inflammatories
	Anti-inflammatory Gel
	Aspirin
	Childrens Pain & Fever
	Migraine
	Pain Relief
	Strong Pain Relief

Coughs & Colds	Chesty Cough
	Childrens Cough
	Cold & Flu
	Cold Prevention
	Cough Lozenges
	Dry Cough
	Herbal Cough Mixture
	Lozenges
	Mucus Relief
	Sore Throat Prevention
	Sore Throat
	Throat Sprays & Gargles
	Tissues

Allergies & Sinus	Allergies
	Hayfever
	Nose & Sinus
	Runny Nose
	Snoring

Eye Care	Contact Lens
	Dry Eyes
	Eye Allergies
	Eye Care
	Eye Infections
	Red Eyes

Eyewear	Reading Glasses
	Sunglasses

First Aid	Bandages
	Burns & Scars
	Disinfectants
	First Aid Kits
	First Aid Tape
	Hot & Cold Packs
	Mouth Guards
	Plasters
	Skin Infections
	Sports Nutrition
	Strapping Tape
	Supports
	Wound Care

Foot Care	Athletes Foot
	Corns & Callouses
	Cracked Heels
	Nail Infections
	Smelly Feet
	Sore Feet & Blisters
	Wart Treatment

Home Healthcare	Diagnostic Tests
	Dosage Aids
	Drug Tests
	Ear Care
	Gloves
	Hand Sanitiser
	Hearing Aid Batteries
	Household
	Incontinence
	Masks
	Mobility Aids
	Monitors
	Quit Smoking
	Thermometers

Sleep Services	Sleep equipment
	Sleep Services

Bathroom	Cotton
	Dental Care
	Dentures
	Deodorant
	Depilatory
	Mouth & Gum
	Nail Care
	Shaving

Skin Care	Acne
	Barrier Cream
	Body Wash
	Chafing
	Cold Sores
	Dry Skin
	Franchise Skin Care
	Fungal Infections
	Inflamed Skin
	Itchy Skin & Bites
	Lip Care
	Natural Skin Care
	Skin Healing
	Skin Repair

Sun Care	Insect Repellent
	Self Tan
	Sun Care
	Sun Protection

Cosmetics	Accessories
	Franchise Cosmetics
	Mineral Makeup
Gifts	
Fragrance	

Photographic	Batteries
	Passport Photos

Baby & Child	Baby Colic
	Baby Constipation
	Baby Feeding
	Baby Skincare
	Baby Teething
Child Nutrition	

Hair Care	Dry, Flakey Scalp
	Hair Care
	Hair Loss
	Hair Styling
	Head Lice

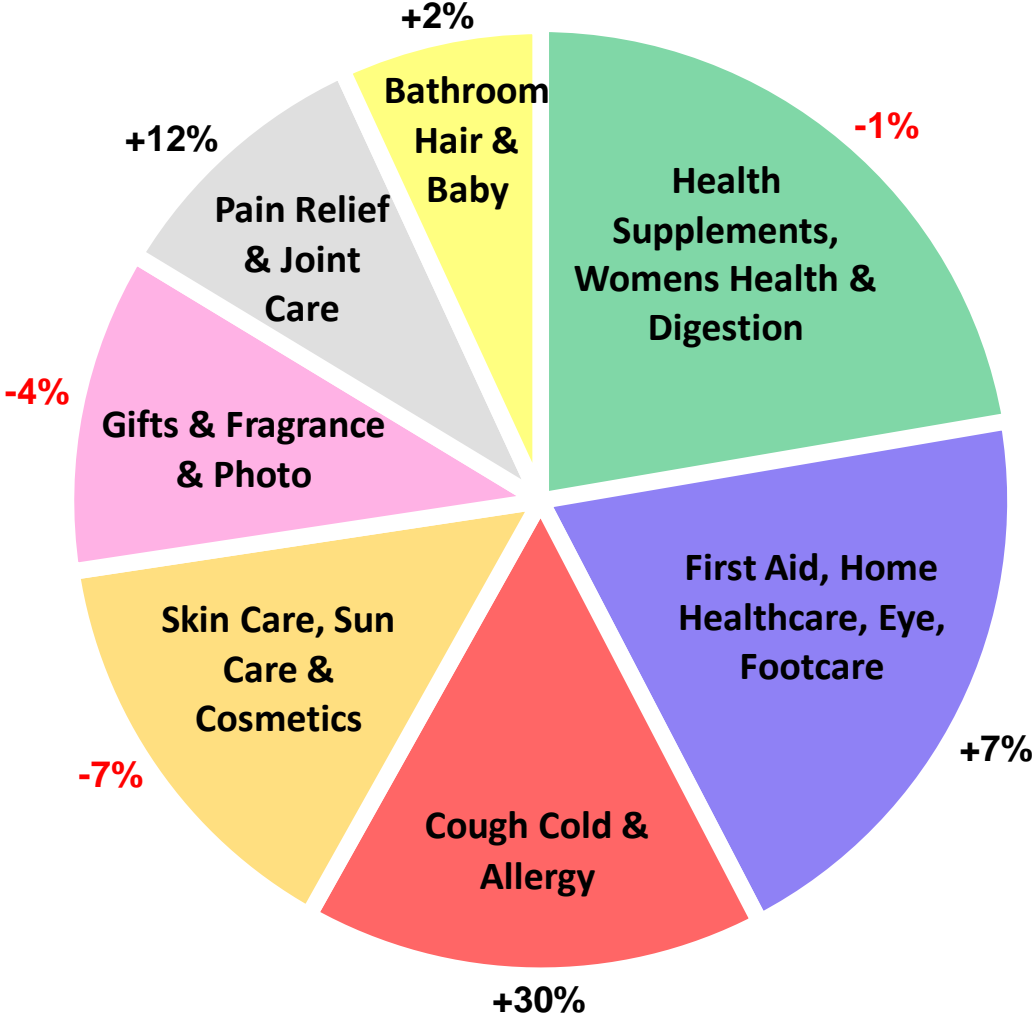
Services / Non-Retail	Rx fees
	Freight & post etc.
	Services

Not Core



2023
www.rpmretail.com

Pharmacy Departments



Sales by Department
12 months to Dec 2022
+1% vs LY

Pharmacy category sales performance - 2022

Rank	Category	2022 vs 2021 Sales Variance %
1	Health Supplements	+1%
2	Gifts	-5%
3	Coughs & Colds	+53%
4	Skin Care	-4%
5	Pain Relief	+22%
6	First Aid	+11%
7	Allergies & Sinus	+9%
8	Digestive Care	+6%
9	Home Healthcare	+22%
10	Cosmetics	-14%
11	Womens Health	-9%
12	Bathroom	+10%
13	Eye Care	-1%
14	Foot Care	-9%
15	Joint Care	-14%
16	Hair Care	-7%
17	Baby & Child	-1%
19	Eyewear	-5%
20	Sun Care	+3%
21	Photographic	+50%
22	Fragrance	-21%
23	Weight Control	-27%
	TOTAL RETAIL SALES	+4%

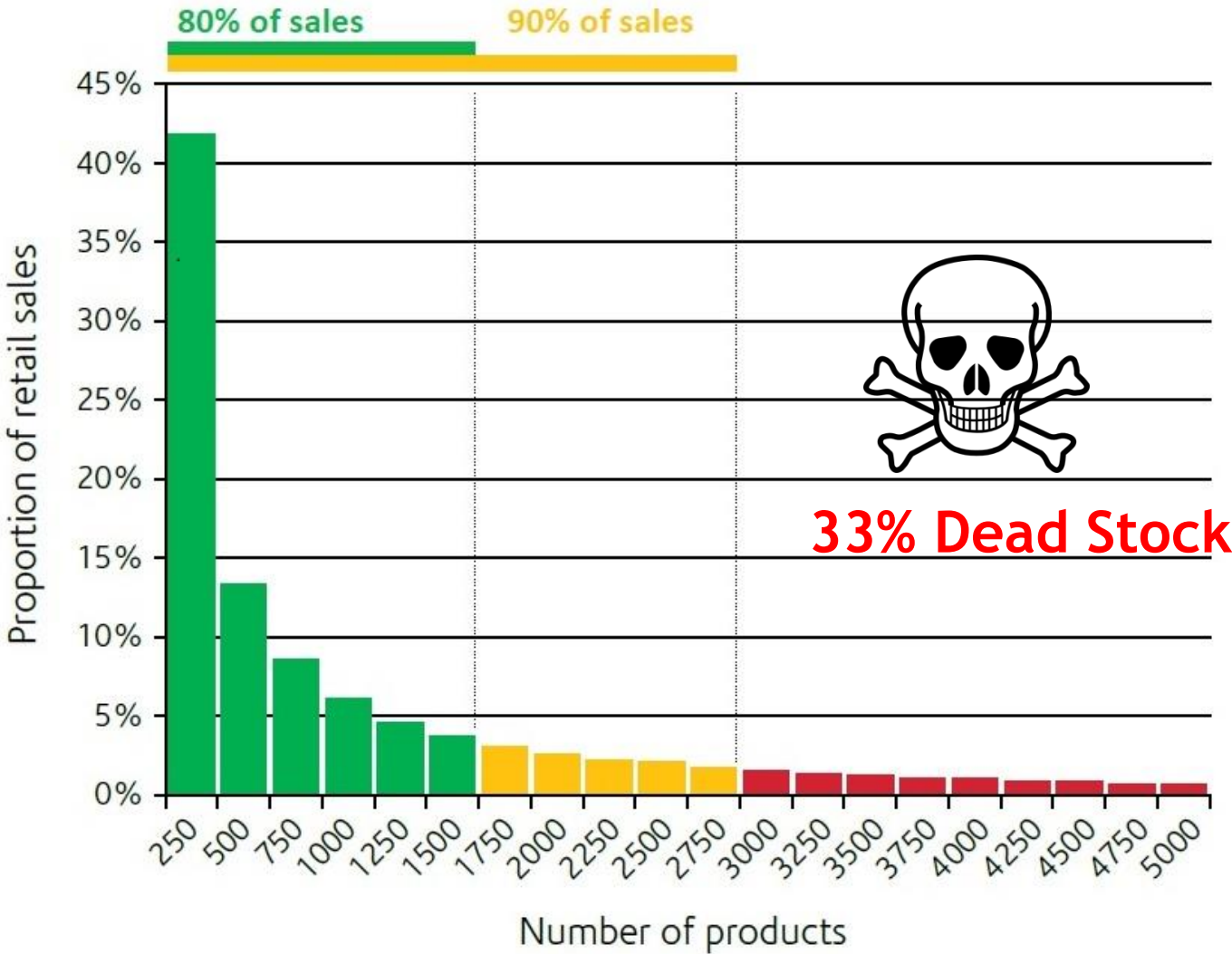
Sub-categories = Conditions = Shelves

Category	Conditions
Allergies	Hayfever, Eye Allergies, Skin Allergies
Baby & Child	Pain & Fever, Teething Pain, Colic, Nappy Rash, Baby Feeding, Probiotics, Headlice, Worms
Cold & Flu	Prevention, Sore Throat, Congestion, Coughs, Children's Coughs
Digestive Care	Probiotics, Indigestion, IBS, Constipation, Diarrhoea, Haemorrhoids, Nausea, Travel
Eye Care	Red Eyes, Dry Eyes, Eye Infections,
First Aid	Skin Infections, Wound Care, Supports
Foot Care	Fungal Nail Infections, Athlete's Foot, Corns & Warts
Heart Health	Omega 3 Oil, Cholesterol, High Blood Pressure
Home Healthcare	Ear Wax, Thermometers, Dosage Aids, Blood Pressure, Diabetes, Quit Smoking, Incontinence, Weight Management
Immune Boost	Vitamins, Minerals and Herbs, Probiotics
Joints & Muscles	Joint Nutrition, Muscle Pain, Stress and Tension, Cramps, Anti-inflammatories
Nose & Sinus	Runny Nose & Congestion, Blocked Nose & Sinus, Snoring
Oral Hygiene	Mouth Ulcers, Oral Thrush, Dry Mouth
Pain Relief	Headache, Migraine, Strong Pain Relief
Skin Care	Cold Sores, Body Wash, Dry Skin, Chafing, Eczema & Psoriasis, Inflamed Skin, Insect Bites, Skin Repair, Burns, Blisters, Fungal Infections, Scabies, Acne, Scalp Conditions, Sun Protection
Sleep & Stress	Sleep, Stress, Mood, Energy
Womens Health	Urinary Tract Infections, Iron, Vaginal Thrush, Pregnancy, Period Pain

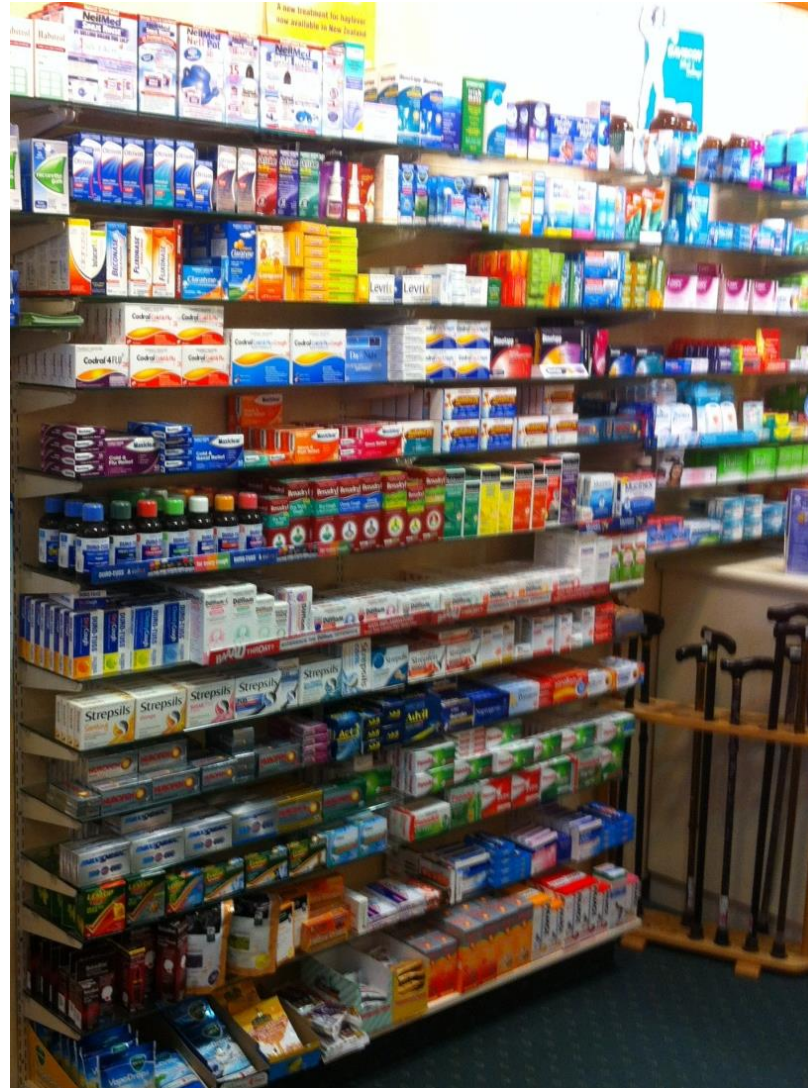
Category Management makes it easier for customers



Range Rationalisation - The 80:20 rule



NOT Easy!



The 80:20 rule.... makes it easier for customers



Core Range

Statement of Existence:

“We focus on a Core Range of top-selling products that simplifies our pharmacy’s instore experience and operations”

One of the greatest opportunities for improvement in most of our member pharmacies has been to “curate the range” of products that are carried.

The Core Range of retail products provides the foundation for Group merchandising and marketing.

By applying the 80:20 rule to select the Core Ranges that have the highest demand, our pharmacies become more efficient, and easier for customers and staff alike.

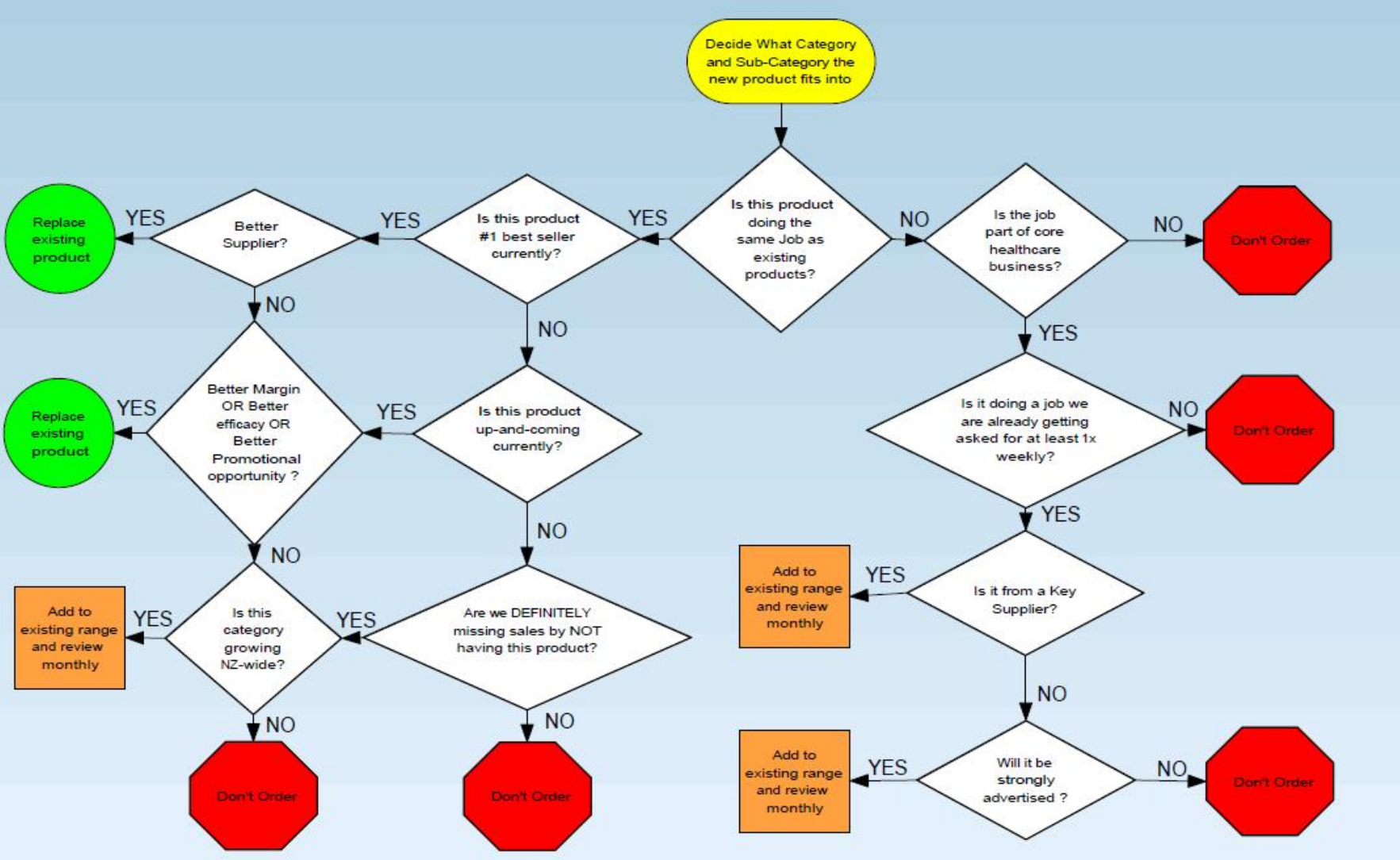
Benefits:

1. Simplifies your shop layout and visual merchandising.
2. Frees up working capital for reinvestment into new opportunities.
3. Increases sales opportunities by improving the facings of the most popular products.
4. Makes it easier for staff to manage inventory.
5. Provides more consistency throughout the pharmacy about which products “we recommend”.

How to choose



Core Ranging Decisions



Less is more

The benefits of range rationalisation:

1. Customer convenience

2. Increased sales

- Merchandising and promotional effectiveness

3. Staff convenience

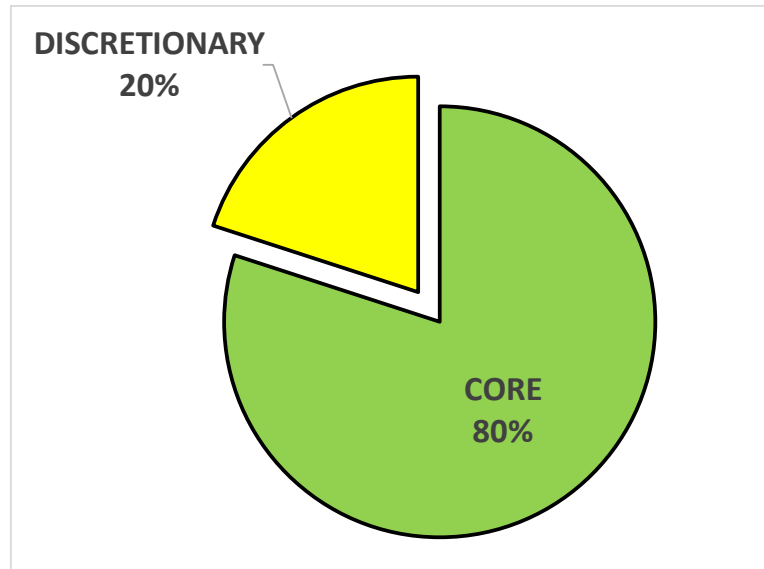
- Sales and inventory management

4. Supplier relationships

- Increased margin

Range Reduction

Data tells us that the core range makes up 80% of sales excluding cosmetics and gifts.



In many Health Centre and Community pharmacies the Core Range will provide everything you need to satisfy your customers across all OTC categories.

The 3-2-1 rule

Sun Care	Insect Repellent
	Self Tan
	Sun Care
	Sun Protection

Sun Protection brands



Sun Protection brands

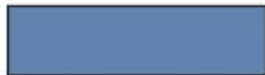
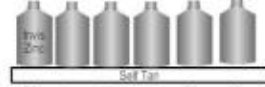
Supplier	Sales \$
Cetaphil Total	\$81,303
Invisible Zinc Total	\$47,304
Neutrogena Total	\$25,909
Feel Good Total	\$12,182
Dermaveen Total	\$9,632
Reef Total	\$9,172
Oasis Total	\$8,929
Avene Total	\$6,695
Skinnies Total	\$5,427
Marine Blue Total	\$4,341
Bondi Sands Total	\$3,935
Nivea Total	\$3,055
LRP Total	\$1,310
Sebamed Total	\$1,109
Trilogy Total	\$687
Bushman Total	\$356
NZCS Total	\$210
Coco Island Total	\$192
UV Total	\$1,639

\$223,386

Sun Protection Core Range

PLU	Product	Supplier	Product Range	Sales Quantity	Sales \$	Price	Cost	SKU Rank
2548011	CETAPHIL SUN KIDS SPF50+ LIPO 150ML	Cetaphil	Is core	1,747	\$62,126	\$35.79	\$17.77	17
2548003	CETAPHIL SUN SPF50+ U/LGHT 100ML	Cetaphil	Is core	510	\$19,177	\$36.27	\$18.07	179
		Cetaphil Total			\$81,303			
2485346	INVISIBLE ZINC FACE & BODY SPF 50 150G	Invisible Zinc	Is core	334	\$10,803	\$35.27	\$17.36	1319
2547406	INVISIBLE ZINC S/D TINT MED 50+ 50G	Invisible Zinc	Is core	253	\$7,032	\$29.82	\$14.08	580
2446006	INVISIBLE ZINC 4HR W/R 50+ 50ML	Invisible Zinc	Is core	257	\$5,593	\$23.51	\$11.28	752
2547392	INVISIBLE ZINC S/D TINT LGT 50+ 50G	Invisible Zinc	Is core	204	\$5,525	\$29.99	\$14.12	706
2485338	INVISIBLE ZINC JR SPF 50 CLIP ON W/R 60G	Invisible Zinc	Is core	234	\$5,162	\$24.13	\$11.29	996
2525194	INV. ZINC 4HR W/RESIST.SPF50+ 100ML	Invisible Zinc	Is core	137	\$4,704	\$35.29	\$17.30	879
2485354	INVISIBLE ZINC FACE & BODY SPF 50 75G	Invisible Zinc	Is core	169	\$4,612	\$28.06	\$12.88	907
2547414	INVISIBLE ZINC S/D FACE MOIST 50+ 50G	Invisible Zinc	Is core	126	\$3,345	\$29.28	\$14.17	1082
2525194	INV. ZINC 4HR W/RESIST.SPF50+ 100ML	Invisible Zinc	Not core	12	\$408	\$35.29	\$17.30	879
2547406	INVISIBLE ZINC S/D TINT MED 50+ 50G	Invisible Zinc	Not core	4	\$120	\$29.82	\$14.08	580
		Invisible Zinc Total			\$47,304			
2525283	NEUTROGENA ULT SHEER LOTION SPF50 85G	Neutrogena	Is Core	208	\$5,376	\$25.31	\$11.50	1305
2444712	NEUTRO BEACH DEF. SPRAY SPF50 184G	Neutrogena	Is Core	157	\$4,503	\$28.98	\$14.63	2142
2458160	NEUTRO U/SHR FACE LOT SPF50+ 88ML	Neutrogena	Is core	138	\$3,906	\$29.95	\$14.74	1370
2640244	NEUTROGENA U/SHR BDY	Neutrogena	Is Core	106	\$2,608	\$25.76	\$12.55	198
2444720	NEUTRO BEACH DEF. LOT. SPF50 198ML	Neutrogena	Not core	71	\$2,036	\$28.42	\$13.88	2351
2592738	NEUTROGENA BEACH DEFNC LOT 400ML	Neutrogena	Not core	55	\$1,952	\$38.08	\$20.09	3378
2504782	NEUTRO U/SHEER SUNSCREEN SPF50 40ML	Neutrogena	Not core	21	\$628	\$28.66	\$14.79	
2571943	NEUTROGENA U/SHR FAC E&BDY SPF50 42G	Neutrogena	Not core	19	\$590	\$32.99	\$14.88	
2458152	NEUTROGENA SUN U/SHEER FACE LOT SPF30	Neutrogena	Not core	21	\$587	\$31.24	\$14.80	
2640252	NEUTROGENA U/SHR BDY MIST SPF50 140G	Neutrogena	Not core	25	\$571	\$24.02	\$12.31	3678
		Neutrogena Total			\$25,909			
		Feel Good Total			\$12,182			
		Dermaveen Total			\$9,632			
		Reef Total			\$9,172			
2427907	OASIS SUNSCREEN SPF 30 250ML	Oasis	Is core	127	\$4,898	\$39.37	\$20.79	1426
2427915	OASIS SUNSCREEN SPF 30+ 50ML	Oasis	Is core	147	\$2,527	\$17.83	\$8.97	3122
2518880	OASIS SUN SPF50 ULTRA 100ML	Oasis	Not core	28	\$930	\$34.04	\$17.46	5015
2451867	OASIS SUN SPF30 JUMBO PUMP 500ML	Oasis	Not core	6	\$331	\$68.33	\$34.98	
		Oasis Total			\$8,686			

Planograms



Product Formulary

Category	Sub-Category	We Recommend	Because	Add-ons
SUN CARE	Sun Protection	Cetaphil Sun Kids 50+ Lipo	Same formula as Daylong – once a day application	<ul style="list-style-type: none"> Sunhat, sunglasses, Insect Repellent
		Cetaphil Sun SPF50+ Ultralight	Oil free for sensitive skin	
		Neutrogena	High SPF (50+) with range to suit everyone in the family	
		Invisible Zinc	Reflects all UV wavelengths	
		Oasis Sun	Natural – no chemicals	
	Bushman Sunscreen	Contains Zinc SPF50+		
Self Tan	Bondi Sands	Easy application & great colour	<ul style="list-style-type: none"> Applicator glove Depilatory cream 	
Insect Repellent	Bushman	Deet = effective insect repellent, can come in combination w/ sunscreen	<ul style="list-style-type: none"> Vitamin B1 Sunscreen 	



Product Formulary – Core Range

PLU	Product	Supplier	Category	Sub Category
2000903	ALOE VERA GEL 250GM MERINO	Hallifax	Sun Care	Sun Care
	BONDI Sands 1hr Express Tan 200g	ANZ PHARMA	Sun Care	Self Tan
	BONDI Sands Self Tan Foam Dark 200ml	ANZ PHARMA	Sun Care	Self Tan
	BONDI Sands Self Tan Foam Ultra Dark	ANZ PHARMA	Sun Care	Self Tan
	BONDI Sands SelfTan Foam Lt/Md200ml	ANZ PHARMA	Sun Care	Self Tan
2469480	BUSHMAN GRN 20% PUMP SPRAY 100ML	Pharmabroker	Sun Care	Insect Repellent
2424142	BUSHMAN HD AERO 130GM	Pharmabroker	Sun Care	Insect Repellent
2424150	BUSHMAN HD AERO 225GM	Pharmabroker	Sun Care	Insect Repellent
2424134	BUSHMAN HD AERO 60GM	Pharmabroker	Sun Care	Insect Repellent
2424045	BUSHMAN HD GEL 75GM	Pharmabroker	Sun Care	Insect Repellent
2424096	BUSHMAN PLUS AERO 150GM	Pharmabroker	Sun Care	Insect Repellent
2424118	BUSHMAN PLUS AERO 50GM	Pharmabroker	Sun Care	Insect Repellent
2424061	BUSHMAN PLUS DEET 80% 75GM	Pharmabroker	Sun Care	Insect Repellent
2548011	CETAPHIL SUN KIDS SPF50+ LIPO 150ML	Pharmabroker	Sun Care	Sun Protection
2548003	CETAPHIL SUN SPF50+ U/LGHT 100ML	Pharmabroker	Sun Care	Sun Protection
2525194	INV. ZINC 4HR W/RESIST.SPF50+ 100ML	Radiant Health	Sun Care	Sun Protection
2446006	INVISIBLE ZINC 4HR W/R 50+ 50ML	Radiant Health	Sun Care	Sun Protection
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2547392	INVISIBLE ZINC S/D TINT LGT 50+ 50G	Radiant Health	Sun Care	Sun Protection
2547406	INVISIBLE ZINC S/D TINT MED 50+ 50G	Radiant Health	Sun Care	Sun Protection
2427907	OASIS SUNSCREEN SPF 30 250ML	Oasis	Sun Care	Sun Protection
2427915	OASIS SUNSCREEN SPF 30+ 50ML	Oasis	Sun Care	Sun Protection

Promotional Opportunity

With a hot Kiwi Summer season ahead, Aotearoa Pharmacy Brokers have a great value offer for IPG stores with a permanent 20% discount on Banana Boat products!

Pharmacode	Product Description	Pre-pack Order Qty	Your Order Qty	IPG RRP	Approx Cost (incl. 20% discount)	Cost of Order
2662051	Banana Boat Aloe After Sun Gel 230g	6		\$10.99	\$5.96	\$35.76
2662035	Banana Boat Sport Tube 200g SPF50+	6		\$19.99	\$11.24	\$67.44
2663228	Banana Boat Kids Tube 200g SPF50+	6		\$19.99	\$11.24	\$67.44
2526778	Banana Boat Dry Balance Spray 175g	6		\$23.99	\$13.65	\$81.90
2526794	Banana Boat Kids Roll On 75ml SPF50+	3		\$12.99	\$7.30	\$21.90
2554909	Banana Boat Kids Clear Spray 175g SPF50+	6		\$23.99	\$13.65	\$81.90
2662019	Banana Boat Dry Balance Pump 400g SPF50+	3		\$28.99	\$16.10	\$48.30
2389703	WET ONES BE FRESH 15s*	18		GWP	FREE	
2389711	WET ONES BE GENTLE 15s*	18		GWP	FREE	
						\$404.64



The benefits of having Banana Boat products in your store:

- #3 sunscreen brand in New Zealand (grocery scan data)
- Fully compliant under the Safety Standards Act
- Adds excitement to the sunscreen category in your pharmacy
- Brings customers back to the category in pharmacy by providing great value!
- GWP and instore consumer competition – Win a beach Sun Shade!

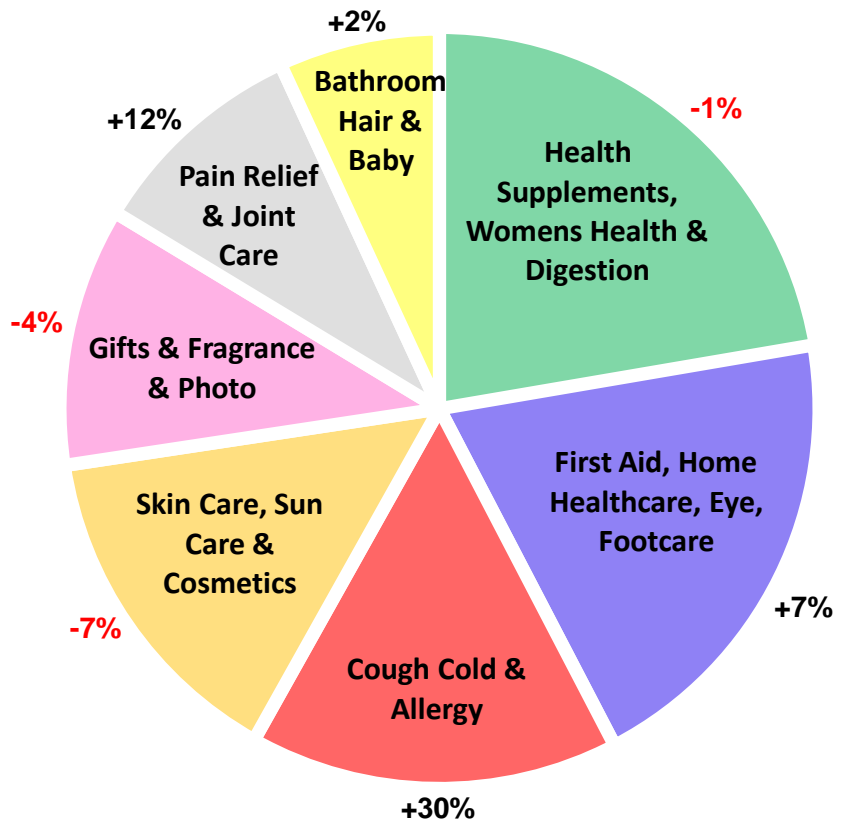
How to Measure

	Category	Share of Stock	Products Stocked	Stock Turn	Dead Stock %
1	Gifts	18%	500	1.7	56%
2	Health Supplements	12%	140	3.8	23%
3	Skin Care	10%	200	3	30%
4	Cosmetics	8%	220	2.1	50%
5	First Aid	6%	200	2.8	31%
6	Coughs & Colds	5%	90	6.8	6%
7	Digestive Care	5%	125	4.5	11%
8	Home Healthcare	5%	80	3.6	37%
9	Allergies & Sinus	4%	90	5.1	7%
10	Pain Relief	4%	70	5.8	3%
11	Bathroom	4%	150	2.9	33%
12	Womens Health	3%	140	3.5	24%
13	Eyewear	2%	100	1.8	35%
14	Hair Care	2%	88	2.9	30%
15	Sun Care	2%	75	1.3	44%
16	Baby & Child	2%	60	3.7	32%
17	Foot Care	2%	60	4	21%
18	Fragrance	2%	5	2	48%
19	Joint Care	2%	27	4.2	17%
20	Eye Care	2%	60	5.9	8%
21	Weight Control	1%	10	3.8	31%
23	Sleep Services	0%	0	1.2	100%
24	Photographic	0%	10	14.1	53%
	Total	100%	2500	3.3	32%

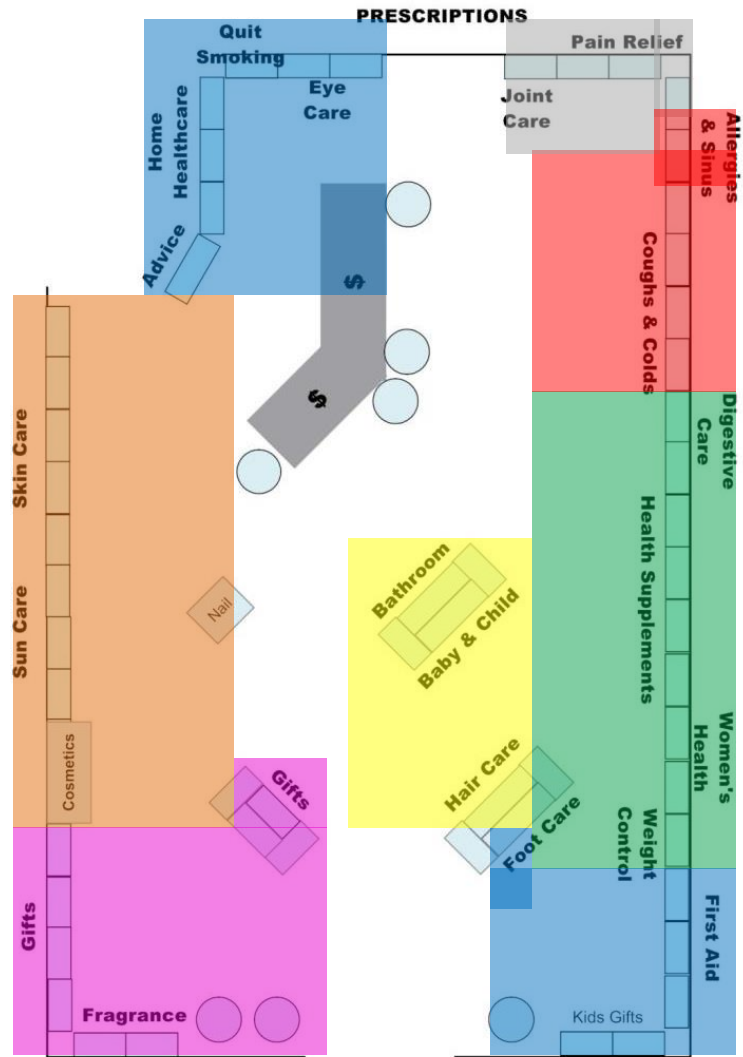
Good goals are:

- to increase Total retail Stock Turn from 3.3 to 4.0 or higher
- to reduce your Total number of Products Stocked
- to set a budget for discretionary stock purchases – and a target level to aim for after December

Department layout



Sales by Department



Ordering:

Pharmacy Retail Ordering Schedule

We recommend dividing your retail ordering plan into these four different types of orders:

1.	Buying Group orders from your wholesaler	Every 2 weeks	60 Days Cover*
2.	Direct to Supplier orders	Monthly	60 Days Cover
3.	New Products and Promotional orders	As Required	
4.	Urgent / special orders	Daily / as required	

**or 45 Days for larger stores*

How to Measure: RPM Missed Sales (Out-of-Stocks)

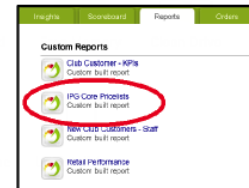
Goal: Less than 5% Out-of-stocks on Core Products

Pricing:

RPM USER GUIDE IPG Core Pricelist

The [IPG Core Pricelists](#) report helps you to **compare and manage your Retail Prices** (instore) vs our Recommended Retail Prices of the Core products in the IPG Group.

You can also identify Core Products not stocked.



How to Measure: RPM Scoreboard Gross Margin %

Goal: Greater than 44% Gross Margin %

