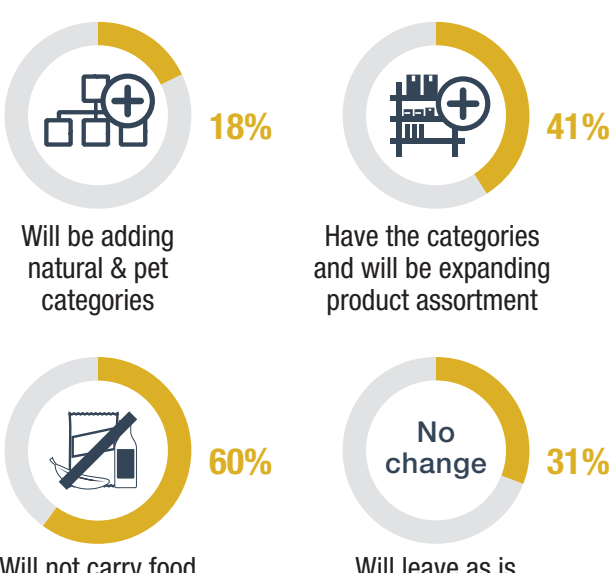


# Future Opportunities

## Independent Pharmacy Research Study Independent Pharmacy Market in U.S.

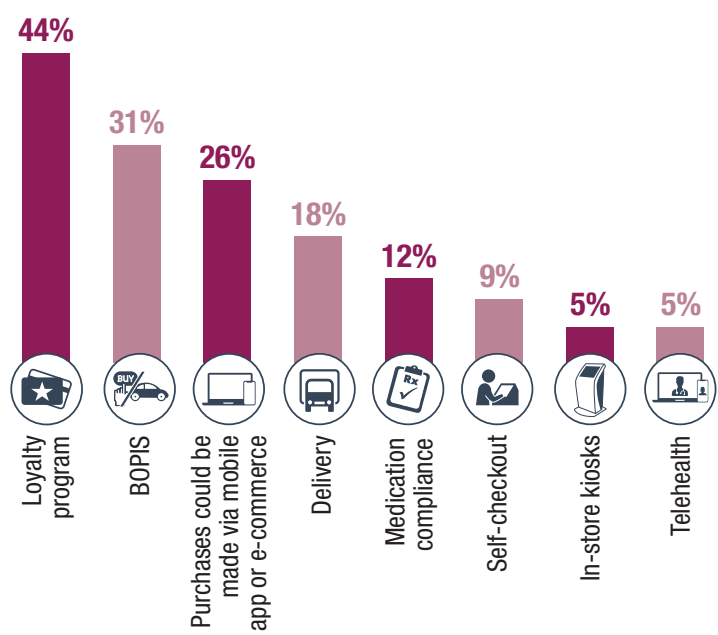
**NEW**  
Information +  
Insights & Actions

### Food, Natural, and Pet Products in Independent Pharmacies



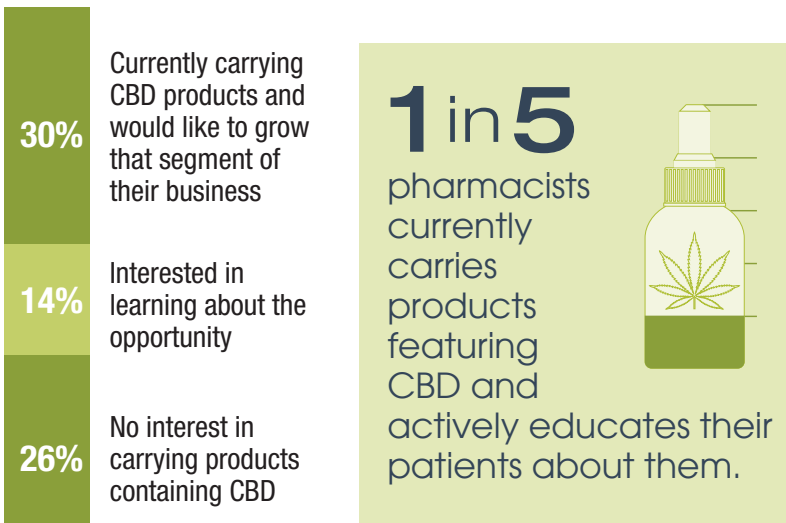
Based on 406 independent pharmacist respondents.

### Services That Would Encourage Shoppers to Visit More Often



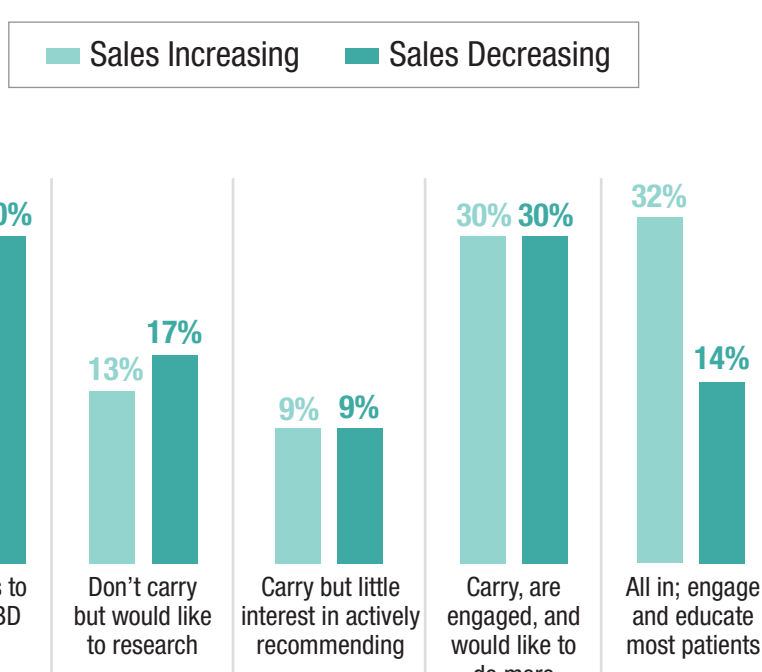
Based on 229 independent pharmacy shopper respondents. Respondents selected all that apply.

### Commitment to Selling CBD



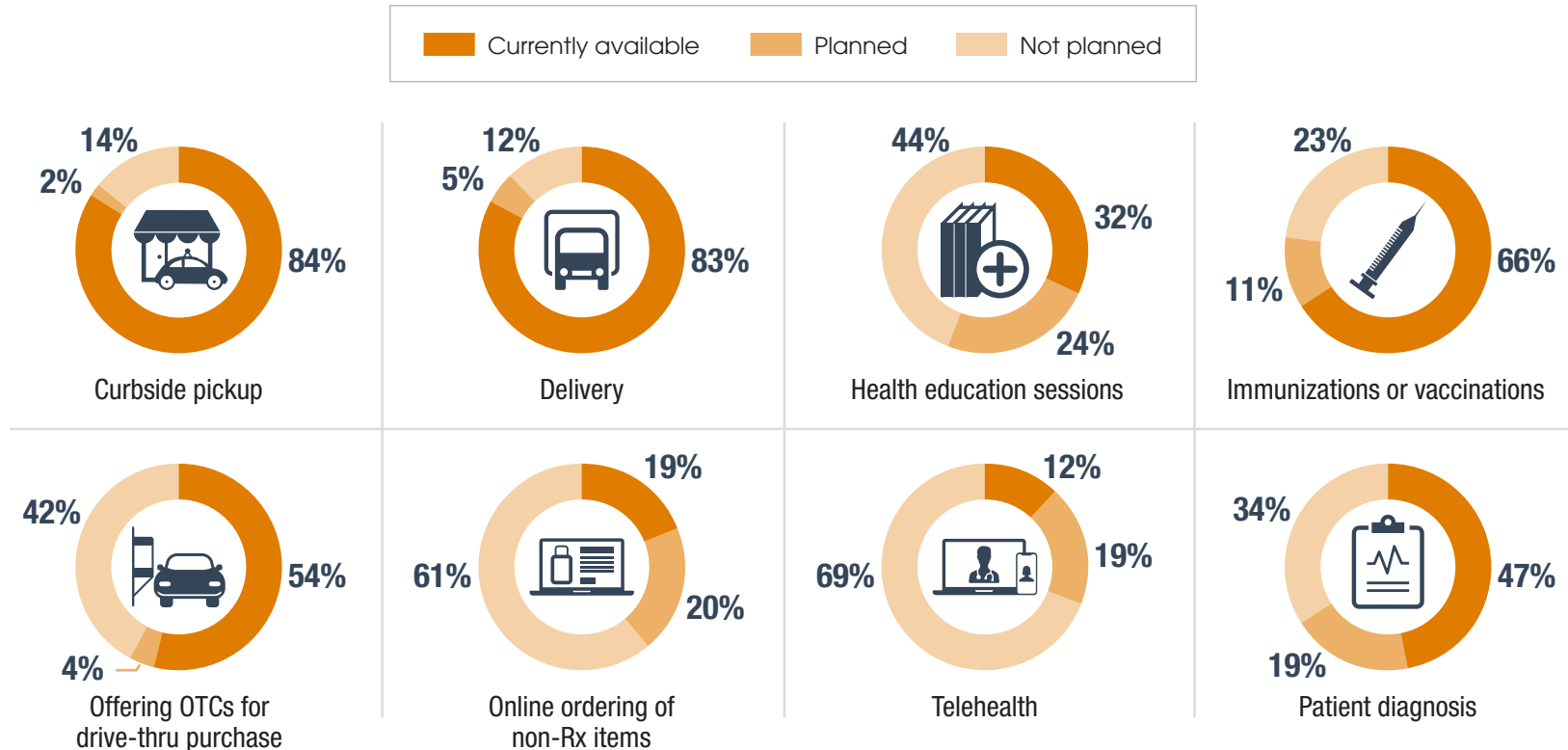
Based on 406 independent pharmacist respondents.

### Comparing Front-end Sales Performance – Interest in CBD Products



Based on 398 independent pharmacist respondents.

### Pharmacy Services Planned for the Future

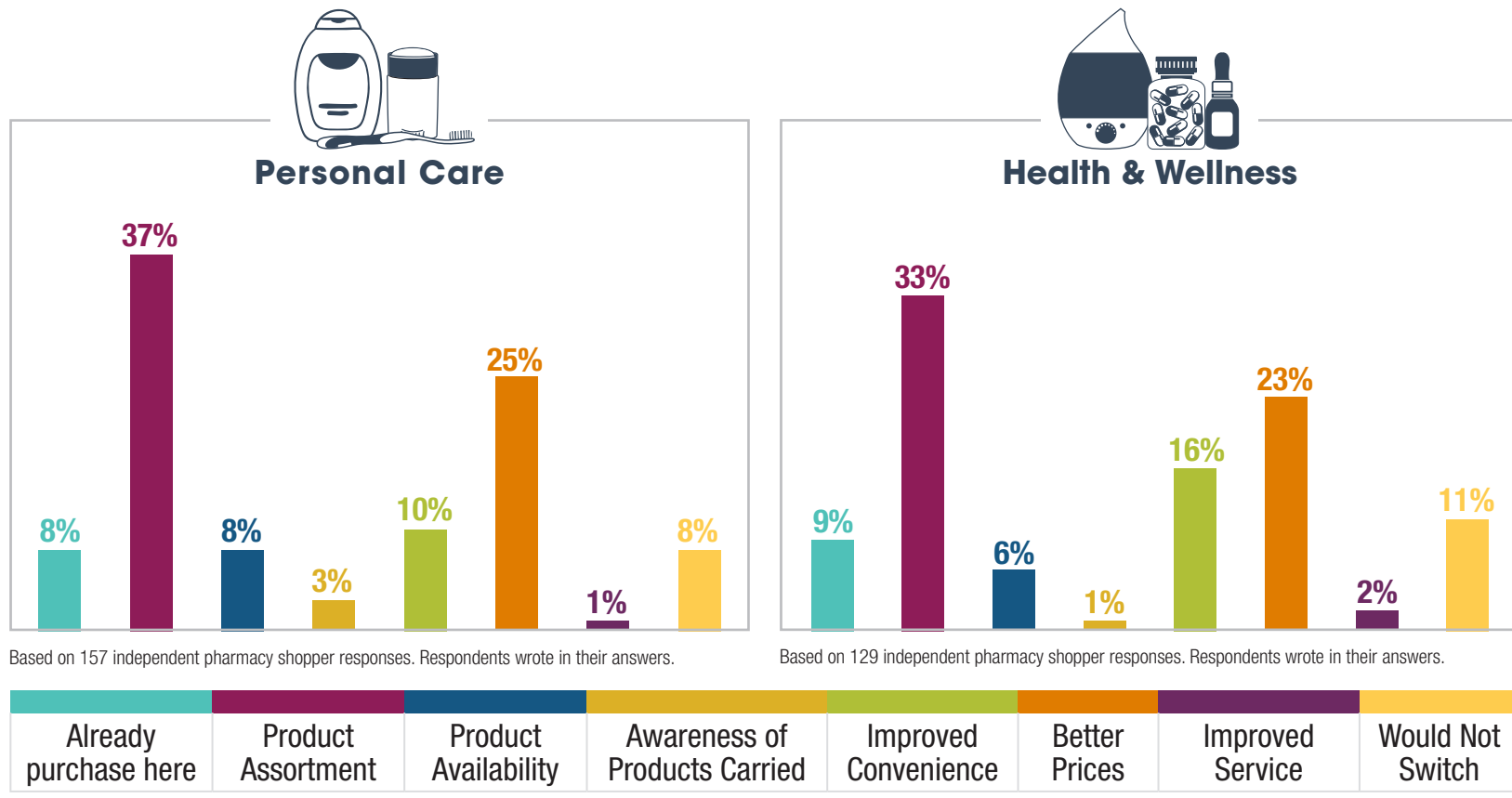


Based on 402 independent pharmacist respondents.

#### Insights & Actions

With convenience being one of the primary drivers among consumers' reasons for buying products at a competitor, enhanced services could change shoppers' minds. Curbside pickup, delivery, OTC availability in drive-thru, and online ordering of non-Rx products should be top priorities.

### Factors That Would Make Customers Switch to Buying Products at Their Independent Pharmacy



Based on 157 independent pharmacy shopper responses. Respondents wrote in their answers.

Based on 129 independent pharmacy shopper responses. Respondents wrote in their answers.

#### Insights & Actions

For both health & wellness and personal care, consumers cited product assortment as the number one factor that would cause them to increase their purchases at their independent pharmacy. Examine the range of items in core categories to ensure there is adequate variety to satisfy shopper needs.

### Categories Shopped Compared to Those Shoppers Wish Contained More Products

|    | Categories Customers Shop at Their Independent Pharmacy |                                | POS Data      |                                | Categories Customers Wish Contained More Products at Their Independent Pharmacy |                                |
|----|---|--------------------------------|---------------|--------------------------------|---|--------------------------------|
|    | Personal Care   | Health & Wellness              | Personal Care | Health & Wellness              | Personal Care   | Health & Wellness              |
| #1 | Skin Care   | Cold & Allergy                 | Oral Care     | Cold & Allergy                 | Skin Care   | Skin Care                      |
| #2 | Oral Care   | Pain Relief                    | Skin Care     | Vitamins & Dietary Supplements | Deodorant   | Vitamins & Dietary Supplements |
| #3 | Deodorant   | Vitamins & Dietary Supplements | Baby Care     | Pain Relief                    | Shaving/Men's Grooming  | Home Healthcare                |
| #4 | Hair Care   | First Aid                      | Hair Care     | First Aid                      | Hair Care   | Cold & Allergy                 |
| #5 | Shaving/Men's Grooming                                  | Eye & Ear Care                 | Deodorant     | Digestive Health               | Oral Care   | Pain Relief                    |

#### Insights & Actions

Aligning shoppers' desired categories with assortment strategy is the holy grail for retail. Identify gaps between shopper expectations and interests and current category strategy, then take action to expand or remove items accordingly.

Categories Customers Shop at Their Independent Pharmacy – Personal Care based on 323 independent pharmacy shopper respondents, Health & Wellness based on 297 independent pharmacy shopper respondents. Respondents selected all that apply.

POS unit sales scan data, 8/1/2019 – 7/31/2020 from 136 stores.

Categories Customers Wish Contained More Products at Their Independent Pharmacy – Personal Care based on 111 independent pharmacy shopper responses (54% responded "none" to this question, 9% of shoppers indicated an expansion of "all" categories was preferred. Percentages in chart were calculated excluding "none" and "all" responses), Health & Wellness based on 111 independent pharmacy shopper responses (54% responded "none" to this question, 7% of shoppers indicated an expansion of "all" categories was preferred. Percentages in chart were calculated excluding "none" and "all" responses).