



P2 PRICE

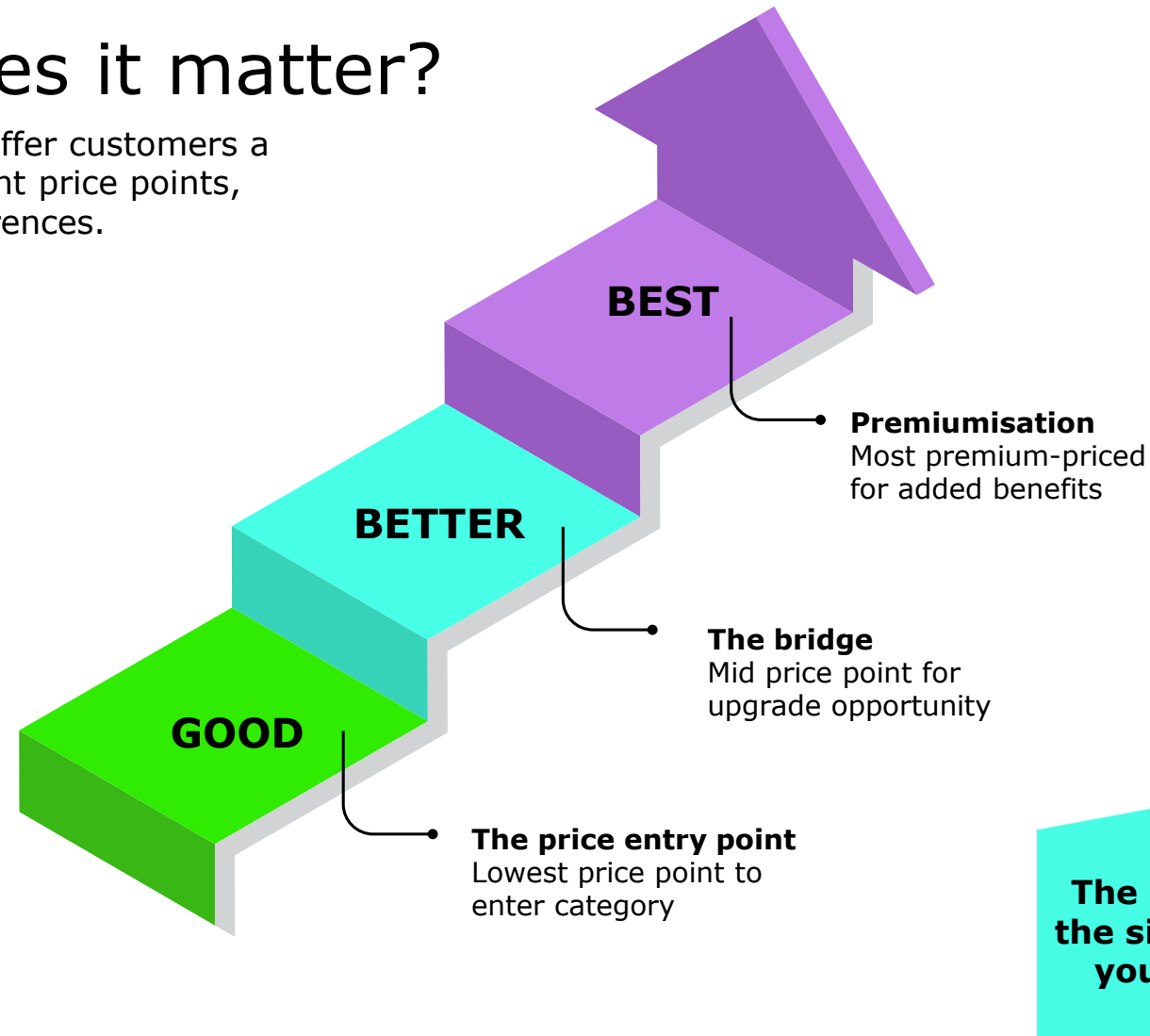
Review and optimise
your price ladder

Pricing is at the sole discretion of the retailer



💰 Price: Why does it matter?

A pricing ladder is intended to offer customers a choice of care options at different price points, based on their needs and preferences.



💰 Defining the right pricing strategy

The right pricing strategy can offer sustainable business growth while enhancing pharmacy margins.

1. Pricing models: Approaches to consider when defining your pricing strategy. **Click to reveal**



2. The importance of value-perception:

Pharmacy trust, experience and service help build a value equation that goes beyond price. For example, perceived value can be the pharmacy's positive shopping environment, excellent customer service, and well stocked shelves.

💰 Defining the right pricing strategy

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1. Pricing models: Approaches to consider when defining your pricing strategy.

What your customers and community need and can afford

What your cost structure and margins look like

How your pricing compares to other relevant businesses in the area

Pricing that reflects the level of service you provide

2. The importance of value-perception:

Pharmacy trust, experience and service help build a value equation that goes beyond price. For example, perceived value can be the pharmacy's positive shopping environment, excellent customer service, and well stocked shelves.

Defining the right pricing strategy

1. Pricing

What customer communication and can

How to calculate your margin

Product A

Wholesale Price£3 (excluding VAT)

% Discounts10%

Absolute Discounts£0.30

Net Buying Price£2.70 (3-0.3)

Retail Price£10.00

VAT10%

Retail Price£9.09 (excluding VAT)

Absolute Margin£6.39 (9.09-2.70)

% Margin71% (6.39/9)

Check both absolute (£) and percentage (%) margin to understand each product's profit contribution and support informed pricing and assortment decisions.



Click here
for margin calculation

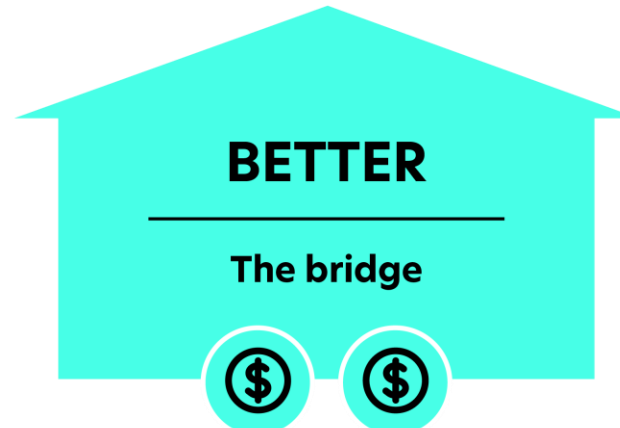
💰 Building a Good-Better-Best pricing ladder

A shelf should have a price point for every customer and cover all tiers of the price ladder. Optimising prices can be the single most powerful lever to increase profitability in your pharmacy.^{1*}



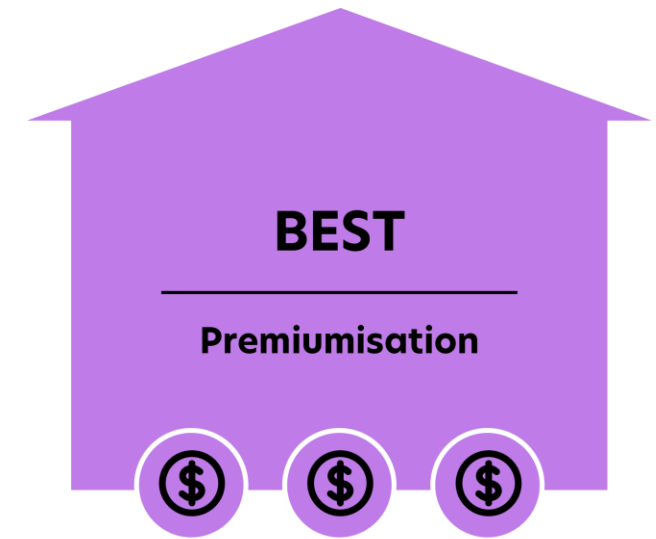
Offering customers a value-for-money solution. This entry price point is key to attract new customers into category.

Usually high-volume sellers.
Often lower margin.



Offering customers reassurance through market leading brands. This price point enables trade up opportunities.

Usually high footfall.
Often stronger margin.



Offering customers premium products with additional product qualities.

Usually, premium innovation that brings best profitability to your business.

**FROM:**

An unclear pricing strategy with no pricing ladder

TO:

A price ladder that works for every customer and enhances profit

I need a value solution that suits my needs

**GOOD**

The price entry point

I am willing to pay more for brands I trust

**BETTER**

The Bridge

I offer premium innovations that address evolving patient needs while delivering stronger margins for my business.

**BEST**

Premiumisation

A 1% price move in pharmacy can deliver an 8% profit uplift*, making price optimisation and laddering powerful levers for improving profitability.



💰 How does your shelf score?

You've seen the principles, the ladder and the lift. Time to see where your pricing stands today.

- ☐ **I know what my products cost**, my competitor prices and what my community can afford.
- ☐ **My pricing** reflects what my service is worth.
- ☐ **I have a Good-Better-Best price ladder** in every key category.
- ☐ **I review** my pricing strategy regularly to improve profit.



Partner with your [Haleon representative](#) to understand rationale behind Recommended Retail Prices and to identify price ladder opportunities in your range.