

Drug Store Retailing - US - May 2017

Report Price: £3085.18 | \$3995.00 | €3666.43

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



The effects of an aging population focused on health management are positive for the drug channel, which is projected to continue on its path of upward sales growth over the next five years.

This report looks at the following areas:

- Many drug store trips occur outside the channel
- Most consumers have issues with price
- Many shoppers aren't using all that drug stores provide

Approximately 3% average annual sales growth is expected through 2021; however, pressure from retailers outside the channel will continue to rise as many consumers look to mass merchandisers and online retailers to fulfill their drug store needs due in part to their better prices and convenience. Drug stores need to maximize the products and services they offer to meet evolving consumer expectations and ensure they're promoting awareness of all their available services in order to fully engage with shoppers.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Drug Store Retailing - US - May 2017

Report Price: £3085.18 | \$3995.00 | €3666.43

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Definition

Executive Summary

The issues

Many drug store trips occur outside the channel

Figure 1: Retailers shopped, February 2017

Most consumers have issues with price

Figure 2: Attitudes toward drug store shopping, by age and gender, February 2017

Many shoppers aren't using all that drug stores provide

Figure 3: Attitudes toward drug store shopping, February 2017

The opportunities

Unlock private label/store brand potential

Figure 4: Attitudes toward drug store shopping, by generation, February 2017

Tailored healthy assortments could appeal to more shoppers

Figure 5: Influencers to encourage more shopping, February 2017

Upgrade digital services

Figure 6: Influencers to encourage more shopping, February 2017

What it means

The Market – What You Need to Know

Positive growth expected to continue

Medicine and BPC drive segment sales

Growth among those 55+

Online will play a key role

Market Size and Forecast

Positive growth expected to continue

Figure 7: Total US sales and fan chart forecast of market, at current prices, 2011-21

Figure 8: Total US sales and forecast of market, at current prices, 2011-21

Market Breakdown

Positive sales forecasted for all segments, driven by prescription medicine

Figure 9: Total US drug store revenues and forecast, by segment, at current prices, 2011-21

Figure 10: Total US retail sales of Drug Store Retailing, by segment, at current prices, 2014 and 2016

Market Factors

55+ consumer group continues to grow

Figure 11: Number of households, by age of householder, 2006 and 2016

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Drug Store Retailing - US - May 2017

Report Price: £3085.18 | \$3995.00 | €3666.43

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Healthcare changes are a concern for many consumers

Figure 12: Election impact, by gender, February 2017

Figure 13: Median household income, by age of householder, 2015

Obesity is still an issue

Figure 14: Prevalence of obesity among adults aged 20 and over, by sex and age: United States, 2011-14

Rural areas represent opportunity

Figure 15: Image of Walgreens community pharmacy in Iowa, April 2017

Figure 16: Rural vs urban population, December 2016

Connectivity changes shopping

Walgreens, Rite Aid merger could influence the market

Key Players – What You Need to Know

Drug stores winning with certain consumers, but others shifting elsewhere

Health and wellness items remain products of interest

Walmart is the most shopped retailer for drug

Online shopping is growing in the channel

What's Working?

Health, wellness, and personal care most purchased items

Figure 17: Items purchased – Any in-store or online purchase, by repertoire any in-store or online purchase, February 2017

Other categories capturing consumer interest

Figure 18: Items purchased, by gender and age, February 2017

An opportunity to grow store brands

Figure 19: Walgreens E-mail, March 2017

What's Struggling?

Other channels are winning drug store related trips

Figure 20: Retailers shopped, by parental status, February 2017

Customers have trust and price issues with drug stores

Figure 21: Attitudes toward drug store shopping, by age, February 2017

Most consumers not using provided services

What's Next?

Tailored assortments for healthy living

Expanded digital offerings and services

The Consumer – What You Need to Know

Channel shifting is occurring

Destinations for BPC, healthcare, and private brand

A need for better prices and products

Promote transparency and awareness of provided healthcare services

Enhance shopping options to win online and in-store

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Drug Store Retailing - US - May 2017

Report Price: £3085.18 | \$3995.00 | €3666.43

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Retailers Shopped

Drug stores face increased competition

Figure 22: Retailers shopped, by gender and age, February 2017

Mass merchandisers winning over customers

Figure 23: Retailers shopped, by Hispanic origin, February 2017

Online is a key channel

Figure 24: Retailers shopped online, by age, February 2017

Warehouse club stores and supermarkets see slippage

Figure 25: Retailers shopped, by parental status, February 2017

Items Purchased

Medicine, beauty, and healthcare items most purchased

Figure 26: Items purchased, part 1, February 2017

Figure 27: Items purchased, part 2, February 2017

Drug stores destinations for health and wellness, BPC

Figure 28: Select items purchased, February 2017

Food and household items are fill-in trip purchases

Figure 29: Items purchased, by age, February 2017

Online purchases are growing

Figure 30: Select items purchased, by age, February 2017

Attitudes toward Drug Store Shopping

An opportunity for private brand products

Figure 31: Attitudes toward drug store shopping, by age, February 2017

Services are underutilized

Figure 32: Attitudes toward drug store shopping, by parental status and number of children in household, February 2017

Price versus convenience

Figure 33: Attitudes toward drug store shopping, by parental status, February 2017

Influencers to Encourage More Shopping

Better prices, products and services can boost shopping

Figure 34: Influencers to encourage more shopping, February 2017

Shoppers seek improved prices and products

Figure 35: Influencers to encourage more shopping, by age and gender, February 2017

Shoppers want more

Figure 36: Influencers to encourage more shopping, by age and Hispanic generation, February 2017

Retail Clinics

Overall usage is low, but those who visit are mostly pleased

Figure 37: Retail clinics visited, February 2017

Reasons for not visiting clinics range from no identified needs to skepticism

Figure 38: Reasons for not visiting clinics, February 2017

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Drug Store Retailing - US - May 2017

Report Price: £3085.18 | \$3995.00 | €3666.43

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Young men visit retail clinics the most

Figure 39: Retail clinics visited, by gender and age, February 2017

Thoughts on retail clinics visited

Figure 40: Perception of retail clinics visited, February 2017

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

Consumer survey data

Direct marketing creative

Abbreviations and terms

Abbreviations

Appendix – Market

Figure 41: Total US drug store revenues and forecast, at inflation-adjusted prices, 2011-21

Figure 42: Households by number of members, 2016

Mintel post-election survey methodology

Appendix – Consumer

Repertoire analysis description

Other supporting data

Figure 43: Retailers shopped - any visitation, by repertoire any in-store or online purchase, February 2017

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com