Pharmacy's New Fill:
By offering a gamut of health services, pharmacies are a more vital marketing conduit for pharma brands than ever.
A FAMILIAR SETTING BECKONS ANEW

Retail pharmacies are undergoing a pivotal transformation as pharmacists shed the sterile and unapproachable vibe of yesterday. Shouldn’t pharma line up for a slice of the media channel pie? Rebecca Mayer Knutsen reports

The quaint corner store your grandparents relied on to dispense prescription drugs has morphed into a destination where health concerns are addressed and convenient care is delivered in a jiffy. Today’s pharmacists are accessible and knowledgeable, leading consumers to engage more frequently about a broader range of health topics than used to be the norm. With its expansion beyond the drug counter to offer wellness events, immunizations, screenings, on-site clinics, and chronic care management services, the pharmacy has arrived.

People with diabetes spend $80 billion on diabetic prescriptions and supplies annually. Rx EDGE Pharmacy Networks

With more than 275 million people stopping in each week, one could argue that the drug purveyor is one of America’s most popular destinations. According to the U.S. Public Health Service, most Americans live within two miles of a drugstore. It can hardly get more convenient than that.

Convenience is driving consumers into pharmacies in droves. But it’s not just about proximity. Where does a working parent turn when a child has a sore throat at 6 p.m. on a Thursday? The primary care physician has already flipped the office lights off for the night, but the neighborhood drugstore’s on-site clinic has a nurse practitioner waiting to serve after-hour needs.

According to an HSC Health Tracking Household Survey, factors including extended hours, walk-in visits, and convenient locations drove most respondents to visit a retail clinic over another healthcare setting. In fact, one-third of adult vaccines at Walgreens were administered during evenings, weekends, and holidays, according to a study published in the Annals of Family Medicine.

“Pharmacies haven’t been sitting still,” says Jim O’Dea, president and CEO of Rx EDGE Pharmacy Networks. “They’re making changes and inroads to corner the healthcare destination market.”

It seems like a good time for pharmaceutical marketers to see what the pharmacy fuss is all about. “The notion of pharmacists being viewed and treated as healthcare providers is only going to expand,” notes Tracy Salas, MBA, director of trade channel management at Pfizer. “It’s crucial for drug manufacturers to partner with pharmacies to assist in an overall health-and-wellness approach for patients.”

As pharma marketers embrace the notion that retail pharmacy is more than a drug dispensary and a convenient spot to pick up a few necessities, the opportunity to communicate with a bevy of increasingly health-conscious consumers is seemingly limitless. “Pharmacies are a constant for the consumer,” O’Dea shares. “They’re there from a pharma product’s launch, through its evolution, and finally to the generic emergent phase.”

Pharma brand campaigns are capturing shoppers’ attention.

Diabetic patients and their caregivers shop multiple sections for the products they need

- Eye Care
- Diabetic Supplies
- Foot Care
- Weight Control
- Vitamins/Supplements
- Analgesics

Source: Rx EDGE Pharmacy Networks
attention in the store aisles with the ultimate goal of better education and improved outcomes. Consumers are starving both for communications that explain how and when to take their medications safely and for assistance programs that promote long-term medication adherence.

Patients with type 2 diabetes, for example, visit pharmacies regularly to fill prescriptions and shop for OTC medications and other disease-related products in a variety of aisles throughout the store. Pharmacies capture these patients with diabetes education, prevention, and treatment programs including foot-care mini clinics and in-store screenings. And it pays dividends: Diabetic patients open their wallets in pharmacies two to three times more often than those without the condition, according to a case study conducted by Rx EDGE.

The retail pharmacy has emerged as a vehicle for reaching patients in the right place at the right time. Patients often step through the pharmacy’s automated doors in search of one thing: a solution to a health problem. Pharmaceutical brands can tap into the accessibility, education, convenience, and interaction of this unparalleled communication platform.

Because of cost restraints and access issues, patients are looking beyond the primary care physician for new sources of medical information. The pharmacist is ready to fill the gap. The pharmacist’s scope of knowledge and expertise goes beyond traditional branded drugs to include specialty pharmaceuticals and vaccines, often guiding patients on future treatment decisions and behaviors.

The pharmacy is just one channel to reach consumers, but it’s a highly measurable one. The last year has seen a big push into capturing and analyzing data to understand consumer needs, and the pharmacy has been no exception. Pharmacist-administered and data-enabled adherence programs continue to gain favor to boost medication adherence rates among millions of patients.

“Pharma marketers can use pharmacy data to drive potential targets and conversations,” says Rob Blazek, RPh, senior VP, networks and analytics, Rx EDGE. “Data provides an opportunity to see what does and does not work.”

275 million Americans visit the pharmacy every week.

Unlike DTC ad campaigns, the pharmacy channel allows pharma brand marketers to measure campaign results with an unsurpassed degree of accuracy. On the heels of the AMA’s surprising call to ban DTC advertising of prescription drugs and medical devices last fall — arguing that the practice contributes to rising drug prices — the pharmacy channel ought to be more attractive than ever.

The pharmacy channel, sometimes included as part of the so-called point-of-care media, gives marketers an edge and a clear ROI, but that’s not to say that TV spots and print ads don’t serve a purpose. “Ads can lead to more productive conversations between patients and their physicians or pharmacists,” notes Hensley Evans, principal at ZS Associates. “Pharmacists are trusted by consumers, often discussing options and helping to guide them.”

When a consumer is “shopping” for a medication, the pharmacy environment helps seal the deal. “There is no fast-forward button in a pharmacy,” O’Dea quips. “The consumer is in the moment, looking at the product, and the pharmacist is just a few steps away.”
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FROM DRUG DISPENSARY TO HEALTHCARE GO-TO

The pharmacy has carved out a spot in the healthcare destination arena amid sweeping changes in the medical world.

An aging population, an epidemic of chronic disease, and a looming primary care physician shortfall are just a few of the seismic shifts that impact where and how care will be delivered in the very near future. These changes have spoon-fed the pharmacy sector vast opportunities to expand its footprint.

Although they have not multiplied at the once-predicted rate but have existed for a few years, retail clinics are positioned to tighten their grip on the market. To illustrate the need, O’Dea asks, “Where and when are parents with dueling work schedules competing for their time going to get a prescription for a sick child?”

Patients cannot afford to wait upward of 20 days to see a doctor for an immediate health need, so attention has turned to the pharmacist, a healthcare provider already seen on a regular basis. Pharmacies — and their on-site clinics — often top physician offerings with convenient locations and extended hours. “Whether it is a lack of money or time, patients aren’t making frequent appointments with their doctors,” adds Salas.

Meanwhile, industry changes have prompted leading drugstores to drool over their closest competitors’ assets. The sector has witnessed several bids to consolidate offerings, with some deals going more smoothly than others. First announced last October, the Walgreens Boots Alliance takeover bid for rival Rite Aid remains under heavy scrutiny months later.

CVS Health made a move to bolster its consumer presence with a $1.9 billion deal to acquire Target’s pharmacy and clinic businesses. Through partnerships with American Well, Doctor On Demand, and Teladoc, CVS Health additionally aims to explore how direct-to-consumer telehealth providers, retail pharmacy, and retail clinic providers can collaborate to improve patient care.

In a move to expand its repertoire of consumer-convenient services, pharmacy is standing behind the push to increase U.S. vaccination rates. Doing their part, two-thirds of pharmacists today are trained to administer vaccines, and at Walgreens, all 27,000 pharmacists are certified immunizers. The idea is that patients can save a trip to the doctor by getting a flu shot while picking up milk for the kids. And with CVS, Walgreens, and other chains offering loyalty programs, the vaccinations often contribute point totals.

Pharmacists in some states now have a prescription pad, called on to prescribe and dispense birth control — following a health screening — to help solve access and cost issues related to the medication.

The pharmacy model is working: Patients trust and value their neighborhood pharmacist and increasingly roam store aisles for health needs. As brand marketers search for ways to deliver messages to relevant audiences, the retail pharmacy is a media channel they cannot afford to overlook.

The most important opportunity for pharma, according to Salas, is educating the pharmacist before rolling out marketing programs targeted at patients. “Patients have grown to expect a level of convenience and education from their pharmacy visit. Now it’s up to the drug manufacturers to assist in providing that,” she concludes.

Pharmacy’s New Fill

“Whether it is a lack of money or time, patients aren’t making frequent appointments with their doctors”

Tracy Salas, director of trade channel management, Pfizer

295,620

Number of pharmacists in the United States.

Bringing It All Together

Source: Rx EDGE Pharmacy Networks

Pharmacy-delivered communications about vaccinations help fill in the gap
In an effort to get the most bang for the message buck, brand marketers have jumped into multi-channel engagement with two feet. The newish marketing strategy was born of dwindling budgets, competing time constraints, and a changing prescription drug market. Delivering a consistent message across all communication touchpoints might be a tall task, but with a plan in place, marketers can tame the beast.

One strategy is to reorder marketing efforts, first identifying the consumer’s needs and then positioning a product to deliver those needs. To start, brand ambassadors have to consider where their consumers are — and what mind-set they are in — when receiving a message.

The pharmacy is often the point where disease-awareness messages come into clear view. While standing in front of OTC eyedrops, a customer can connect the dots between the Restasis ad he caught on TV last night, the Visine ad in the pages of Golf Digest, and the dry-eye informational sign on the pharmacy shelf. To piece it all together, the consumer speaks with the pharmacist.

“Drug manufacturers are focused on driving their direct to consumer efforts into the pharmacy setting,” explains Salas. “The image patients have seen on television is now present on a sign near the products they purchase most.”

The pharmacist is gaining momentum with patients for good reason. The healthcare provider plays a crucial role in describing the benefits and risks of medications and providing context to the messages presented in drug advertising. Brand marketers want patients to pivot from the products in the aisle and high-tail it to the back of the store with questions galore.

“Pharma companies are beginning to understand the value pharmacies bring to influence their customers,” notes Blazek. Pharma companies are actively laying the groundwork to partner with pharmacies on a variety of consumer-minded efforts, including bulking up vaccine programs.

However, pharma’s foray into pharmacy is not as straightforward as it might seem initially. For one, all pharma communication must keep regulatory oversight in mind. Additionally, pharma needs to navigate a notoriously capricious retail environment, Blazek comments.

Pharma is no stranger to regulatory scrutiny. The industry’s practice of DTC advertising caught heat from the AMA for its investment at a time when healthcare costs are being debated. Industry DTC investments, excluding digital, ballooned 21% to $5.2 billion in 2015.

ZS Associates’ principal Hensley Evans believes branded and unbranded disease-awareness campaigns help consumers gain better control over their own health pathway. In particular, unbranded ads help drive screenings and diagnostics for diseases consumers may not know about. “The awareness causes patients to take action,” she observes, “thereby preventing large healthcare costs down the line.”

Faced with a growing number of media channels, brand marketers are focusing on those that reach consumers when they’re actively seeking health information and are prepared to take action. The local pharmacy is that place. ■
SHARpening Focus Beyond the Aisle

Filling the healthcare-provider gap, drug purveyors offer consumers an array of high-quality services with hours and locations that fit today’s busy lifestyles. Vaccines are just the start.

The pharmacy sector embraces a well-rounded approach to consumer healthcare, offering routine health services and preventative care programs. The shift is due, in part, to overarching trends such as the projected shortage of primary care physicians in the nation. But it’s also a commentary on our society’s desire for everything to be available when needed.

“Pharmacies are adding retail clinics to up the convenience factor,” observes O’Dea. One of the most widely broadcast offerings — as evidenced by signs filling parking lots and storefronts particularly during flu season — is pharmacy’s commitment to increasing the prevalence of immunizations.

The National Foundation for Infectious Diseases found that 58% of adults aren’t sure what vaccines are needed. With access to state registries — and the continued adoption of electronic health records — pharmacists can help patients uncover their needs.

According to the CDC, routine vaccination coverage levels among U.S. adults are extremely low for most recommended shots. In fact, the study found that 75% of eligible patients haven’t received the shingles vaccine Zostavax. “The pharmacist might ask an age-appropriate patient if she’s had her shingles vaccine,” notes Blazek. “It’s part of the push to take a more active role in the consumer’s health.”

On the specialty medication front, drug chains are ramping up efforts as drug manufacturers make deeper investments in targeted therapies for cancer, autoimmune diseases, and other ailments. According to Evans, patients prescribed specialty medications need more support than those taking one pill a day for hypertension. “With injectables and other complicated medications,” she points out, “patients are uninitiated in the process and need support.”

CVS’s specialty drug revenue shot up 32% in 2015, raking in nearly $40 billion. Its Specialty Connect program coordinates care for patients navigating the specialty drug world, offering conveniences like in-store pickup or mailed shipments of medications. CVS discovered that 54% of customers prefer in-store pickup, allowing time to ask the pharmacist additional questions. CVS also found that the face time has positively affected adherence rates.

Changes are always afoot in the pharmacy sector. Case in point? Walgreens is attempting to get out of the clinic-management business, most recently unloading 56 of its Chicago-area clinics to Advocate Health Care. Walgreens previously sold 25 retail clinics in Oregon and Washington to Providence Health Services. With its recent acquisition of Target’s pharmacy and clinic businesses, CVS is evidently running in the opposite direction.

Store-based convenient care clinics continue to disrupt traditional physician office visits. Walmart sealed its commitment to consumer health by hosting America’s Biggest Health Fair in 4,400 stores across the U.S., offering free vision, hypertension, and blood glucose testing. Through a DirectHealth.com partnership, the retail giant also helps consumers navigate insurance coverage options under the Affordable Care Act and Medicare Part D.

Pharmacists in all 50 states are authorized to administer vaccines.

American Pharmacist Association

“With injectables and other complicated medications, patients are uninitiated in the process and need support”

Hensley Evans, principal, ZS Associates
WHAT’S NEXT FOR PHARMACY: THE MIND-SET MOMENT AND BEYOND

Capturing a consumer’s attention in the pharmacy aisle is likelier to show a substantial ROI than subjecting him or her to a pop-up drug ad while perusing the Internet.

The lion’s share of the 275 million Americans crossing the threshold into a drugstore each week do so because of a health concern of some sort. Perhaps a child has been experiencing a bad cough for a few weeks even though mom or dad purchased throat lozenges and other OTC remedies with little improvement. A quick chat with the pharmacist or perusal of the signage in the cold and allergy aisle might suggest an allergy as the cough culprit.

Like the parent of the coughing child, consumers who swing by a pharmacy to solve a particular health concern find themselves in the middle of what Rx EDGE calls the Mind-Set Moment. During this encounter, healthcare is top of mind and consumers are motivated to act. “The pharmacy has become a trusted place where consumers are looking for answers and they have someone [the pharmacist] they can talk to,” shares O’Dea.

Shifts in consumer demand have shaped the offerings of the corner drugstore, thereby expanding its oversight of our nation’s health. “As consumers we want what we want when we want it,” observes Blazek. “Why should it be any different at the pharmacy?”

One such area is the rise of the retail clinic. Although the pharmacy sector does not have designs on supplanting the primary care physician, in-store clinics will continue to provide some PCP services such as sports physicals and flu shots. These services elevate the stature of the pharmacy, Blazek explains, but PCPs will continue to handle more complex health concerns.

The drugstore sector has also responded with convenient hours and locations, affordable care — and increasing acceptance of insurance plans — as well as customer reward programs and other ways of extending patient engagement beyond the four walls of the stores. Walgreens’ Balance Rewards program, for example, aims to engage customers and reward them for positive behavior.

Drug manufacturers have an opportunity to engage consumers throughout the store, drive them to product websites, and download apps. “There’s real opportunity for pharma in our drugstores,” Blazek notes. “They can reach and begin a relationship with consumers as they continue to partner with retailers on what’s happening in the back of the store.”

Pharmacy is not only emerging as a venue for healthcare in consumer’s minds, but is also popping up in the minds of brand marketers. In fact, late last year McCann Health launched the McCann Pharmacy Initiative, a new agency focused on pharmacist communications.

ZS Associates’ Hensley Evans believes pharmacy support for patients can be a positive driver for adherence. In recognizing how important it is for patients not to have barriers to their health — such as medication cost or access issues — pharma is looking at how the pharmacy can help patients navigate the healthcare journey. “Proactively reaching out to patients while making the process easier means the system works better,” she notes.

Why so much attention on the pharmacy piece? Because a disease-awareness campaign aims to reach a relevant audience, arm people with practical information, encourage a conversation, and, most important, follow up with a doctor and/or pharmacist. These factors continue to cement the community pharmacy’s position as a healthcare destination.