

## Drug Store Retailing - US - February 2016

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"The drug store market has expanded well beyond traditional drug stores to include other channels such as mass merchandisers, supermarkets, and warehouse clubs as well as mail order options that also fulfil consumers' drug store needs."

- Diana Smith, Senior Research Analyst - Retail & Apparel

### This report looks at the following areas:

- Drug stores can expect continued moderate growth
- Drug stores in fierce competition with Walmart and "other" channels
- Lack of awareness about in-store retail health clinics

As such, traditional drug stores have had to refine their models to focus on departments outside of their core areas of strength (medications) such as beauty and personal care and food and drink. US retail sales at drug stores are expected to steadily rise. This growth will be fueled by an aging society, a more diverse population, and consumers' increased interest in improving their health and wellness. Health management options and overall purchase incidences will continue to shift online, and consumers will continue to seek affordable options (such as in-store retail clinics) to obtain healthcare and other drug store needs in light of never-ending escalation of healthcare costs.

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