Competitive Environment

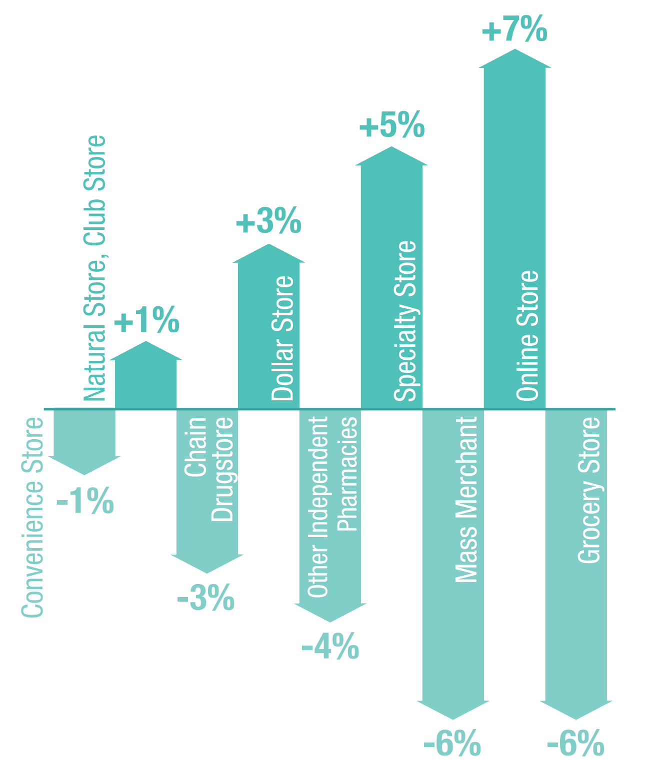
Independent Pharmacy Research Study

Independent Pharmacy Market in U.S.

NEW
Information +
Insights & Actions

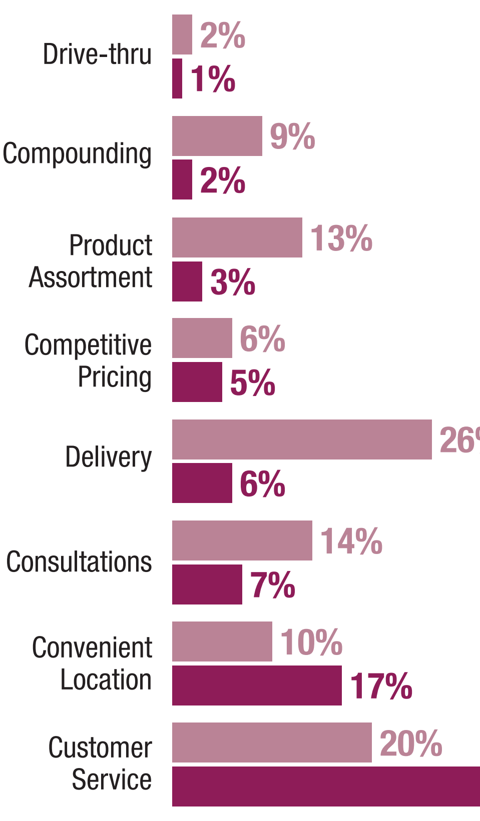
PHARMACIST VIEWPOINT

Variance in Top Competitors 2012 vs. 2020 – *OTC, Vitamins & Supplements*



2012 data based on 589 independent pharmacist respondents.
2020 data based on 393 independent pharmacist respondents.

Competitive Advantages 2012 vs. 2020



service matters

3X CUSTOMER SERVICE INCREASED FROM 20% TO 59% AS AN ADVANTAGE PER INDEPENDENT PHARMACISTS

2012 data based on 1,724 independent pharmacist responses.
2020 data based on 345 independent pharmacist respondents.
Note: In 2012 they selected all that applied, 2020 was open-ended or "fill in the blank."

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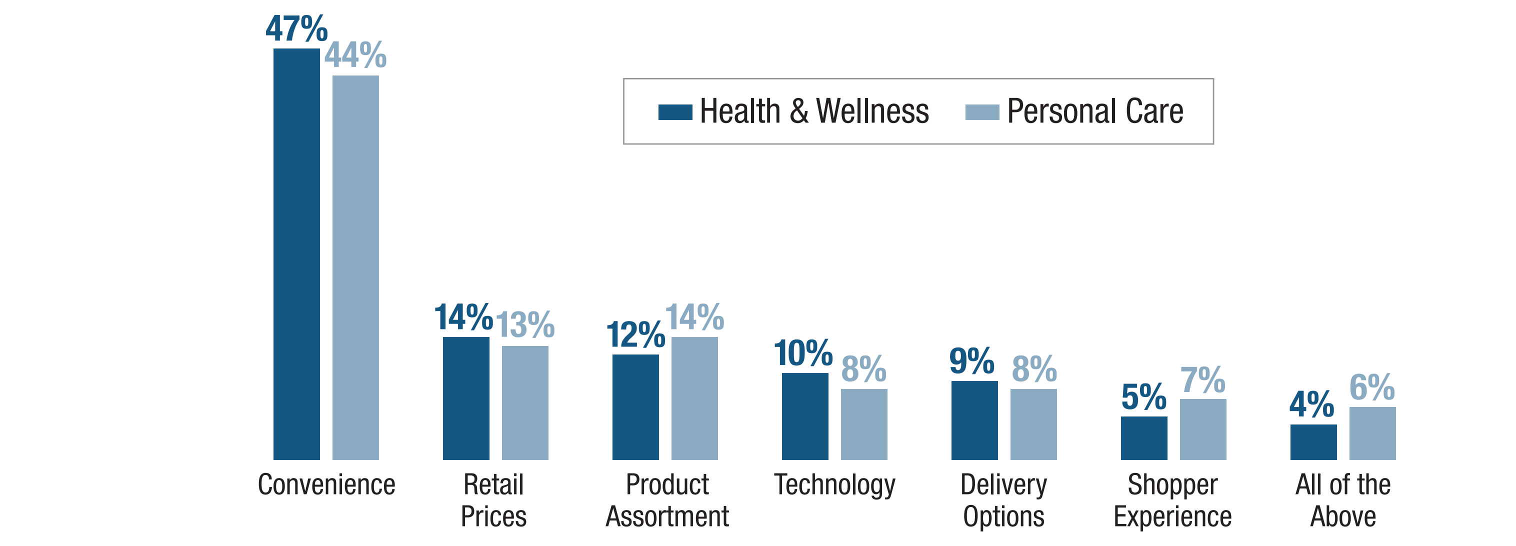
Pharmacists indicated dollar stores and online stores as stronger competitors in 2020 than they were considered to be in 2012. Independent pharmacists also selected customer service as their greatest competitive advantage. In the pandemic and post-pandemic world, independent pharmacies' highly-regarded service and their focus on health and wellbeing will be more valued differentiators over all their competitors. Independents that build their product assortments, store layout, etc. to support these differentiating factors will thrive.

Why Customers Shop Elsewhere



Health & wellness data based on 474 independent pharmacy shopper responses.
Personal care data based on 528 independent pharmacy shopper responses.

Where Else Customers are Shopping for **Health & Wellness Items** – by Age

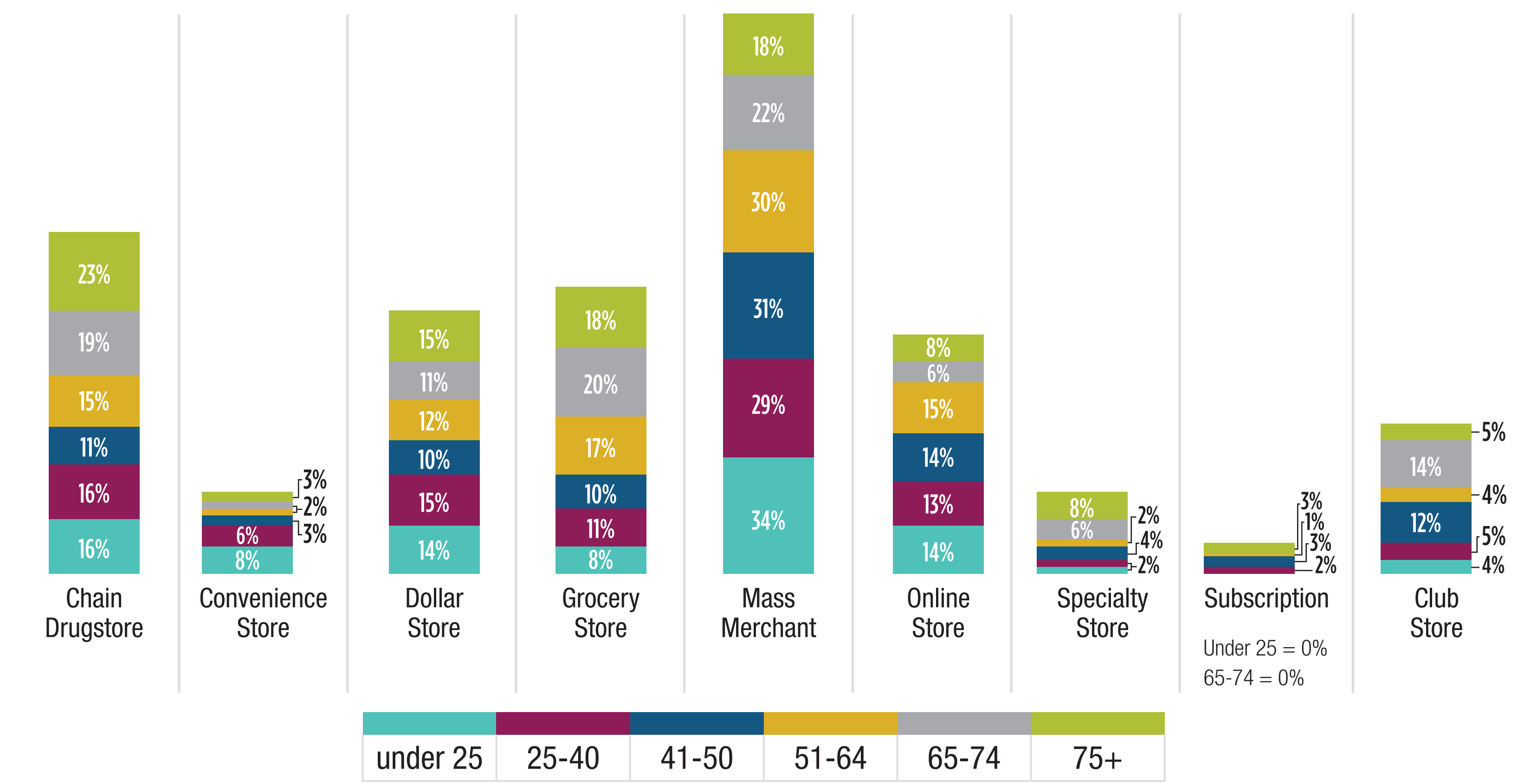


Chart based on 503 independent pharmacy shopper responses. Respondents selected all that apply.

Where Else Customers are Shopping for **Personal Care Items** – by Age

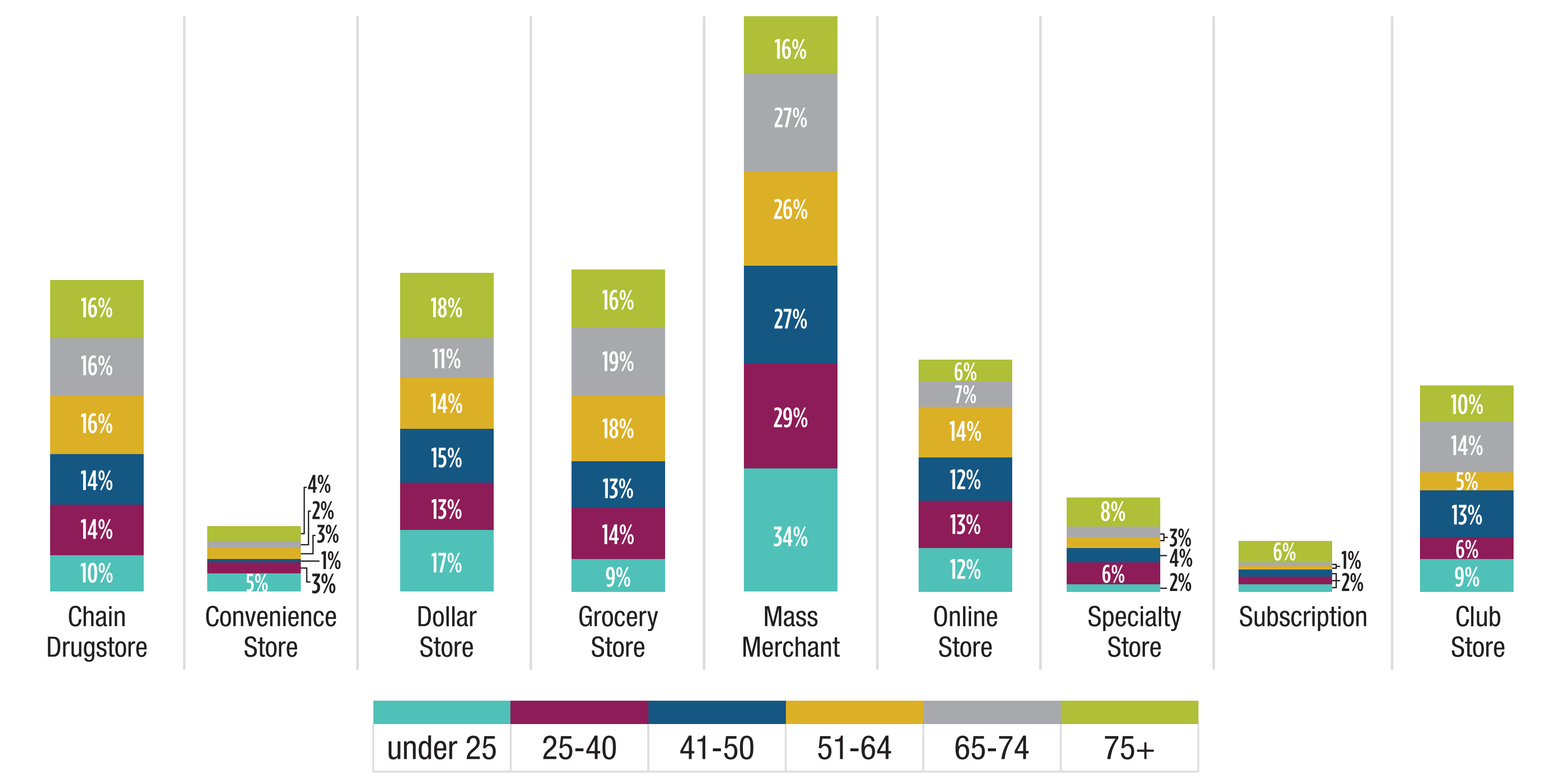


Chart based on 538 independent pharmacy shopper responses. Respondents selected all that apply.

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Those over age 65 shop a variety of retailers. To attract the senior population to do more of their shopping at independents, advantages that speak to these consumers should be emphasized, such as smaller store formats, well-signed product departments, home healthcare product selection, and consultative services.

Where Else Customers are Shopping for **Health & Wellness Items** – by Income

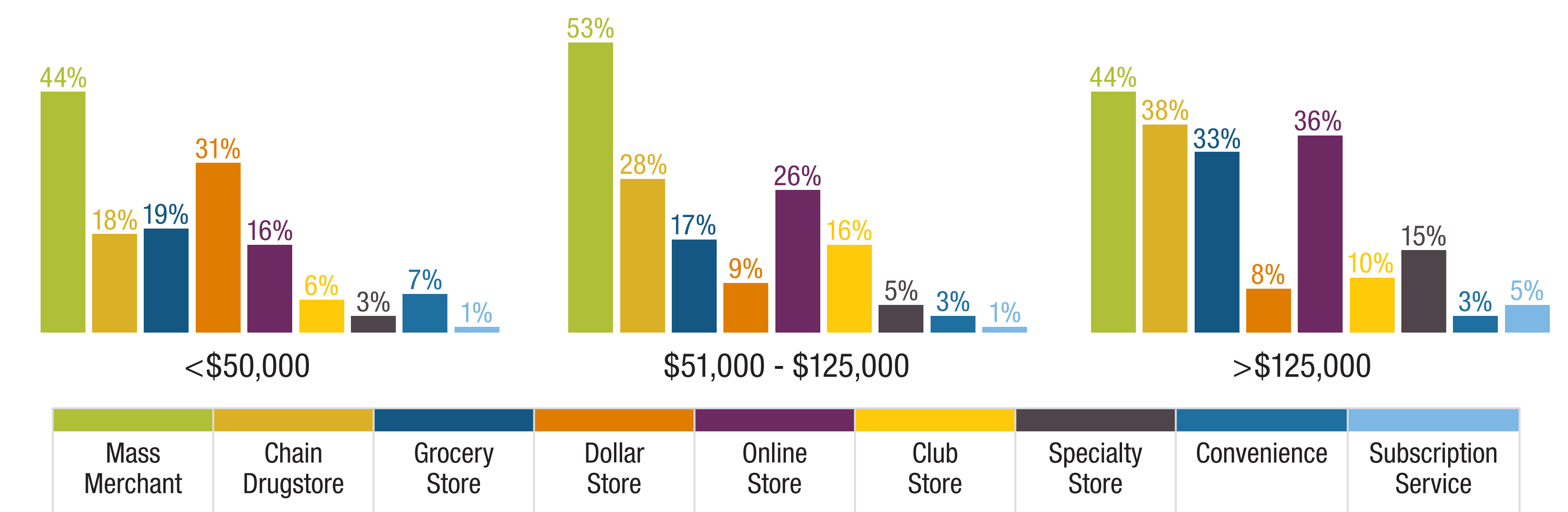

Chart based on 219 independent pharmacy shopper respondents. Shoppers selected all that apply.

Insights & Actions

Shoppers with annual incomes over $125,000 shop for health & wellness items online more than twice as often than those making less than $50,000. Shoppers with annual incomes under $50,000 are almost 4 times as likely to shop for health & wellness items at dollar stores than those making more than $125,000. Enabling e-commerce purchases of health & wellness items could attract more higher income shoppers, while offering both value and premium items within core categories will serve both groups.

Where Else Customers are Shopping for **Personal Care Items** – by Income

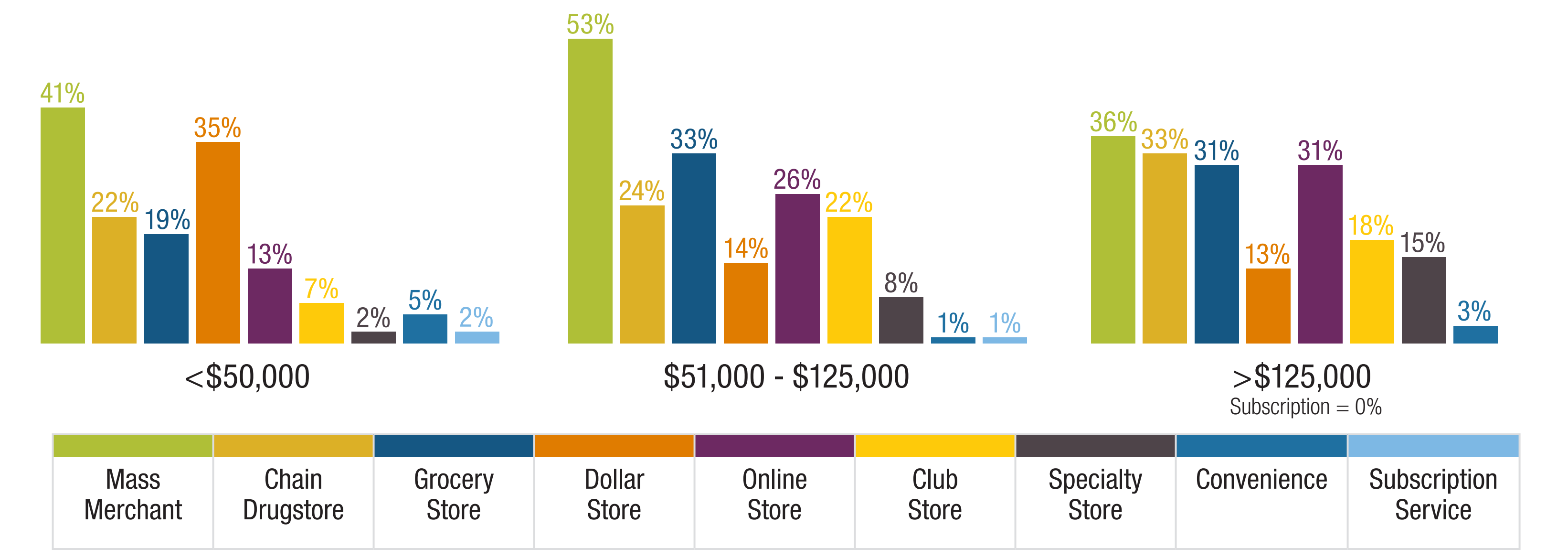

Chart based on 219 independent pharmacy shopper respondents. Shoppers selected all that apply.

HRG HAMACHER RESOURCE GROUP

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