

Underserved at retail, overtaxed caregivers cite need for help among chief concerns

By ROB EDER AND ANTOINETTE ALEXANDER

There is a 47-year-old working mom, with more health-related needs than the rest of your customers. She spends more money to fulfill those needs, and she is probably in your store more often than your other customers. And, according to recent research *Drug Store News* conducted, she is dramatically underserved by retail pharmacy.

While drug chains have tried to appeal to her on a number of levels, including her role as mother, wife and woman (read: beauty), there is one part of life that a growing number say they need more help managing. It is their role as caregivers—taking care of a chronically ill spouse or aging parent—that is demanding more of their time and attention; taking money out of their pockets; short-circuiting their careers; impacting the quality and,

ultimately, taking years off their own lives.

As the *Drug Store News* study, "Caregivers and Product Choices," demonstrates, no single entity stands to help more, or benefit greater from it, than retail pharmacy.

The first chapter in an ongoing campaign to understand this important customer, the multitiered research project included feedback from a national panel of 1,000 caregivers and ethnographic observational studies of more than 70 real-world caregiver situations in four metro areas: New York, Chicago, Los Angeles and Atlanta. The study also incorporates insights from *Drug Store News*' exclusive national pharmacist panel. Together, it frames rather neatly the opportunity that exists for chain pharmacy to get closer to the caregiver—not to mention the challenges inherent in getting there.

Population, buying power getting bigger all the time

As previous studies have concluded, this is no small group. And it is a segment of the population that is getting bigger all the time. Roughly 1-of-every-4 U.S. households has a caregiving situation in it. By 2007, it is expected that number will reach 39 million.

It is also a group with enormous buying power, spending some \$257 billion a year providing care for their loved ones. And although these purchases are made on the behalf of someone else, it is the caregiver who holds the cards when it comes to brand decisions. Almost 8-in-10 are the final arbiters of which brand to buy.

Yet, "either because drug store retailers don't think they are a coherent group or because they believe [caregivers] fall into another consumer group they are already targeting, caregivers and their needs are drastically underserved," noted cultural anthropologist Steve Barnett, president of consumer research and insights for SmartRevenue. (SmartRevenue implemented the study on behalf of *Drug Store News* and its research partners the National Association of Chain Drug Stores Foundation and the National Alliance for Caregiving, and sponsors Pfizer Consumer Health Care, GlaxoSmithKline, Eisai and Health-On-Hand.)

The drug chain business model today is built largely around convenience—on the premise that the average American is time-starved and that simplifying the shopping experience is one of the greatest values the retailer can provide. No customer segment is crying out for this kind of help more than the caregiver.

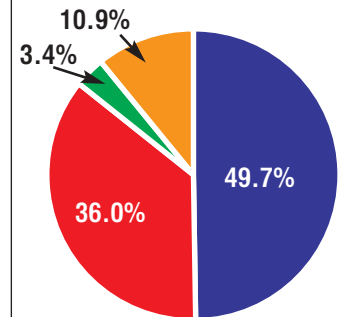
Many work full time and spend an average of 18 hours or more each week providing essential care for a loved one. In many cases, they are caring for an aging parent whose health is failing and have children at home whose care they also are responsible for—more than 1-in-5 are part of this "sandwich generation," as it is called.

The combination of the time constraints and the emotional investment the relationship exacts on the caregiver manifests itself in many ways—none of them healthy.

- Health. The caregiver's health is dramatically impacted—at least half say their own health has suffered as a result. "This is something that is of concern to employers because employers are paying for health insurance," noted NAC executive director Gail Gibson Hunt.

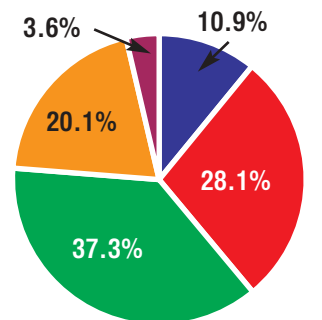
- Careers. Almost two-thirds (64 percent) of

How did you become a caregiver?



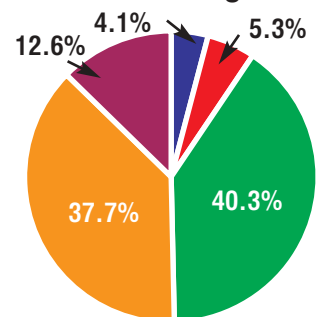
- It started with small things
- It happened suddenly
- It is my job/profession
- Other

Describe your current health



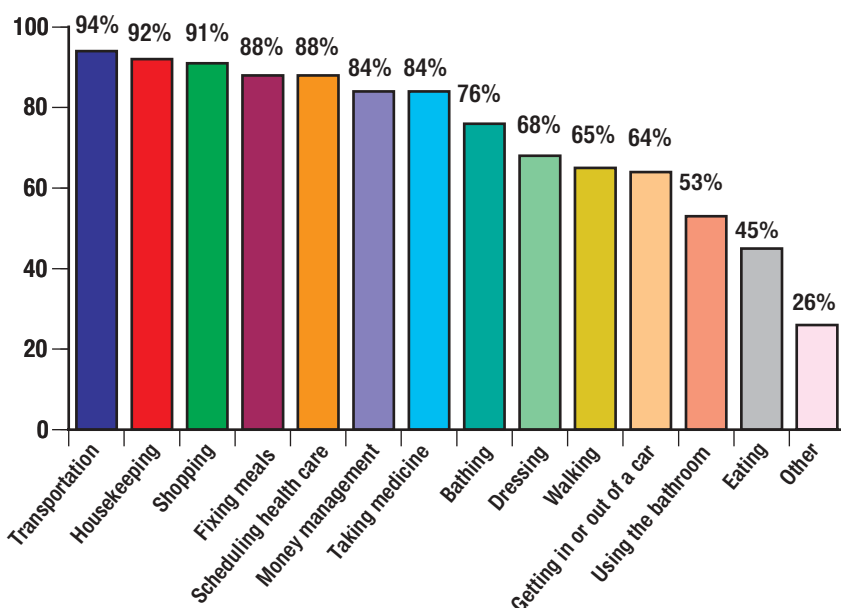
- Excellent
- Very good
- Good
- Fair
- Poor

How has your health changed?

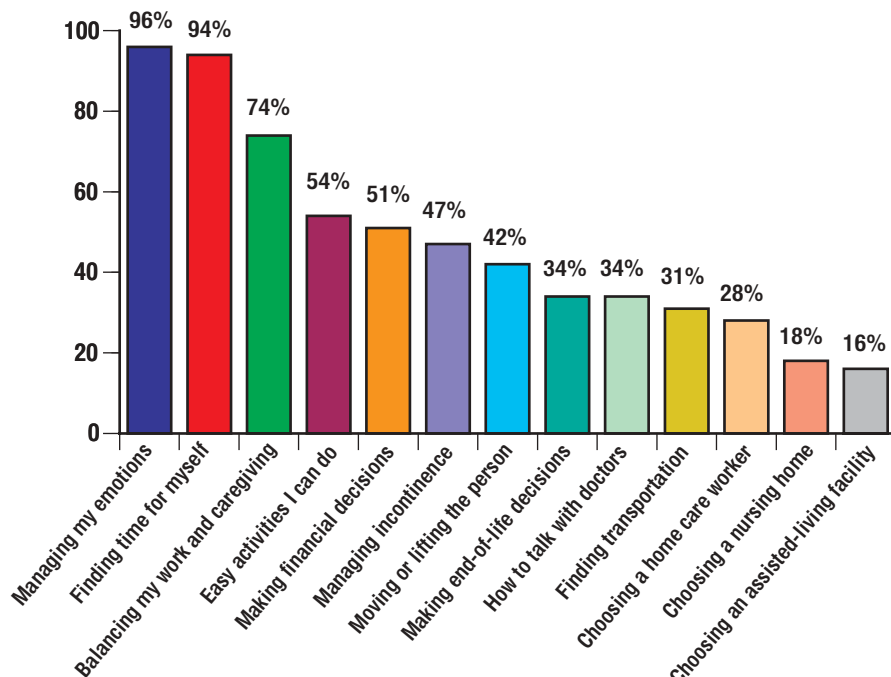


- Much better
- A little better
- About the same
- A little worse
- Much worse

Activities caregivers help with



Areas caregivers need more help with



Source: *Drug Store News* "Caregivers and Product Choices" study

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caregivers have full-time jobs. "Half of these people are making some kind of workplace accommodation," Hunt said. "They are coming in late and leaving early. They are taking time off, taking leaves of absence, passing up promotions, passing up travel, passing up educational opportunities, taking advantage of early retirement and dropping out of the work force entirely." The impact to their employers is between \$11.4 billion to \$29 billion a year.

- Personal finances. Over the course of the typical caregiving situation—which lasts about 4.5 years on average—the caregiver typically gives up some \$660,000 in lost wages, pensions and social security, Hunt added. And they spend about \$171 a month out of their own pockets to pay for things like prescription medications for the care recipient, home modifications, shopping, etc.

Never saw it coming

Driven either by an extreme personal sense of responsibility bordering on classic guilt, or more often, simple circumstance, assuming the role of caregiver was not optional for about half of caregivers surveyed. It just had to be that way. More than one-third say they never saw it coming. And no one is ever truly prepared to handle the situation.

"Most are confused by the number of issues that they have to deal with," Barnett explained. "Even if the person they are caring for has a particular problem at the onset of the caregiving situation, these problems tend to cascade over time, and quite often the caregiver is not prepared to deal with those additional issues."

And perhaps because of the role the community pharmacist has always played in health care, it is no surprise that the caregiver turns to the pharmacist for this kind of critical advice and support. The pharmacist has always been like the family's local ambassador to health care in America.

Each day, the caregiver is faced with important decisions and a list of tasks to perform, many of which are opportunities for retail pharmacy—opportunities to become more closely connected to and perhaps even brand this important customer.

Retailers and brand marketers have a huge interest in helping this customer. Regardless of the care recipients' mental acuity, about 80 percent of caregivers are left to make brand decisions on OTC and personal care purchases. "The caregiver should really be the focus of attention from a product and from a retailer standpoint," Barnett said. "If a retailer looks at this longitudinally, the caregiver at some point, will probably become a care recipient, and if you build that loyalty now, it is likely to sustain itself for a lengthy period of time."

Pharmacists and caregivers

Of course, it is not quite so easy as pointing the caregiver in the direction of the pharmacist. While more than half of pharmacists *Drug Store News* surveyed noted that such interactions with caregivers generally lead to positive outcomes, 4-out-of-10 said they are uncomfortable with their knowledge of geriatric issues and caregiving.

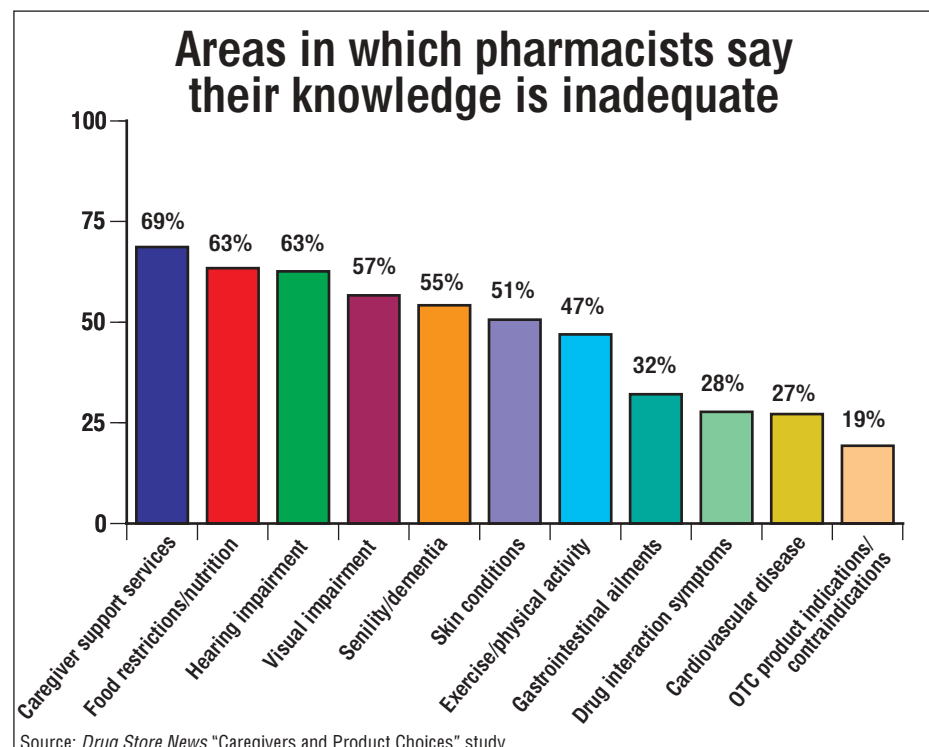
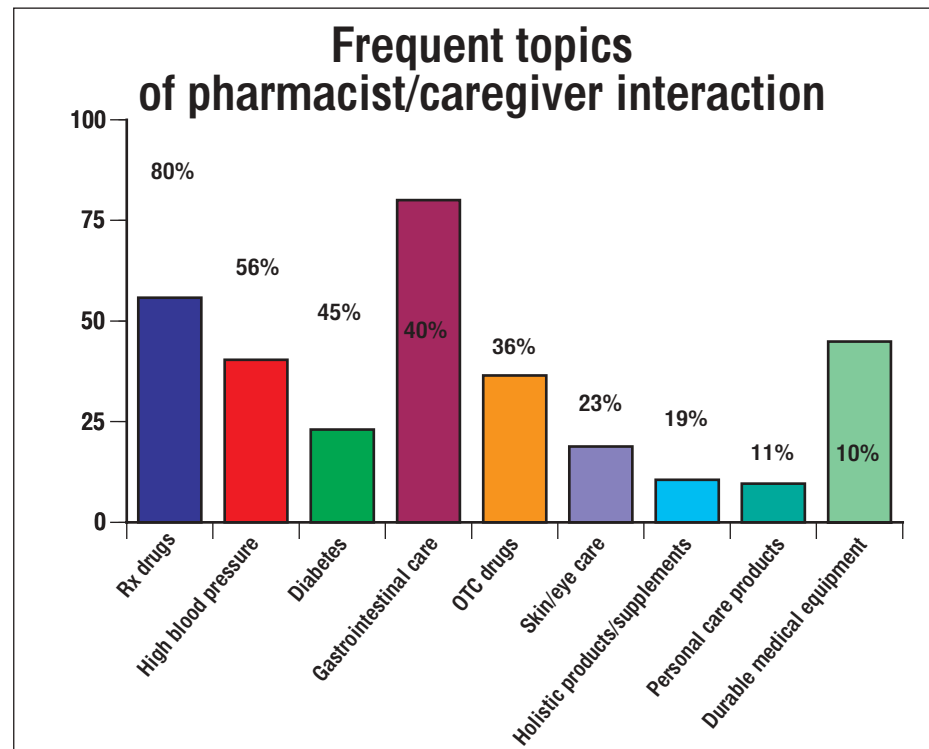
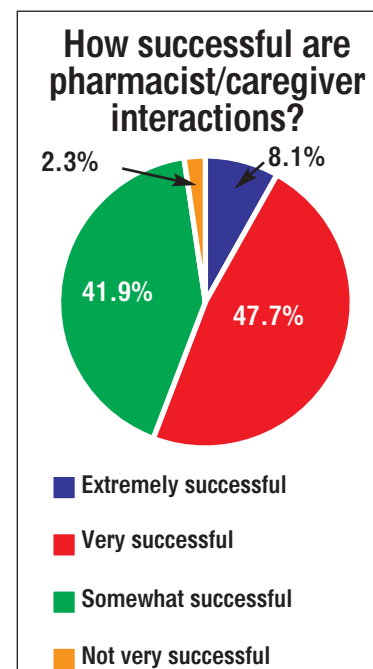
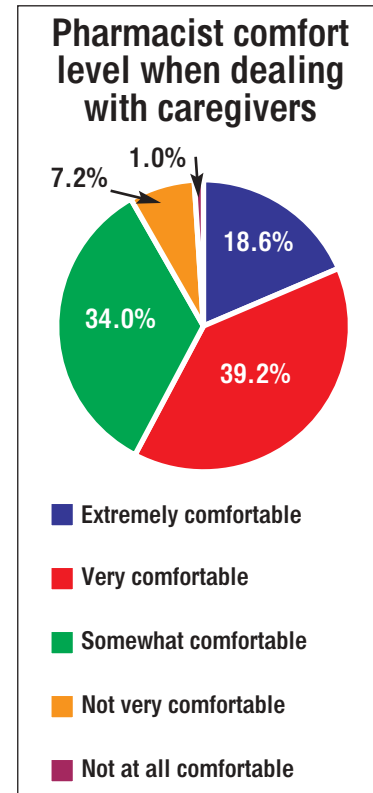
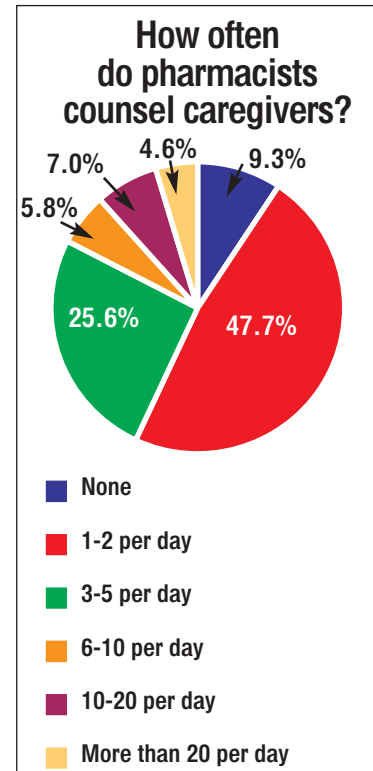
"A lot of pharmacists say that they are either somewhat, not very or not at all comfortable counseling caregivers," Barnett said. "If you look at how Americans tend to answer questions, when someone says, 'I am somewhat comfortable,' that is really a nice way of saying, 'Hey, I've got some problems here.'"

Regardless of how they may feel about counseling these customers, caregivers are coming to the pharmacy counter anyway—and they are coming with plenty of questions. "Almost two-fifths [of pharmacists] say they have more than six caregiver interactions a day, and many have 10 to 20 or more a day," Barnett explained. "Keep in mind that these are interactions where pharmacists are able to recognize that the person is a caregiver. People don't have caregiver badges, and quite often, pharmacists may not recognize someone as a caregiver," he added, so the actual number of caregivers they are dealing with on a daily basis actually may be higher than they perceive.

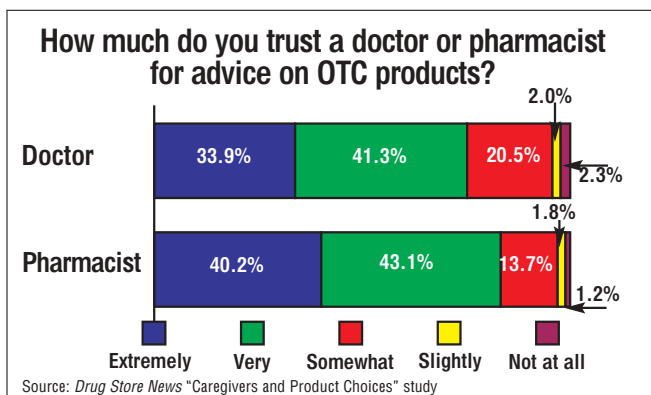
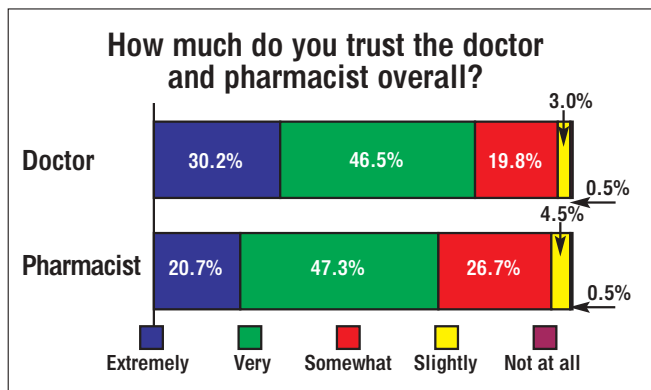
The *Drug Store News* study suggests that there are a number of ways that drug chains can get closer to this customer.

- Caregiver loyalty card programs. In addition to the caregiver's pronounced need for value, creating a more loyal customer that shops just one pharmacy chain would be an advantage to the pharmacist. One of the most problematic issues in dealing with geriatric patients, according to the pharmacists *Drug Store News* surveyed, is dealing with multiple physicians and multiple pharmacists, "pulling all the data together, getting accurate medical and prescription drug histories," Barnett noted.

- Store organization by caregiver needs. Just as some sections of the store are organized according to specific health needs—for instance, diabetic care—there are clusters of



Source: *Drug Store News* "Caregivers and Product Choices" study



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personal care and OTC products that link very closely to caregiver needs—items like pain relievers, laxatives, adult incontinence and others. "Being as time is a desperate constraint for most caregivers, anything that makes their shopping easier and more efficient is extremely valuable," Barnett said.

- Brochures and educational materials. Geriatric training aside, caregivers have questions about things they don't teach in pharmacy school: how to find a nursing home, dealing with the impending death of a loved one and the emotional challenges that come along with that. The pharmacist doesn't have to be the oracle, but there is no reason that the pharmacy can't be the destination for this kind of information. A rack of pamphlets and other resources can pick up the slack for the pharmacist and make an important statement to the customer.

- Pharmacist training/continuing education. One of the most significant findings of the *Drug Store News* caregiver study is the lack of pharmacist training in the areas of geriatric care and caregiving. "A little more than half say they have no,

poor or only fair knowledge of issues related to senility and dementia—an obvious area for CE," Barnett noted. "Almost three-quarters say their knowledge of caregiver support services is inadequate," he said.

It is clear that to reach this customer, retail pharmacy will need to be a bit more proactive than simply waiting for them to reach the pharmacy counter. For one thing, you may not be able to spot them so easily when they get there. "Caregivers may not even associate the term 'caregivers' as something they relate to," Barnett said. "And often, if a retailer has some sort of program or service in place or is planning some new service, they will not communicate it in an effective way."

That would be a huge benefit to retail pharmacy, as well as to caregivers, because the reality is that these interactions are taking place every day, and right now, given the gap in the pharmacist's knowledge, not to mention the caregiver's knowledge, these interactions are somewhat dicey. According to the *Drug Store News* study, "Caregivers and Product Choices," there is definitely a much better way.

Executive viewpoint: How can chains get closer to caregivers?

Roland Regnier, vice president of corporate development, GlaxoSmithKline



Drug Store News: How can drug chains get the pharmacist more involved in addressing caregivers' needs?

How can suppliers help?

Regnier: I think this begins with training the pharmacists through continuing education programs, pharmacist newsletters and maybe even in-store events that focus on the pharmacist. ... Manufacturers can help through supporting CE programs and developing new sources of information.

Kurt Proctor, president, NACDS Foundation



Drug Store News: How can drug chains get the pharmacist more involved in addressing caregivers' needs? How can suppliers help?

Proctor: Chains need to figure out a way to assist caregivers with self-identifying. They must understand the needs of the caregiver and the scope of those needs beyond the prescription area. And pharmacists could be given information for them to be a resource for organizations that offer assistance to caregivers.

Linda DaSilva, director of trade relations, Eisai



Drug Store News: How can drug chains and their suppliers fully market to caregivers?

DaSilva: By understanding their needs and unmet needs. Retailers and pharmacists can work with manufacturers to build customer loyalty ... and develop new services. Marketing to seniors is where the Rx and OTC volume growth will come from, and retailers and suppliers have the opportunity to meet the needs of an aging population and their middle-aged caregivers.

Gail Hunt, executive director, National Alliance for Caregiving



Drug Store News: What challenges do retailers face in marketing to caregivers?

Hunt: Family caregivers typically don't self-identify. The pharmacist needs to look for clues to identify the person who is caregiving ... and then sensitively approach them to see if they are in need of community services, such as meals-on-wheels, adult day care, respite, etc. The pharmacist can hook them up with the local area agency on aging, for example.

Dan Haron, vice president of pharmacy and professional affairs, Brooks Pharmacy

Drug Store News: How can drug chains fully leverage the opportunity that exists in marketing to caregivers?

Haron: [Caregivers] may get their traditional prescriptions and OTC needs at a pharmacy, the durable medical equipment at another provider and the specialty pharmacy needs at yet another provider. I think we have an opportunity in pharmacy to evolve in a fashion that we can embrace more of those components. You are really trying to take a holistic approach to taking care of the patient and serving the caregiver.



John Irvine, president and chief executive officer, Health-On-Hand

Drug Store News: What challenges do retailers face in marketing to caregivers?

Irvine: Most retailers can't afford to dedicate large amounts of shelf space specifically to caregivers. So how do you find new products and services to attract caregivers, as well as other customers? Pharmacies need to look outside the box for new products that have broad appeal and address real health issues, making pharmacies a true neighborhood health resource.

Frank Maione, vice president, Pfizer's U.S. sales operation



Drug Store News: What challenges do retailers face today in marketing to the caregiving customer, and how can suppliers help?

Maione: The biggest challenge is knowing and understanding what the critical mass level is before they undertake this effort. ... [Suppliers can help by] mining the data that was made available to the sponsors of the *Drug Store News* Caregivers Study and sharing the consumer insights for a collaborative response.

Paul Alper, president and chief executive officer, The Caregivers Marketplace



Drug Store News: How can drug chains fully leverage marketing to caregivers?

Alper: Caregivers often provide assistance when their loved one or friend cannot do something for themselves. This help usually involves supporting activities of daily living: bathing, feeding, dressing, toileting/incontinence, getting around/mobility, etc. So organizing products that support those activities by activity could provide some category management breakthrough opportunities. Also, organizing products by disease state, such as diabetes, makes a lot of sense.

Jerry Thompson, senior vice president of pharmacy services, Eckerd



Drug Store News: How can drug chains get the pharmacist more involved in addressing the needs of caregivers?

Thompson: The ability of our pharmacists to recommend needed products, services and support mechanisms for caregivers is key to satisfying their unique needs. But it all begins with providing the time to engage in this activity. Continued enhancements with the dispensing processes are needed to free up this time, such as increased utilization of automation, technology advancements in prescription processing, less third party gymnastics in prescription processing and enabling enhanced roles for support staffing.

Jon Rudden, vice president of merchandise, Happy Harry's



Drug Store News: Is Happy Harry's actively pursuing this customer, perhaps through in-store programs or special marketing?

Rudden: We are monitoring this potential opportunity and discussing options that may assist us in meeting the needs of both the caregiver, as well as directly to the individual who requires home health care assistance.