

THE SERVICE DESIGN AWARD



Welcome to the People’s Pharmacy

Overview

Yhteistyöapteekit (YTA) is the largest pharmacy chain in Finland comprising over 120 pharmacies around the country. YTA hired Diagonal to help it to cope with the radical challenges that the Finnish pharmacy industry is facing. Pharmacies in Finland are traditionally focused on only selling medicine and they very seldom offer any kind of health care or well being services. The pharmacies are currently facing challenges in upholding their traditional business model of selling prescription drugs. The result of the project is the new People’s Pharmacy concept that not only provides traditional remedies for illnesses but first and foremost focuses on improving the customers’ well-being with significantly better customer experience and new desirable health care services. The concept is radically new in the rather conservative pharmacy business area of Finland as it points the pharmacy chain towards new and more active role in the healthcare ecosystem.



Process

Research

Jan—Feb 2013

To gather insight on the needs and behavior of customers and the future trends affecting pharmacy business, Diagonal conducted interviews, shop-alongs, pharmacy observations, mystery shoppings, roundtable discussions and both customer and employee online platforms.

KEY RESULTS

Trend analysis, user profiles, challenges and opportunities insight

Concept Creation

Mar—May 2013

To turn insights into concrete ideas and strategy, Diagonal engaged the pharmacy employees and customers into an agile ideation and prototyping process in pharmacies, online and in a cardboard prototype lab.

KEY RESULTS

A concept manual including 5 radical innovations and 198 ideas for improving business

Pilot Design

Aug 2013—Jan 2014

Following strategic decisions to pursue the new concept, Diagonal designed the pilot pharmacy.

KEY RESULTS

Customer service model, productization of wellness and health care services, visual identity and interior design of the pilot pharmacy



47 %
increase in
customer
volumes

300 %
growth in
sold wellbeing
services within
a year

The Benefits of Design

New wellbeing services

Customers no longer need to visit multiple stores when taking care of their wellbeing.

Improved prescription service

Customers can choose between fast standing-up prescription service and unhurried prescription service depending on their needs.

Mobile staff

The new service model enables staff to both assist the client with product choices and deal with prescriptions and purchases.

Easily scalable service model

Service ideas presented in the concept manual can be easily adapted to pharmacies of different sizes.

Significant market advantage

By increasing the customer satisfaction and distinguishing itself from the competitors, the pharmacy has thoroughly cleared a significant segment of the markets for itself.

Effect

Low-barrier access to health advice

By enforcing the role of pharmacies as health care experts and advisors, the People’s Pharmacy wards off the negative effects of cuts in public healthcare budget.

Radical renewals and agile practices

were established in the rather conservative field of pharmacies.

From treating illness to promoting health

The People’s Pharmacy has created motivation and strategy for acquiring profit from health-promoting services.



4/5
of the
customers are
extremely likely
to recommend
the wellbeing
services to
others

69 %
increase in
prescription
drugs sales

86 %
of the
customers
shop in the
pilot pharmacy
more than
once

