

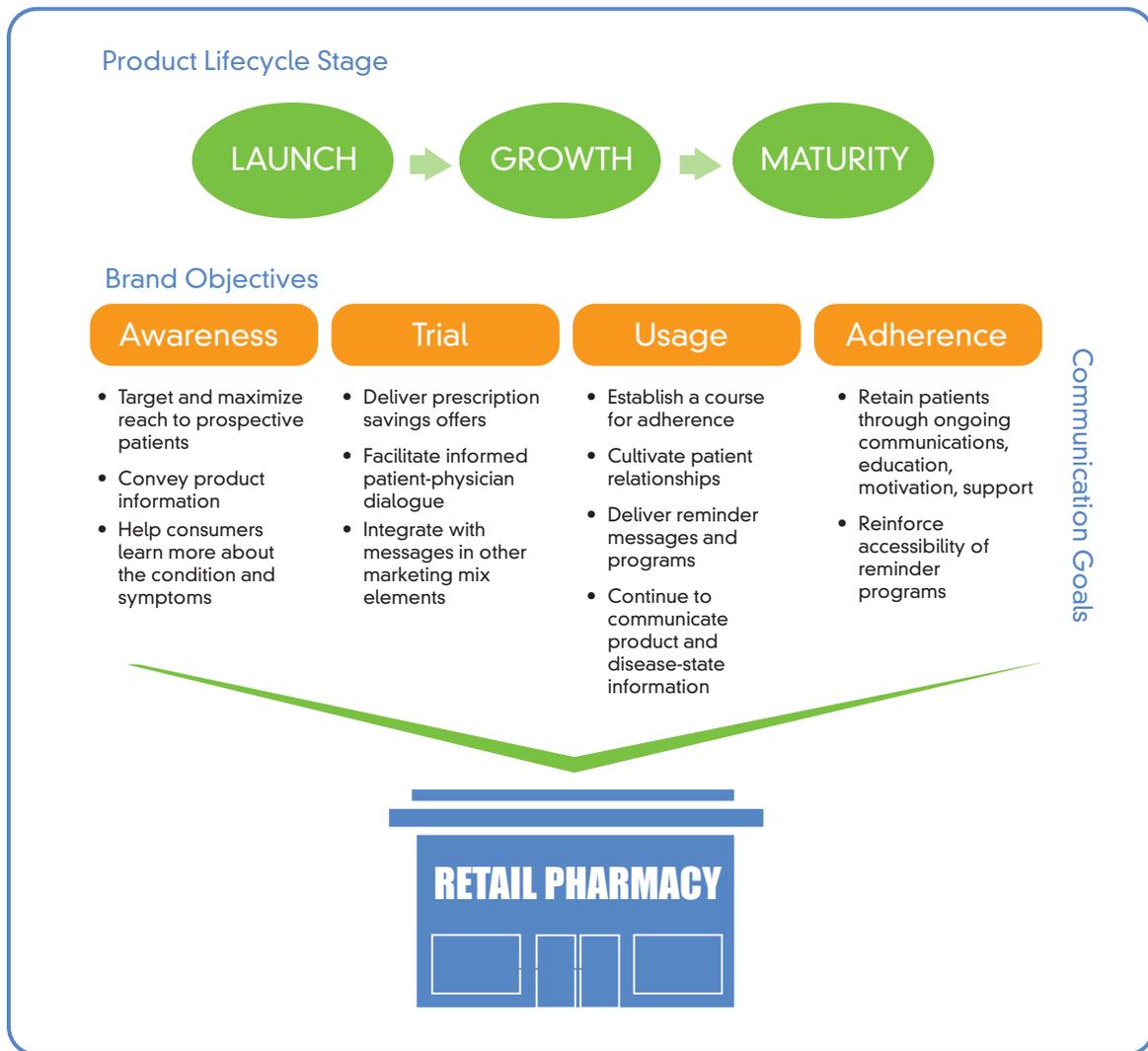


Leveraging the retail
pharmacy channel
throughout the
product lifecycle

Introduction

To a greater extent than ever before, consumers are becoming responsible for their own healthcare decisions and are relying upon retail pharmacies to assist them in managing medical conditions and healthcare spending. Retail pharmacy is playing a larger role in educating and acquiring patients as well as helping them adhere to their medication. As a result, pharmaceutical companies have more opportunities to work closely with retail partners in order to maximize their presence in stores. The retail pharmacy channel can be a strategic asset at every phase of a pharmaceutical product's lifecycle, helping brands reach their full potential and build lasting credibility with patients.

Establishing stage-specific communication goals will ensure effective migration of patient behavior from one stage to the next.



Contents

- Creating meaningful awareness
- Addressing awareness goals
- Activating trial and a base of new patient starts
- Addressing trial goals
- Building the patient relationship
- Addressing usage goals
- Extending value: support and motivation to retain existing patients
- Addressing adherence goals
- Measurement



Creating meaningful awareness

Most awareness initiatives involve offering broad-based information designed to help consumers identify symptoms and gain an understanding of a condition. During this phase, the pharmacy setting is particularly beneficial because of the large audience that can be accessed. In an average week, over 3,000 transactions take place in one drugstore and 1,621 prescriptions are dispensed. That amounts to literally thousands of opportunities weekly to create and build lasting relationships with patients that extend beyond the pharmacy walls. From information-gathering at the pharmacy counter to reading signage throughout the retail space, marketers have the opportunity to reach patients in the pre-diagnosis phase, at initial treatment, and throughout usage.

Strength in Numbers

 RETAIL PHARMACY Type of retail pharmacy	 Average transactions each week	 Average number of prescriptions filled each week
Chain Drug	3,225	1,621
Supermarket	9,650	1,009
Mass Merchants	14,600	1,006

Source: IMS Health, NCPDP data, FMI

A powerful channel in sheer size and traffic alone, retail pharmacies see millions of people pass through their doors each day and account for 80% of total U.S. prescriptions dispensed.¹ By offering a broad array of health- and wellness services, retail pharmacies are increasingly viewed as a critical component of the healthcare system. Because of their accessibility—nearly 93% of Americans live within 5 miles of a community pharmacy—they are considered a convenient resource not only for prescriptions but also for health and daily living needs such as over-the-counter medicines. For millions of Americans, OTCs are the first line of treatment for a number of acute and chronic conditions—heartburn, arthritis pain, headache, allergy, skin conditions, dry eye—just to name a few. According to a November 2010 Consumer Healthcare Products Association national survey, 93% of U.S. adults prefer to treat their minor ailments with OTC products before seeking professional care. While online shopping websites are becoming a popular distribution outlet for OTCs, the retail channel dominates sales, with an 84% share.²

Over-the-Counter Drugs: The Consumer Perspective³

- 93% of U.S. adults prefer to treat their minor ailments with OTC medicines **before seeking professional care**
- A majority of Americans (92%) **believe that OTC medicines are safe and effective**
- 81% of U.S. adults **use OTC medicines as a first response** to minor ailments



Addressing awareness goals: How to leverage the retail pharmacy

- 1 **Shopper traffic = large audience.** While “broad reach” and “targeting” may seem somewhat contradictory terms, the fact is that the retail pharmacy is the ideal channel in which to cast the net to a large number of prospective patients.
- 2 **Targeting consumers based on their OTC and personal care purchasing interests and behavior:** Adults who first self-treat are a prime audience for messages and education related to prescription alternatives, because they are thinking about their symptoms and recognizing a need. One of the most popular ways to reach people while they scour the pharmacy aisles in search of OTC remedies is literally on the pharmacy shelf itself. For example, if a patient is seeking a remedy for dry eye symptoms, they could find a shelf dispenser with prescription product information in the corresponding OTC aisle, or additionally could spot messaging at the pharmacy counter. These are relevant points-of-interest to a patient with this condition, and are choice locations to generate awareness for a brand.
- 3 **Message consistency:** It is important to align in-pharmacy communications with what consumers may be seeing on television, online, in print, and through other channels.
- 4 **Retailer selection:** Determining the right retailer line-up is as important as any other consumer media decision. Consider designated market areas positioning, indices related to conditions and non-prescription remedies, and demographics.

Adults who first self-treat are a prime audience for messages and education related to prescription alternatives, because they are thinking about their symptoms and recognizing a need. One of the most popular ways to reach people while they scour the pharmacy aisles in search of OTC remedies is literally on the pharmacy shelf itself.

The key is relevance and reaching an audience for which your brand message is likely to be the most motivating. Having an in-pharmacy presence in the early stages of the product lifecycle gives brands an awareness boost.

Activating trial and a base of new patient starts

Once awareness is raised about a prescription product and the consumer perceives that there is a benefit in taking further action, the next most important consideration is to prompt consumers to consult with their doctor about their condition or concerns, so that these can be discussed during the office visit.

This can be quite a hurdle to get over, however. Here again, in-pharmacy communications can make a difference in responding to patient concerns: Is disease education provided that helps the consumer understand the condition and relate to it in some way? Is treatment information motivating? Is information related to side effects clearly presented? Are possible financial concerns involving the cost of the medication addressed? The retail pharmacy offers a setting for responding to many of the questions and doubts that may be percolating in a consumer’s mind at this stage.



Addressing trial goals: How to leverage the retail pharmacy

- 1 Provide a complete picture:** Take the opportunity to convey as many details about the brand as possible. People are paying more and more attention to the information provided within their local pharmacy, and that includes messages from marketers. Whether it's perusing materials while they wait for prescriptions or searching the aisles to find remedies, they are looking for knowledge surrounding their medical conditions.
- 2 Gain attention with a relevant message that speaks to the needs and motivations of the target audience:** Provide a "spark" and call to action to find out more.
- 3 Communicate disease education, treatment information, side effects, risks of non-adherence:** The retail environment is an ideal backdrop for raising awareness about a disease and treatment options, particularly since a pharmacist is nearby to answer questions and provide additional advice.
- 4 Provide incentives:** Now is the time and place to offer prescription savings offers that may serve as a motivator and allay consumers' unease related to the cost of starting drug therapy.

Is disease education provided that helps the consumer understand the condition and relate to it in some way? Is treatment information compelling? Is information related to side effects clearly presented? Are potential financial concerns about the cost of the medication addressed? The retail pharmacy offers a setting to respond to all of the questions and doubts that may be percolating in a consumer's mind at this stage.

There are multiple opportunities to ignite a trial conversation with potential patients as well as their caregivers throughout the retail channel. Program offerings include at-shelf information dispensers in the OTC and personal care sections, entrance signage, advertising in specialty health magazines available at the pharmacy counter, and video screens in the prescription pick-up area.

Building the patient relationship

Once a treatment regimen has started, it is critical to "set the course" for ongoing usage and successful outcomes, a task that is easier said than done. Patients today have much more of a take-charge attitude with respect to all aspects of their healthcare. They find out more on their own, particularly through online resources. They ask more questions based on the research they themselves have done. And even after starting on a prescription, they most likely do not just go obediently along with treatment. This is again where connections in the retail pharmacy channel matter. The pharmacist can supply the "quality time" that may make a difference in whether the patient even starts, let alone continues, using the prescription product. They can supply product details, explain side effects, discuss interactions with other medications, and reinforce the positive results that come from staying on a drug.

Beyond the face-to-face interaction, communications coming directly from the pharmacy instill a degree of confidence in patients. Pharmacists continue to rank among the most-trusted professionals, according to annual Gallup surveys around popular perceptions of professional honesty and ethics. And building patient relationships is just good business for retail pharmacies.

Addressing usage goals: How to leverage the retail pharmacy

- 1 **Provide tools and support:** Use pharmacy-delivered communications to help patients understand how to take their medication, along with long-term medication management information.
- 2 **Make pharmacists a priority in the communication chain:** Seventy-five percent of the pharmacists surveyed in a recent research study conducted by Manhattan Research said they wanted access to online patient education materials from pharma.



The pharmacist can supply the “quality time” that may make a difference in whether the patient even starts, let alone continues, using the prescription product.

When you think of the retail pharmacy as a key point-of-care, its role in ongoing usage becomes much more apparent. Similar to other point of care locations such as physician’s offices, patients are gathering information, interacting with healthcare providers, learning, and making decisions. Messages delivered there can have a definitive impact on a patient’s usage and adoption of a prescription medicine.

Extending value: Support and motivation to retain existing patients

Non-adherence continues to be a major issue plaguing the pharmaceutical industry. While statistics regarding the severity of the problem vary, one thing remains clear: a significant percentage of patients don’t follow medication regimens. And even if they pick up their prescription and get started on it, many don’t take it properly or refill as prescribed. The problem is not confined to a certain type of medication or condition—non-adherence is an issue across the board, for chronic diseases like heart disease and diabetes as well as for acute conditions. Needless to say, patients who don’t adhere to their regimen reduce their chances for successful outcomes.

As one way to address this, many retail chains are training pharmacists to specialize in certain chronic conditions and teaching them motivational interview techniques that can help elicit patient’s reasons for not taking their medicines.⁴ Pharmacists may also offer other types of counseling in person or via phone.

There are several other retail-based programs that have found traction in enhancing adherence. Some make use of personal contact for patient support and follow-up. Other programs involve sending materials directly to the patient’s home that reinforce commitment to therapy with special branded content, tools, and support. These materials are designed specifically to open and maintain a dialogue with the patient involving education, treatment information, diet and exercise advice, and access to retail pharmacy services.



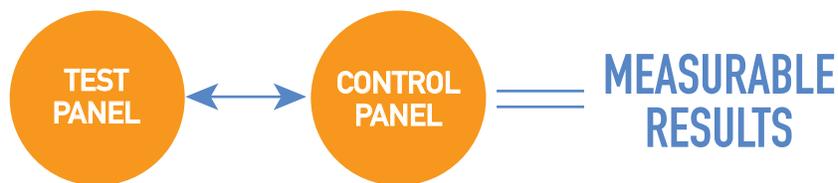
Addressing adherence goals: How to leverage the retail pharmacy

- 1 **Deploy the retail pharmacy as the foundation for delivering medication education and adherence programs.** Patients trust pharmacies and pharmacists. When they receive communications from a resource that they consider to be dependable, there is an increased likelihood that the information will be acted upon.
- 2 **Consider ongoing reach and frequency:** For reminder and retention value, maintain a strong presence throughout the pharmacy—at the shelf and in other key areas.

Pharma and retail pharmacy can work together to promote adherence in a number of ways. Since patients fill their prescriptions chiefly via the retail channel, support and communications coming from the pharmacy have a built-in “trust factor”.

Measurement

The retail pharmacy lends itself well to measurement because many efforts can be evaluated using the industry standard, matched-panel research. Actual script data is supplied by the retailer, so results are reliably calculated and validated. For patient-directed efforts, matched panels are formed using de-identified patient-level data and typically consist of a treatment group and a control group; refill history is tracked to determine impact on compliance and persistency. Data can then be converted into a manufacturer’s incremental revenue for an accurate ROI analysis—the ultimate standard for determining effectiveness.



The retail pharmacy lends itself well to measurement through industry standard matched-panel research

About Rx EDGE Pharmacy Networks

Since our inception in 2000, pharmaceutical brands have counted on Rx EDGE Pharmacy Networks to help them acquire new patients, increase product awareness, and keep their current patients adherent. We do this by delivering consumer programs through retail networks that include over 30,000 chain drug stores, mass merchants, supermarkets and independents. To learn more, visit www.rx-edge.com or call Michael Byrnes at 610-431-7606.

¹ IMS Health Top Line Market Data, 2011

³ StrategyOne for Consumer Healthcare Productions Association, 11/24/10

³ Kline and Company, July 2012

⁴ Wall Street Journal: The Informed Patient “The Pharmacist Is In and Nudging You to Take Your Pills” June 2012

