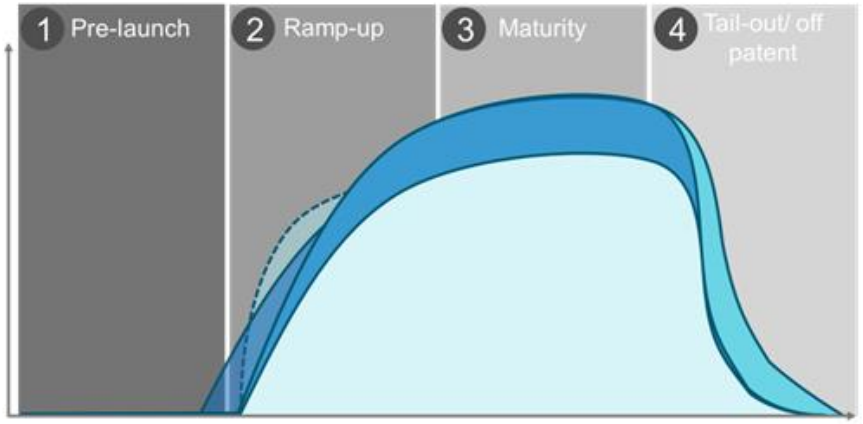
Revenue of Danish pharmacies – relations between sales, chains, catchment and geography

Background

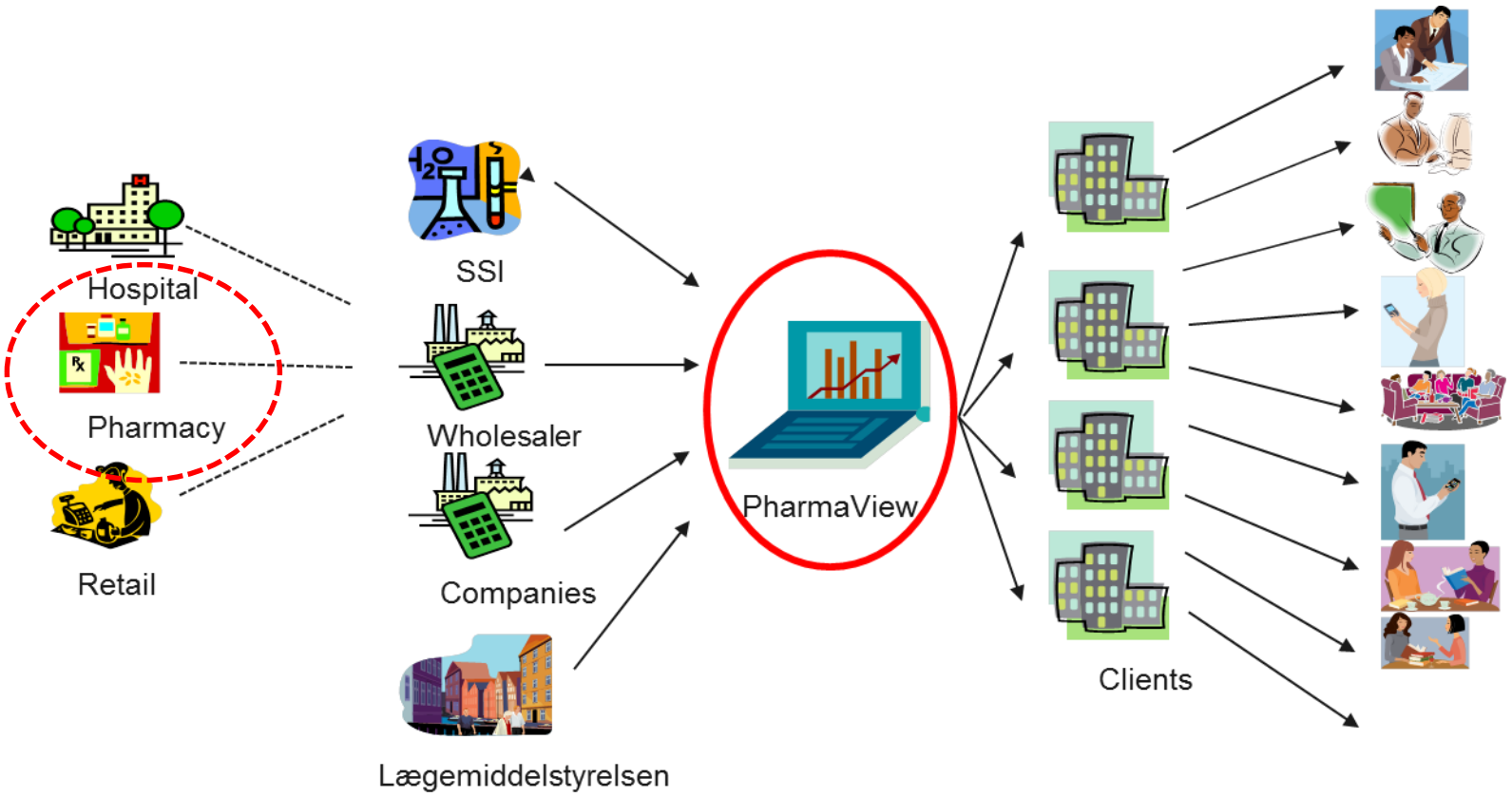
- Dansk Lægemiddel Information (Danish Pharmaceutical Information)

- 3 different business units
  - Education
  - Information
  - Market Intelligence

- Market Intelligence
  - Collect data on turnover
  - Market research
  - Stakeholders



Data collection

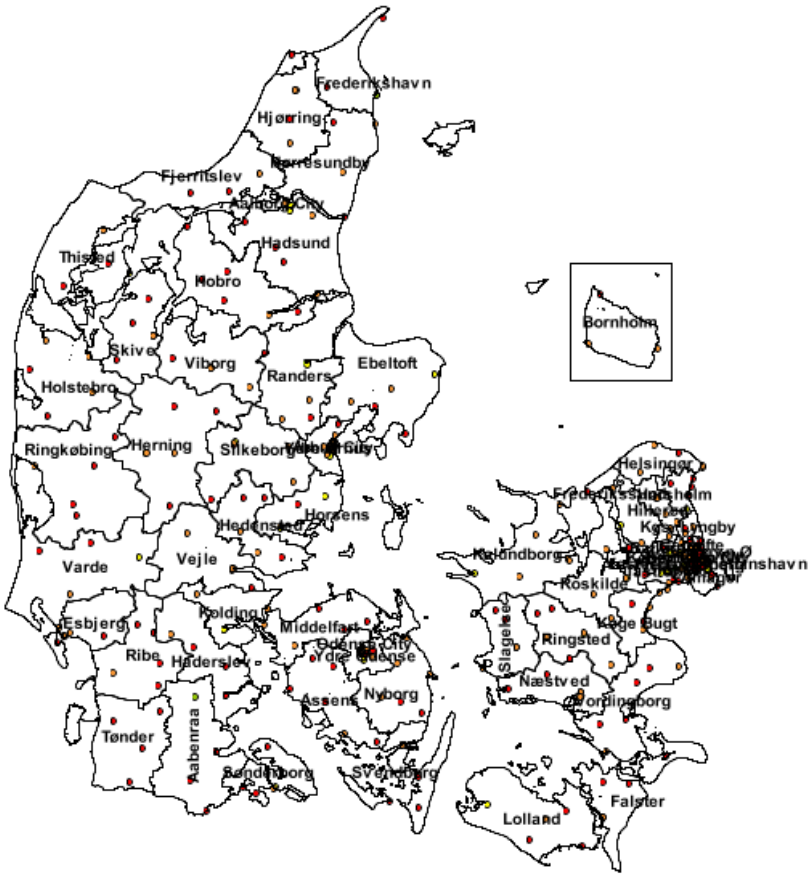


Pharmacies

- 238 main pharmacies
  - 134 affiliates

- Criteria
  - Less than 15 km. to nearest pharmacy
  - Around 20.000 people per pharmacy

- Privately owned by a pharmacist
- Privately owned = Business
  - What drives the pharmacy?
    - Patients?
    - Catchment?
    - Regional differences?
    - Or ??

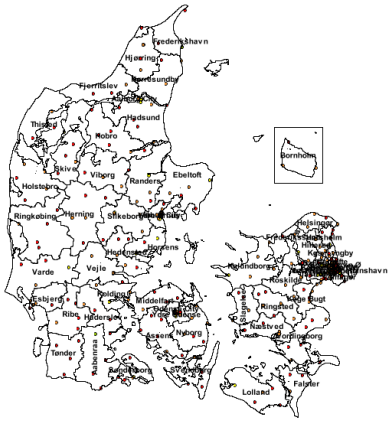


Variables related to pharmacies

- Looking at the pharmacies

  - The pharmacy's total revenue (defined by the sum of RX, OTC and Branded)
  - Revenue of prescription medicine – RX (receptpligtige lægemidler)
  - OTC revenue (over the counter drugs which are not on prescription such as Panodil, Nicorette, etc.)
  - Asthma/COPD (chronic obstructive pulmonary disease) (astma/KOL)
  - Branded goods (mærkevarer). These are products which are placed in front of the counter, e.g. skin care products, band aids, vitamins etc.
  - Diabetes medicine
  - ADHD medicine
  - Smoke cessation products (NRT) – app. 1/3 of the total market

Pharmacies



- Looking at the pharmacies / bricks
  - Geography and demography
    - Denmark divided into 60 bricks
    - And 5 regions
    - Each pharmacy has a label to define the surroundings
      - Metropol (metropolis)
      - Metropolomegn (areas surrounding a metropolis)
      - Større provinsby (larger provincial town)
      - Mindre provinsby (smaller provincial town)
      - Landsby (village)
    - Age / male / female
    - Pharmacy chain

The case

- To find any patterns in the relations between the revenues of the various categories of products sold at the Danish pharmacies
- Combined with the population demographics related to the bricks/regions/chains/pharmacies
- Can the variables be used to classify the pharmacies/chains or predict the surroundings (metropolis etc.)?
  - In that case: Which variables are used in the model and why?

Questions

- If you have any questions feel free to write me an email
  - tko@dli-mi.dk
- And I will respond as soon as possible!