

# The ratiopharm

CFP Report on Pharmacy Services:

# Consumers' Perception of Pharmacy



*"Perception is real - even when it is not reality.  
All our knowledge has its origins in our perceptions."  
Leonardo da Vinci*



When in need of health information, those in **Western Canada** are most likely to access a health website.

Residents of **Ontario** are most willing to pay extra for the service of measuring and monitoring blood glucose and cholesterol levels.

Consumers in **Quebec** are most likely to frequent only one pharmacy for their OTC and Rx medications.

Over the last 5 years, residents of **Atlantic Canada** state that their understanding of the pharmacist as a health care professional has improved the most.



## History of The ratiopharm CFP Report

Since 1997, the CFP Report on Pharmacy Services has provided the market research that Canadian community pharmacists need to advance their profession and their individual practices. The focus of this report returns to our first survey group, the Canadian Consumer. The goal of this CFP report is to uncover current patient perceptions around health care and health professionals, thereby helping community pharmacists formulate an enhanced role for the profession within a health care environment that is undergoing dramatic and unprecedented restructuring. By understanding perceptions, knowing both the positives and the negatives, pharmacists can build and plan to forge ahead to fight the threats and capitalize on the opportunities.

## Previous reports on pharmacy services include:

1997	Consumers' Perception of Pharmacy
1998	Private Payers' Perceptions of Pharmacy
1999	Physicians' Perceptions of Pharmacy
2000	Pharmacists' Perceptions of Pharmacy

## Why are consumers' perceptions important?

Public perception can determine pharmacy's scope of practice and how both government and third party payers reimburse pharmacists.



## Synopsis

Consumers visit a drug store 12 times per year on average, and 43% of the time they talk to a pharmacist. Their perceptions of these interactions are very positive. The calibre of the pharmacist is the #1 reason for selecting where to have their prescriptions filled. However, it appears that pharmacists have more work to do in clarifying their qualifications and their role in patient care. Consumers still consider convenience and price to be important. While patient loyalty to a single pharmacy currently remains high, technology brings both threats and opportunities. The results of this survey identify what Canadians perceive they will want from pharmacy in the future. This year's report garners many surprises, some disappointments, but most importantly, some interesting strategies that pharmacists can share and implement with their pharmacy team.

## Advisory Board

ratiopharm convened an advisory board that consisted of thought leaders from pharmacy, healthcare and the public. The ratiopharm CFP Advisory Board identified three major elements that are linked to one other, that form consumers' opinions of community pharmacy.

Behaviours      Expectations

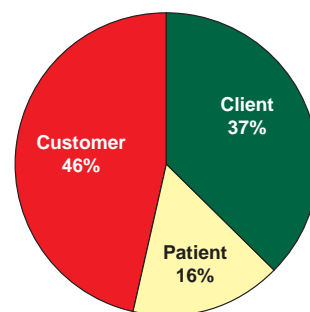


Perceptions

## Survey Methodology

- Ipsos-Reid telephone survey across Canada
- Data collection for the study was conducted between March 5th and March 18th, 2003
- Survey sample (n = 1,206) is representative of the general population of Canada, 18 years of age and over and regionally representative
- Statistical testing was performed on the data at the 95% confidence level. The confidence interval for a sample of 1,206 at the 95% confidence level is +/-2.8%.

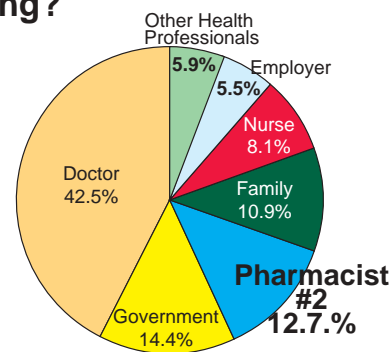
## How do consumers consider themselves?



♦ Frequent shoppers, those that go to their pharmacies **13 or more times per year**, are more likely to consider themselves to be **clients**.

Base: All respondents (1,206) Source: Q.19

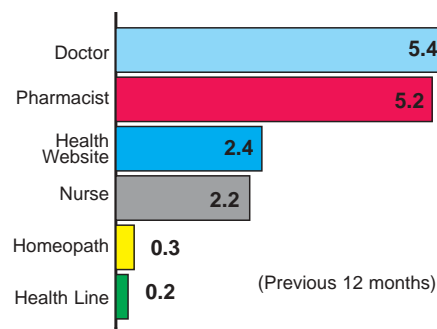
## Who is responsible for personal health and well-being?



♦ The good news is that pharmacists rank #2 among health care professionals.

Base: All respondents (1,206) Source: Q.4

## How many times do consumers consult the following resources?



♦ Pharmacists are tied with physicians as the #1 "go-to" resource for information about the patients' health.

Base: All respondents (1,206) Source: Q.1

## Do consumers rely more on doctors or pharmacists?

Rely more on Pharmacists	1997	2003
Information on non-prescription drugs	74%	82%
Cost of prescription drugs	68%	80%
Advice on how to take medications	49%	60%
Information on herbal products	-	56%
Information on side effects	41%	54%
Advice for a minor ailment	35%	46%

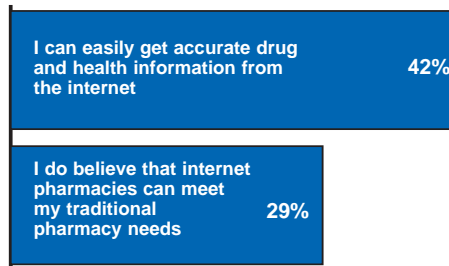
\* As compared to physicians

- Consistently, Canadians are relying more on pharmacists for information about medications and minor ailments.
- Providing advice on disease prevention, healthy lifestyle, nutrition and diet are emerging roles for pharmacists.

Base: All respondents (1,206) Source: Q.17

## How has technology influenced consumers?

Strongly Agree (5) / Somewhat Agree (4)



\* 5-Point scale: Strongly Disagree (1) to Strongly Agree (5)

- Canadians now rank the internet as the #3 source of health information.

Base: All respondents (1,206) Source: Q.18

## What is important to consumers when deciding where to have a prescription filled?



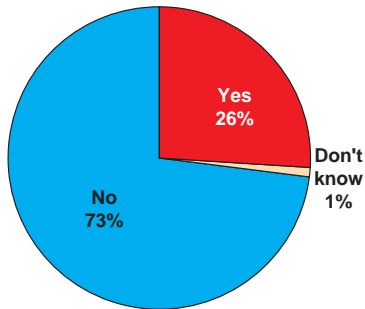
- Six out of the top seven reasons for choosing where to have a prescription filled relate to **the pharmacist**.
- Advice provided by a friendly knowledgeable pharmacist is paramount when consumers determine where to fill their prescriptions.
- The relative order of importance i.e. the pharmacist vs. patient records vs. the relationship with the pharmacist vs. waiting time vs. the fee remain the same from 1997 to 2004.
- As educated consumers, Canadians weigh cost vs. benefit but **dispensing fee ranked 14th**.

Base: All respondents (1,206) Source: Q.11

# Did You Know?

- Two-thirds of Canadians are loyal to one pharmacy for all of their pharmacy needs.
- There has not been any major shift in Canadians' loyalty to their pharmacies over the last 6 years.
- Given our fast-paced society, it is understandable that convenience sometimes affects loyalty.

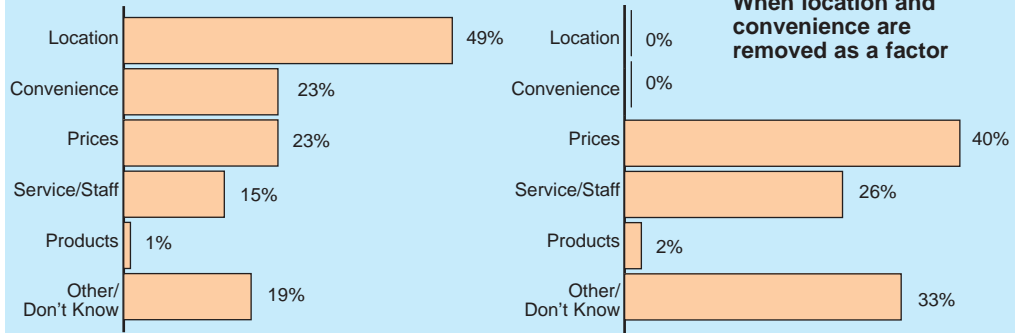
### Have consumers switched their pharmacy of choice in the past 5 years?



- ▶ The highest rates of switching occur in Ontario, and amongst affluent Canadians.
- ▶ The most pharmacy-loyal consumers are older Canadians and those living in Atlantic Canada.

Base: All respondents (1,206); Source: Q.9b

### Why did consumers switch pharmacies?



- ▶ Although the pharmacist and quality of service are valued by Canadians, location and convenience most often drive the decision to switch.
- ▶ "Location" is the main reason given for changing pharmacies and convenience may be related to this.
- ▶ When consumers relocate, proximity to a pharmacy may become a decisive factor.
- ▶ Once factors that pharmacists cannot control such as location and convenience are taken out of the picture, price plays a prominent role.
- ▶ What pharmacists can influence are "service levels", "staff performance" and "product mix" at store level.
- ▶ Quality of staff and service can attract new customers or retain current customers.

Base: Those respondents who have changed pharmacies in the past 5 years (319); Source: Q.9d Multiple mentions allowed.

**A "knowledgeable pharmacist" tops the list of reasons why patients choose a pharmacy for prescription services. The recent Reader's Digest Ipsos-Reid survey called pharmacists "the most trusted". In all of this good news, the public does not understand the differing qualifications of the pharmacist and the pharmacy technician.**

### How often are consumers interacting with pharmacists?



Visit the Pharmacy  
Once every month  
(12.2 times/year)



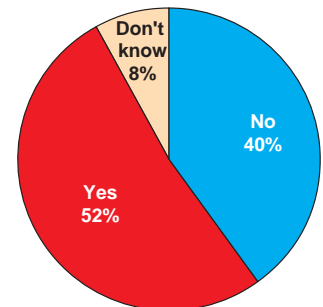
Interact with a Pharmacist  
About once every 2 months  
(5.2 times/year)

**43%**  
of all pharmacy  
visits can involve  
an interaction with  
a pharmacist

- ▶ The frequent shopper interacts with the pharmacist 70% of the time.

Base: All respondents (1,206); Source: Q.2

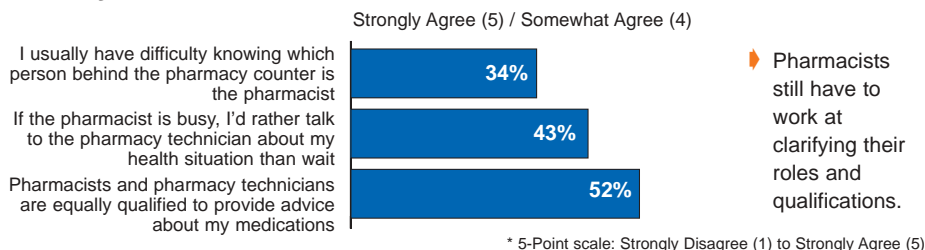
### Have consumers dealt with a pharmacy technician?



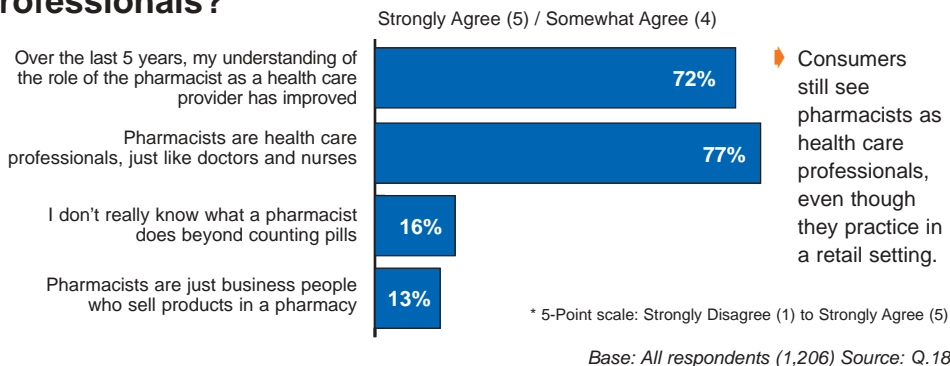
- ▶ Typically, pharmacy technicians are a part of the pharmacy team yet only half of respondents realized that they had dealt with a technician.

Base: All respondents (1,206) Source: Q.13

## What are consumers' attitudes towards pharmacists and pharmacy technicians?



## Do consumers view pharmacists as health care professionals?



## Are enhanced services considered basic or extra services? What do consumers and third party payers expect to pay?

	Basic Service Consumer	Extra Service Consumer	Extra Fee (mean) Consumer (2004)	Extra Fee (mean) Payer (1998)
Conducting a thorough review of customer's medication file	82%	15%	\$13.60	\$16.70
Follow-up with customers to ensure the medication is working	64%	33%	\$3.90	\$16.90
Educational community seminars*	56%	41%	\$12.30	\$106.70
Vaccination shots	49%	43%	\$11.90	
Home delivery service	39%	59%	\$4.40	\$8.70
Pharmacists' services at home or work	37%	60%	\$11.20 (home)	\$45.40 (home/work)
A private 1/2 hour health/drug therapy consultation	33%	64%	\$17.20	\$26.60

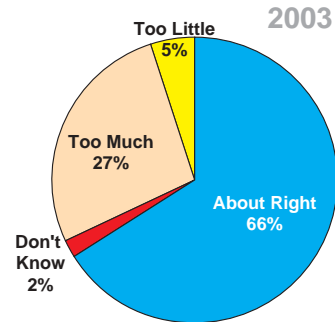
\*assumes consumer (per person) vs. payer (per employee group)

- For services that the patient already views as basic services, marketing and promotion that clearly outline the distinct features and benefits to the patient are essential in order to enhance the perceived value of the service, and the patients' willingness to pay.
- Private 1/2 hour consultations are clearly considered "extra services" according to the majority of Canadians. \$34.40 to \$53.20 per hour for consultations may still seem quite low. But when compared to the 1997 CFP Report, willingness to pay and reimbursement levels are moving in a positive direction.

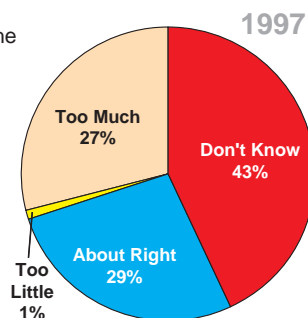
Base: All respondents (1,206) Source: Q.15a and Q.15b

**As pharmacists continue their rise in status as knowledgeable health care professionals, the potential exists for reimbursement for innovative patient-focused services at a realistic dollar value.**

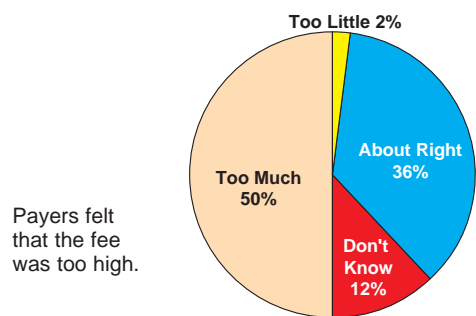
## How do consumers feel about the amount of the fee?



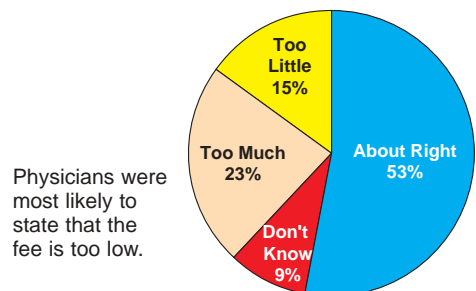
While fees have not significantly changed in the last 6 years, the acceptance of the fee has risen dramatically.



## How do third party payers feel about the amount of the fee?



## How do physicians feel about the amount of the fee?



## Executive Summary

The public's perceptions of pharmacists and their services are better than ever.

- Pharmacists are tied with physicians as the #1 "go-to" resource for information about the patients' health
- The primary reasons for choosing a pharmacy relate to the quality and calibre of the pharmacist
- Canadians are very loyal to their pharmacy
- Location, convenience and price influence their decisions when switching pharmacies
- Technology via the internet has opened doors for a new competitor that consumers view as a credible source for dispensing services & health information
- Consumers' understanding of the pharmacist as a health care professional has improved, but there is still room for enhancement
- The professional role and qualifications of the pharmacist need to be clarified since many believe technicians are quite comparable
- Although pharmacists are performing the basic services very well, there are still many opportunities for new patient-focused initiatives

The future is not without its challenges. If the profession moves proactively to counter the threats and capitalize on opportunities to expand their scope of practice then innovation will reap professional and financial rewards. Based on the findings of this survey, pharmacists should consider the following in their future planning:

- Educate consumers, especially Baby Boomers, around the features and benefits of patient-focused services that will improve their quality of life
- Invest in the pharmacy team, namely pharmacists and technicians, in order to enhance and promote their respective roles
- Explore new avenues of technology that facilitate an enhanced scope of pharmacy practice

**What others think is important.  
Build a positive image, build a positive future.  
Perception is reality.**

## ratiopharm

ratiopharm will continue to be a leader in collaborative efforts that support building a positive future for pharmacy. We will continue to invest in leading edge research and pharmacy initiatives. Plans are already in the works for the next ratiopharm CFP Report on Pharmacy Services. Understanding pharmacy's stakeholders holds the key to the future advancement of the profession.

ratiopharm specializes in the development, production and distribution of high quality generic pharmaceutical products. ratiopharm's commitment to Canadian pharmacy practice dates back to the company's entry into the Canadian marketplace. In 2000, ratiopharm GmbH, Europe's largest generic drug company, purchased Technilab Pharma/AltiMed to establish ratiopharm's generic operations in Canada. Since that time, ratiopharm has grown to become one of Canada's largest generic drug companies, with 400 employees and sales approaching \$300 million annually.

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## Acknowledgements

This pharmacy services study was made possible through a research grant from ratiopharm to the Canadian Foundation for Pharmacy (CFP). The mission of the foundation is to provide opportunities for members and friends of the profession of pharmacy to support education and research projects which generate progress in Canadian pharmacy.

ratiopharm would like to thank all the contributors to The ratiopharm CFP Report. In particular, we acknowledge our partnership with the Canadian Foundation for Pharmacy, its members, and all the participants on the Advisory Board, our research team and our research company Ipsos-Reid.

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