

***Building and maintaining  
customer relevance***



# The Brands

The Chemist Warehouse and My Chemist Group now operate a number of retail formats and brands, yet the Group's core focus remains pharmacy operations. Brands which now form part of the Group's network include:



- Evolved from simple pharmacy to mini major status - largest range
- Super stores which are discount and value driven - lowest price
- Large anchoring formats - largest size
- Destination locations



- Community pharmacies which focus on more specialist care
- Located in shopping centres, strip centres and convenience based retail precincts
- Co-located with other retail and medical uses



- Australia's most innovative and successful online and mail order pharmacy
- Allows consumers to access highly competitive prices online irrespective of location



- Kiosk format located in shopping centre malls
- No barriers approach to the sale of fragrances, skin care and cosmetics
- International and national brands at the best prices
- Price point orientated



- Wide range of vitamins, alternative medicines, sports supplements and other holistic cures
- High traffic locations around supermarkets, fresh food precincts and other high street locations
- Prices are competitive with a wide product range



- Delivers medication samples to doctors and health industry at large
- Highly specialist service

**Top 20  
Retailer  
09/10**

**Top 10  
Retailer when  
looking at  
brand  
ownership**

<b>Australia's Top 20 Retailers</b>		<b>2008</b>	<b>2009</b>
1	Woolworths food & liquor	\$30.54b	\$32.00b*
2	Coles food and liquor	\$20.85b	\$21.75b
3	Harvey Norman	\$6.29b	\$7.14b
4	Bunnings Warehouse	\$5.36b	\$5.57b
5	Woolworths Big W	\$3.72b	\$4.23b
6	Kmart	\$4.00b	\$4.01b
7	Target	\$3.55b	\$3.69b
8	Myer	\$3.39b	\$3.25b
9	Aldi	\$1.95b	\$2.30b
10	JB Hi-Fi	\$1.83b	\$2.10b
11	David Jones	\$2.10b	\$2.07b
12	The Good Guys	\$1.20b	\$1.53b
13	Dick Smith/Tandy	\$1.43b	\$1.49b
14	Reece Plumbing	\$1.43b	\$1.48b
<b>15</b>	<b>My Chemist/Chemist Warehouse</b>	<b>\$820m</b>	<b>\$1.30b</b>
16	Officeworks	\$1.27b	\$1.29b
17	Retail Adventures	\$950m	\$900m
18	Repcos	\$900m	\$880m+
19 =	Just Group	\$822m	\$830m
	Franklins	\$820m	\$830m
20	Ritchies IGA Supermarket	\$780m	\$820m

Source: Inside Retailing, Bruce Atkinson, Posted on June 09, 2009  
<http://www.insideretailing.com.au/Default.aspx?tabid=53&articleType=ArticleView&articleId=5551>

# ePharmacy

- ◆ ePharmacy
  - ◆ Australia's #1 Online Pharmacy
  - ◆ 200k plus active customers
  - ◆ Distributes over 1000 parcels per day
  - ◆ 7 fulfilment across Australia
  - ◆ Multiple functions and roles not just dispensing of product
    - ◆ Distribution to vender – 3PL
    - ◆ Email promotion
    - ◆ Domestic and International sales
    - ◆ Market revenues
    - ◆ Patient persistence to therapy
    - ◆ Content delivery



# Chemist Warehouse Strategy

Lower Cost

Differentiation

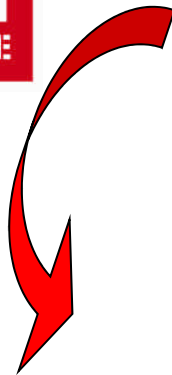
Competitive Scope

Broad Target

Narrow Target

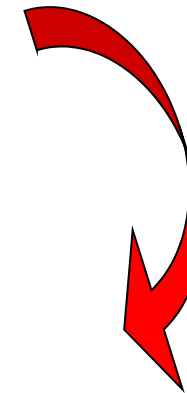


# Maintaining Customer Relevance via Multi Channel Marketing



**Stop Paying Too Much!**  
**CHEMIST WAREHOUSE**  
**WE BEAT EVERYONE'S PRICES**  
IF THEY UNDERCUT US, WE'LL BEAT THEM AGAIN GUARANTEED!  
**DISCOUNT CHEMIST**  
**STOP PAYING TOO MUCH!!**  
**IS THIS AUSTRALIA'S CHEAPEST CHEMIST?**

Neuridin \$7.99 SAVE \$2.00	Opticalery 2 FOR \$55	BULK PACK \$49.99 SAVE \$48.00	WOMEN'S MEN'S \$31.99 SAVE \$18.00
GV \$10.99 SAVE \$2.30	Opticalery \$39.99 SAVE \$12.00	BULK PACK \$12.99 SAVE \$2.00	FAB RIM \$17.99 SAVE \$9.00
			DeNu \$10.99 SAVE \$1.00



**Stop Paying Too Much!**  
**CHEMIST WAREHOUSE**  
**LOWER PRICES GUARANTEED**  
**AS SEEN ON A CURRENT AFFAIR TV**

Frangrances Skin Care Weight Loss Baby Care First Aid Confectionery Vitamins

HEALTH BEAUTY MEDICINES PERSONAL CARE MEDICAL AIDS VETERINARY PRESCRIPTIONS SPECIALS

Back To: Home > Health > Weight Loss Supplements

Ways to Shop: Browse Categories, Search, All Products

Health: Feel great through natural therapy...  
Weight Loss Supplements  
Optislim Meal Replacement Coffee 21 x 40g Sachets  
Product Code: EP58241  
\$27.50 (SRP \$29.99, SAVE \$2.49)  
Normally ships within 24 hours

Optislim

BECOME AN ONLINE MEMBER TODAY & SAVE \$5 VOUCHER

DIGITAL PHOTOS FROM 13c PER PRINT

**CHEMIST WAREHOUSE**  
**CATALOGUE OUT NOW!**

Shop 1 20 to 30 Harry St Ashgrove, QLD Phone: 38884333  
Indooroopilly Shop 1 34 Coonan St Indooroopilly Centre Indooroopilly, QLD Phone: (07) 3720 0511

Map Satellite Hybrid

Shopping Info: Who are we?, Store Locations, News, How to Order, Shipping, Payment/Security, Privacy Statement, Prescriptions, FAQ, Terms & Conditions

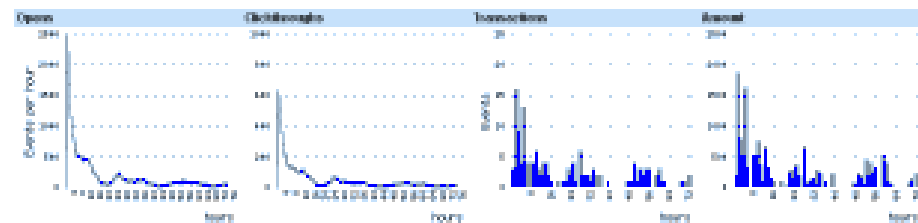
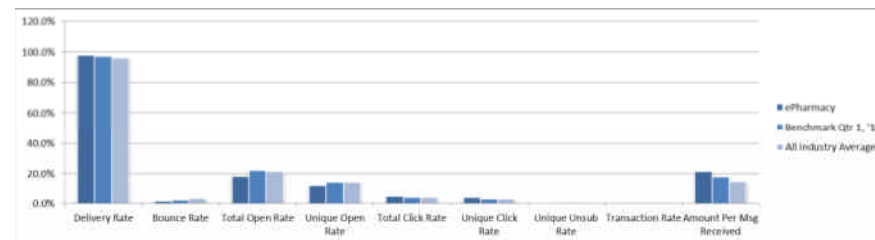
Geotrust

DIGITAL PHOTOS FROM 13c PER PRINT  
Chemist Warehouse launches iPhone App

# Online: Analysis

July - Sept 2010	ePharmacy	CW	MC	Total
Visits	435,915	652,286	41,275	1,129,476
Absolute Unique Visitors	299,136	394,199	30,921	724,256
Page views	1,686,670	3,885,501	282,697	5,854,868
Average page views	3.87	5.96	6.85	5.56
Time on site	0:02:57	0:04:21	0:04:41	
New visits %	62.65%	52.57%	68.08%	

# Online: Email Campaigns and analysis





# 1,000 TOPICS

# NEW HEALTH INFORMATION WITH IMAGES & VIDEOS

The collage displays several screenshots of the ePharmacy website's health information section. The pages shown include:

- Headache (Migraine):** Features a video of a human head with a brain scan, a 'Next Day Delivery' banner, and a list of related topics such as 'Migraine', 'Tension Headache', and 'Sinus Headache'.
- Acne - Scarring:** Shows a close-up of a person's face with acne, a video player, and a list of related topics including 'Acne', 'Acne Scarring', and 'Skin Care'.
- Breast Cancer:** Displays a video of a woman's torso, a 'Next Day Delivery' banner, and a list of related topics like 'Breast Cancer', 'Breast Self-Examination', and 'Breastfeeding'.
- Health Information:** A central page with a grid of categories: 'Healthy Living', 'Women's Health', 'Diet & Nutrition', and 'Men's Health', each with a list of sub-topics.
- Sports & Fitness:** Lists topics such as 'Sports', 'Athletic Aids', 'Supplements', and 'Sports Nutrition'.
- Men's Health:** Lists topics such as 'Sports', 'Supplements', 'Sports Nutrition', 'Men's Health', and 'Bodybuilding'.
- Women's Health:** Lists topics such as 'Menstrual Health', 'Pregnancy', 'Menopause', and 'Family Planning'.
- General Health:** Lists topics such as 'First Aid', 'Dental', 'Hearing Health', 'Ergonomics', and 'New Product Releases'.
- Family Planning:** Lists topics such as 'Contraception', 'Pregnancy', and 'Family Planning'.

Each page also features a 'Next Day Delivery' banner for Brisbane orders only, a shopping cart, and a search bar. The website layout includes a navigation menu, a search bar, and a shopping cart.

# Mobile technology – remaining “real time relevant”

App Store > Healthcare & Fitness > Ki Programming



## Chemist Warehouse

### Description

Find a Chemist Warehouse store, browse our products or view our catalogues all on your iPhone.

...More

[Ki Programming Web Site >](#) [Chemist Warehouse Support >](#)

### What's New in Version 1.1

Minor bug fixes.

Free App

Category: Healthcare & Fitness  
Updated 24 July 2009  
Current Version: 1.1  
0.9 MB  
Languages: English  
Seller: Ki Bae  
© 2009 Ki Programming

Rated 4+

**Requirements:** Compatible with iPhone. Requires iPhone OS 3.0 or later.

### Customer Ratings

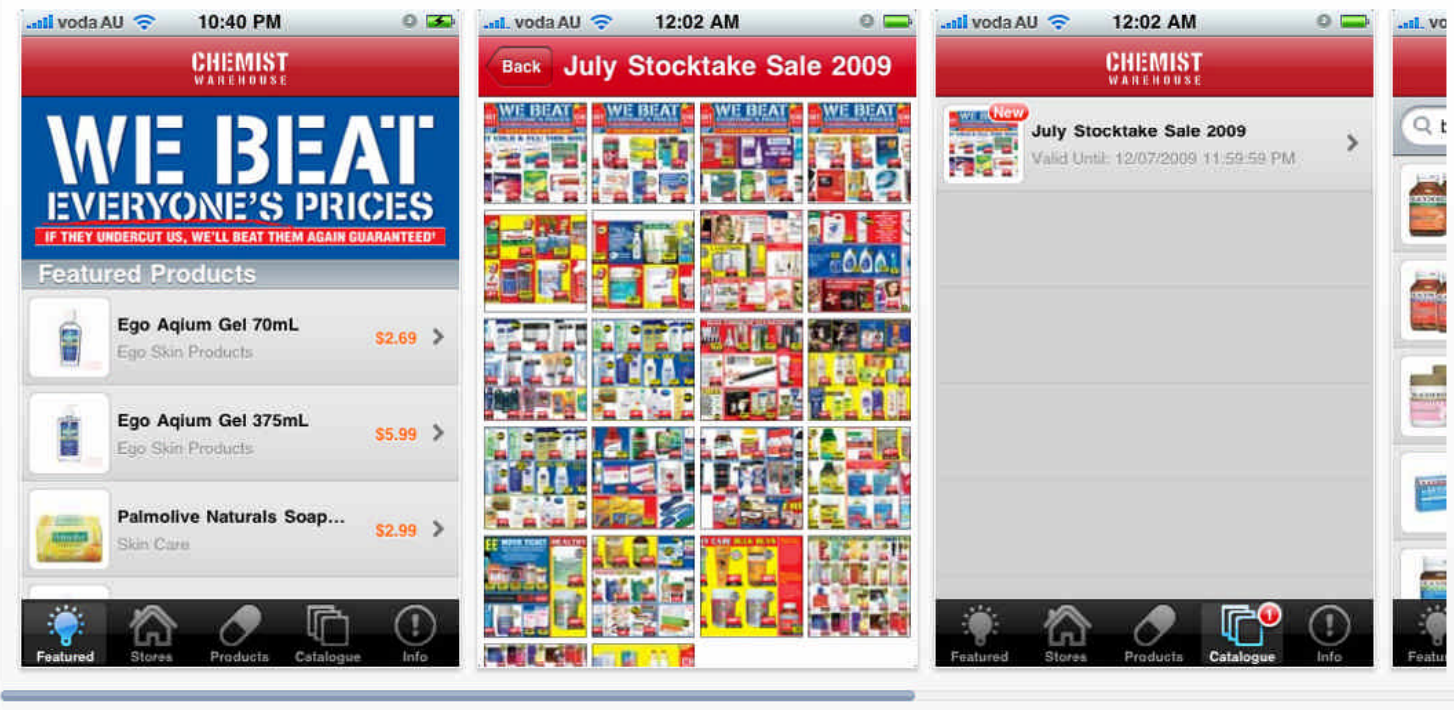


Current Version: 102 Ratings



All Versions: 119 Ratings

### Screenshots

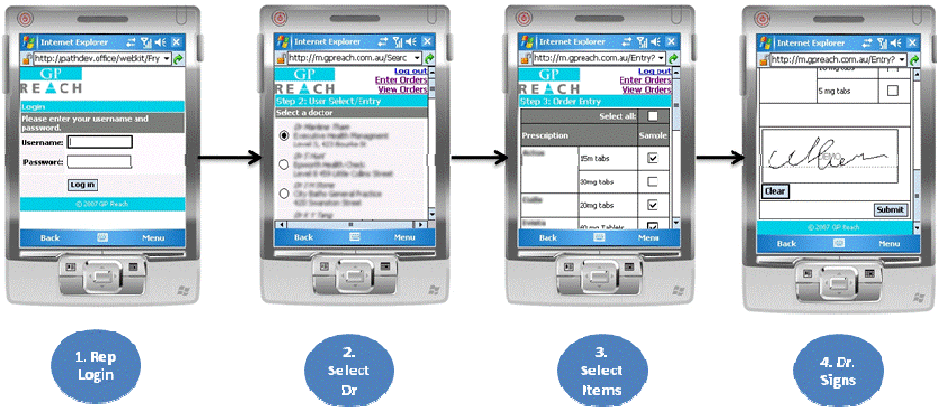
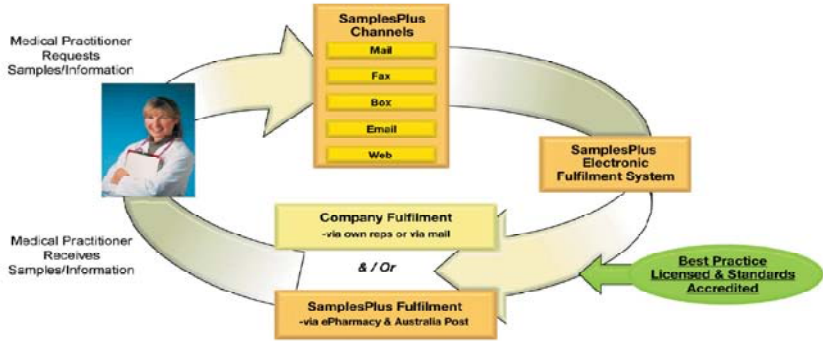


# Market Reach – Sampling GP's



SamplesPlus - an automated programme - enables the rapid fulfilment of medical practitioner requests via SamplesPlus /ePharmacy or via the company.

**Sample/ Information Fulfilment**





Sampling



Targeting & Profiling



Direct Mail



Fax



Warehouse & Fulfilment



## Samples Plus: Monthly Responses by Drug Class

Average Monthly Samples Plus Responses							
Acne	3,000	Devices	500 - 1000	Asthma Treatment	2,500	Peripheral Vasodilator	2,500
Alcohol Dependency	1,500	Dry Skin	3,000	Cough & Cold	3,500	Reflux	2,500
Allergic Rhinitis	4,000	Erectile Dysfunction	2,000	Cramps	2,500	Rehydration	3,000
Analgesia	4,000	HRT	2,000	Diabetes Products	2,500	Sedatives / Hypnotic	3,000
Anorectal Treatments	2,500	Hypolipidaemics	2,500	Diuretics	2,500	Smoking Cessation	2,000
Antibiotics	3,500	IBS	3,000	Weight Control	2,500	Supplements	2,500
Antidepressants	2,500	Information	500 - 1000	Wound Care	2,500	Topical Steroids	3,000
Antidiarrhoeals	3,000	Laxatives	2,500	Anti-inflammatories	3,500	Oral Contraceptives	3,000
Antifungals	3,000	Minerals	2,500	Antiulcerants / Antacids	2,500	Osteoporosis	2,500
Antihypertensives	2,500	Multivitamins	2,500	Antivirals	3,000	Otics	3,000
Anti-infectives	4,000	Ophthalmics	2,500				



Sampling



Targeting & Profiling



Direct Mail



Fax

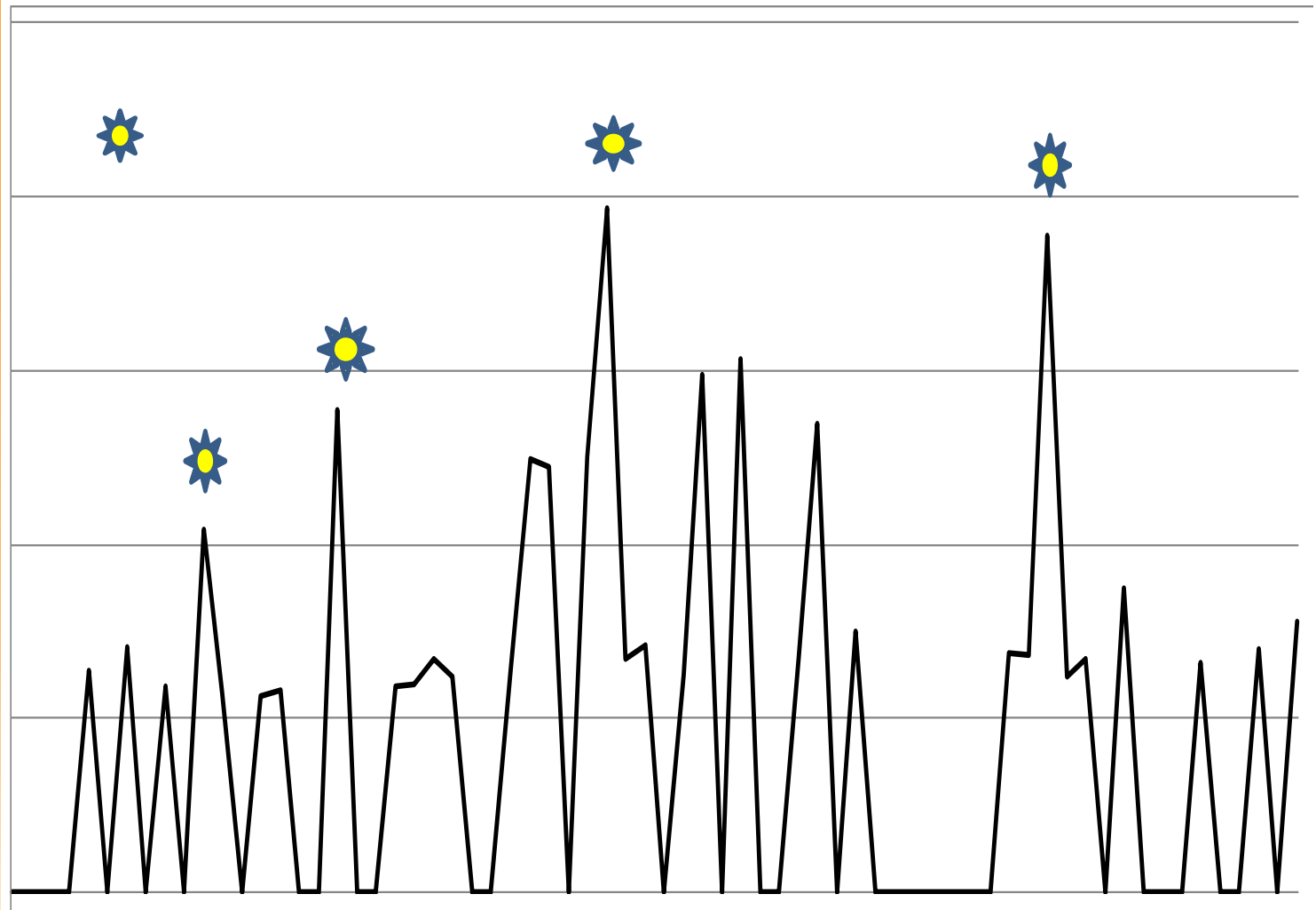


Warehouse & Fulfilment



# Samples Plus: Changes doctor prescribing habits

Denotes the week of sample delivery





Sampling



Targeting & Profiling



Direct Mail



Fax

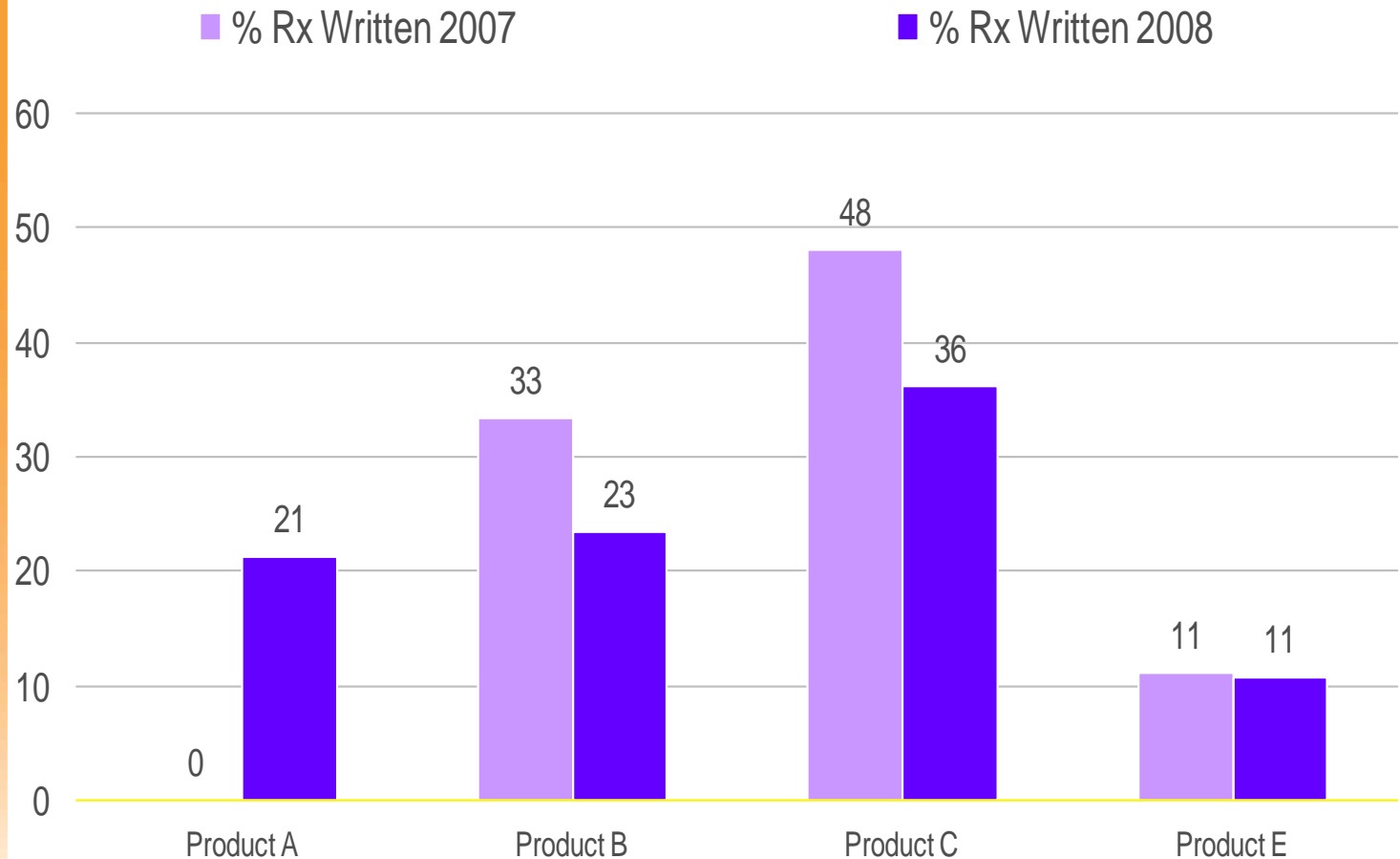


Warehouse & Fulfilment



## Samples Plus: Changes doctor prescribing habits

OTC Product A shifts market share from 0% to 21% in six months



# Maintaining Customer Relevance

- Multiple activity and channels
- Content, Content & Content
  - Accessibility
  - Digestible
  - Consistent across all mediums
- Measure your activity and outcomes

