U.S. grocery and pharmacy retailer

U.S. grocery and pharmacy retailer improves customer service and pharmacist productivity with Lexmark solution

Challenge

For this retailer, its in-store pharmacies fill about five million prescriptions every year. Serving customers in the pharmacy involves a complex and mission-critical set of steps that must be followed precisely in order for each prescription to be filled correctly and quickly and to ensure compliance with federal regulations.

It's no secret that pharmacists and technicians rely heavily on printed verification forms, medication guides, prescription labels and receipts to serve customers and comply with these regulations. But, printers in this retailer's pharmacies were slow, jamming and printing streaky barcodes, leading to delays and a less-than-ideal customer experience.

"Each time a medication guide or other drug information printed, the legacy printer would include an extra blank sheet of paper that couldn't be reused," said the retailer's pharmacy warehouse regulatory supervisor.

Patient and medication information being transferred over the network from its prescription dispensing software to its printers was taking 45 seconds or longer to actually print out. At this critical "verification" stage, pharmacists had to wait for forms to print before technicians could actually fill and dispense the prescription to the customer. In some cases, blank pages would print out along with the verification pages, barcodes would print with streaks in them making them unreadable and certain combinations of numbers in the barcodes would cause the page to print out as gibberish. Barcodes that could not be scanned had to be reprinted and verified, causing additional delays.

"Store personnel would think that a poorly printed barcode meant that it was time to change the toner cartridge," the supervisor said. As a result, toner cartridges were replaced well before it was necessary, wasting toner budget dollars. As a fail-safe measure, stores stockpiled toner in advance, tying up capital funds.

The wasted paper and toner associated with its legacy prescription printing solution was costly, amounting to more than $27,000 per year. Time delays and time spent reprinting documents or fixing errors was estimated at 29,000 pharmacist hours every year. With pharmacists in high demand and earning high salaries, the retailer couldn't afford the lost productivity or the impact to employee satisfaction or customer service.

Meet this U.S. grocery and pharmacy retailer

This U.S. retailer has built a business on meeting its customers' needs. For more than 80 years, the retailer and its parent company have brought innovative, customer pleasing ideas to market, such as customer reward and discount plans, 24-hour availability and the very concept of the supermarket. Today, it continues to develop services and offerings that serve its customers. With more than 120 stores in six northeastern states, this retailer employs more than 20,000 associates who collectively own more than half the company's stock, making it one of the nation's largest private, predominantly employee-owned companies. Its in-store pharmacies offer customers a variety of health management services, plus the convenience of one-stop shopping.

Products in use:

▸ Lexmark Managed Print Services

▸ Lexmark Proactive Consumables Management

▸ Lexmark multifunction products and monochrome laser printers

Lexmark™

Service calls for the printers were expensive, too. The company serviced the printers with its own technicians and ongoing printer repairs cost the company $33,000 over three years. The supervisor knew there had to be a better, more efficient and more cost-effective way to print the necessary prescription paperwork, while improving the customer experience. She turned to Lexmark, based on its long history of pharmacy printing experience, for a solution. Ultimately, the retailer replaced its legacy printers with devices from Lexmark that are now managed and maintained under a comprehensive managed print services (MPS) agreement.

Solution

Lexmark conducted an assessment of the retailer's environment and its operations to understand its unique pharmacy-printing requirements. Lexmark also tested its devices with its pharmacy dispensing software to optimize the devices for those requirements. Based on the assessment findings, Lexmark recommended outfitting the pharmacies with Lexmark T654dtn and MS811dtn monochrome laser printers and MPS program to monitor and maintain those devices proactively. Over a period of several months, the retailer transitioned to its Lexmark printing solution and now operates 140 Lexmark devices in its 70 locations.

With MPS, Lexmark proactively monitors the entire fleet of devices throughout all of its stores, tracking device alerts and conditions. Lexmark technicians perform remote diagnostics and dispatch field engineers when necessary. Lexmark printers automatically trigger new toner cartridges to be ordered and shipped directly to that device's precise location, ensuring that no printer runs out of toner and avoiding the stock piling of costly cartridge inventories in each location. Lexmark also collects valuable information about the fleet of devices, providing the retailer with data that can be used to make fact-based business decisions about printing volumes or other device conditions.

Results

With the Lexmark solution in place, the retailer achieved $50,000 in initial cost savings in the first quarter after completing the rollout. Printers are up and running at a 99% service level. The time to first-page is significantly faster, ensuring pharmacist productivity and getting prescriptions into customer hands more quickly. Wasted blank pages have been eliminated. Print quality is pristine, eliminating the barcode scanning issues. Proper integration with the prescription dispensing software has eliminated random pages printed with "gibberish." Toner is ordered automatically without store personnel intervention and cartridges arrive just in time. Storage space in the stores previously used for toner has been reclaimed for other purposes.

"The Lexmark solution is now an enabler to our customer service and quality goals, whereas our legacy solution was an inhibitor to both."

Pharmacy Warehouse Regulatory Supervisor
U. S. Grocery and Pharmacy Retailer

For this retailer, the ability to improve the customer experience tops the list of improvements. "Before, we were held captive in our pharmacy workflow by the printing," the supervisor explained. "We had to reduce everything to match the slowness of the printer. Now that we have Lexmark, our process can match what is right for the customer."

Now, verification forms print cleanly, without streaks, so that barcodes scan properly and the system can track the dispensed medications properly. Technicians no longer waste time reprinting and verifying information multiple times and can feel confidently that they are providing the proper materials to the right customers.

Quite simply, printers now work as they should, to the relief of customers, pharmacy employees and the retailer's IT team. "The Lexmark solution is now an enabler to our customer service and quality goals, whereas our legacy solution was an inhibitor to both," said the supervisor.

According to the supervisor, choosing Lexmark was a solid business decision that continues to yield results. "Working with Lexmark has been seamless," she said. "We are confident in the partnership we have established and we know that Lexmark is committed to our long-term success."

With costs going down and service going up, the retailer is declaring the Lexmark solution a success. "We've been amazed at what we have saved in terms of cost and what we have gained in terms of productivity and customer service levels," she said.

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Read and watch more stories of success from our global customers at www.lexmark.com/success

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