



The Big Business of WELL

The U.S. & Canada Opportunity



Neighbourhood
Pharmacy
Association of Canada

Association canadienne
des pharmacies
de quartier



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Background

Background

- ❖ Retailers have experienced significant change over the past decade as consumers have moved towards new ways of shopping.
- ❖ Consistent with our strategic pillar of providing thought leadership, we wanted to help our members and associates gain a better understanding of Canadian shopping behavior, especially regarding:
 - Attitudes on health and wellness; and,
 - Perceptions of pharmacy.
- ❖ WSL Strategic Retail was commissioned to do this work because of their long history of measuring Wellness in the U.S. and their firm grasp of shopper behaviour.
- ❖ We hope that you will find these results insightful and helpful for your planning processes.

Executive Summary

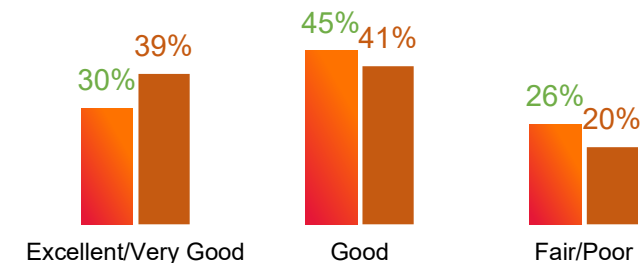
Canada & the U.S. – View of Healthy

Canada and the U.S. have different healthcare systems, but the people's perceptions of their health is slightly higher in the U.S., although life expectancy is higher in Canada (82)* vs. U.S. (79)**.

- A few less in Canada feel they are in “Excellent to Very Good” health vs. the U.S. (-9ppts).
- In both countries the gap in reported good health is twice as high among the affluent compared to the lowest income groups. Excellent/Very Good Health in Canada is 56% among the Affluent vs. 22% among Low Income; U.S. 54% among the Affluent vs. 30% among Low Income.
- Gender and age have little impact on perceived good health, although Gen Z and Millennials in Canada are 10ppts more likely to say they are in Excellent/Good health vs. Canadian Boomers.
- Approximately 70% in both countries feel they have access to health services and activities that keep them healthy.

How I Rate My Health

■ Canada ■ U.S.

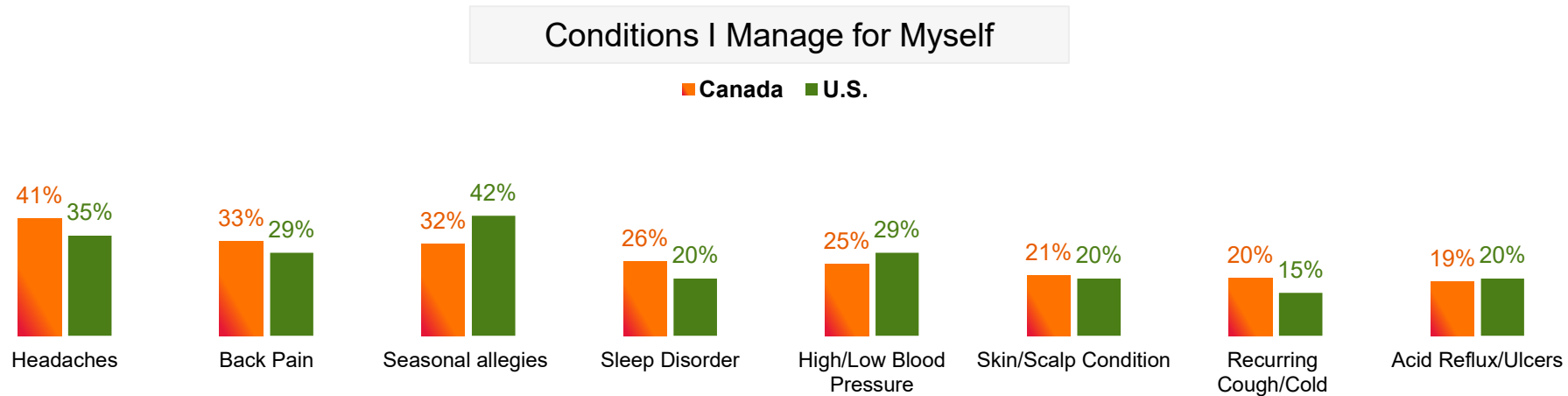


“I Live in a Country With Access to Things That Can Keep Me Healthy”

 **70%** vs. **67%** 

Canada & the U.S. – View of Healthy

Health Conditions reported in both countries are similar, overall, with more in Canada reporting headaches and more in the U.S. reporting seasonal Allergies.



2/3 in both countries rely on medication to stay well
with fewer Canadians buying OTC medications.



Take Prescription Medications Today

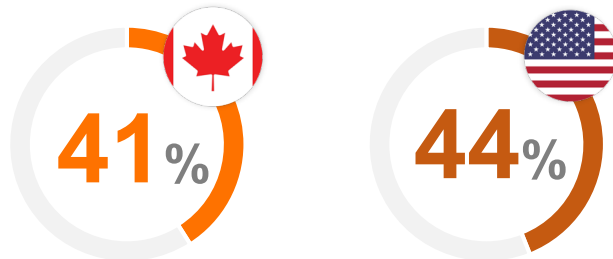


Buy OTC Medications in a Year.

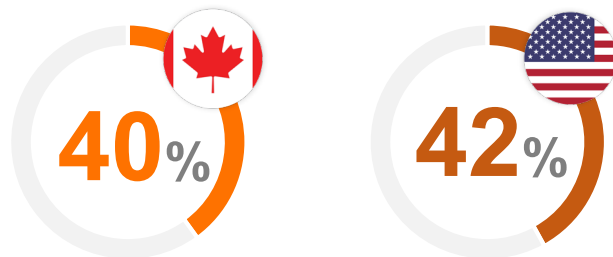
An Ounce of Prevention

- Two-fifths in both countries agree they attend to their health now so they will be healthier as they age, and,
- Canadians and Americans agree that healthy choices cost more.

"I Focus on My Health Now To Be Healthy When Older"



"It Costs More to Live Healthy, But It's Worth It"

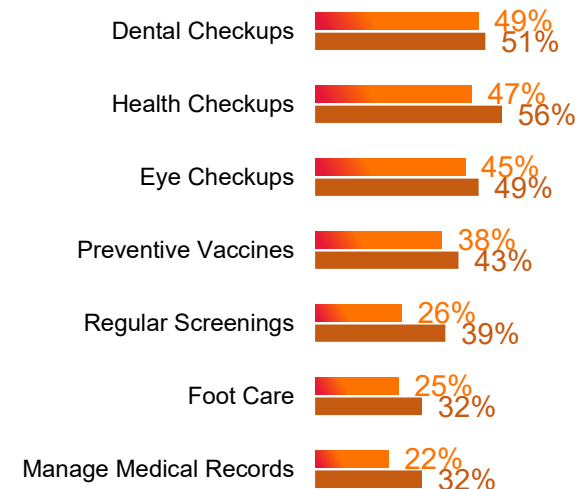


- Half in both countries keep up with preventive dental and eye check ups, although fewer Canadians have regular doctor checkups.
- Fewer Canadians do a variety of preventive activities like getting Health checkups from their doctor, Vaccinations, Screenings and managing their Medical Records.

Preventive Care to Maintain Good Health

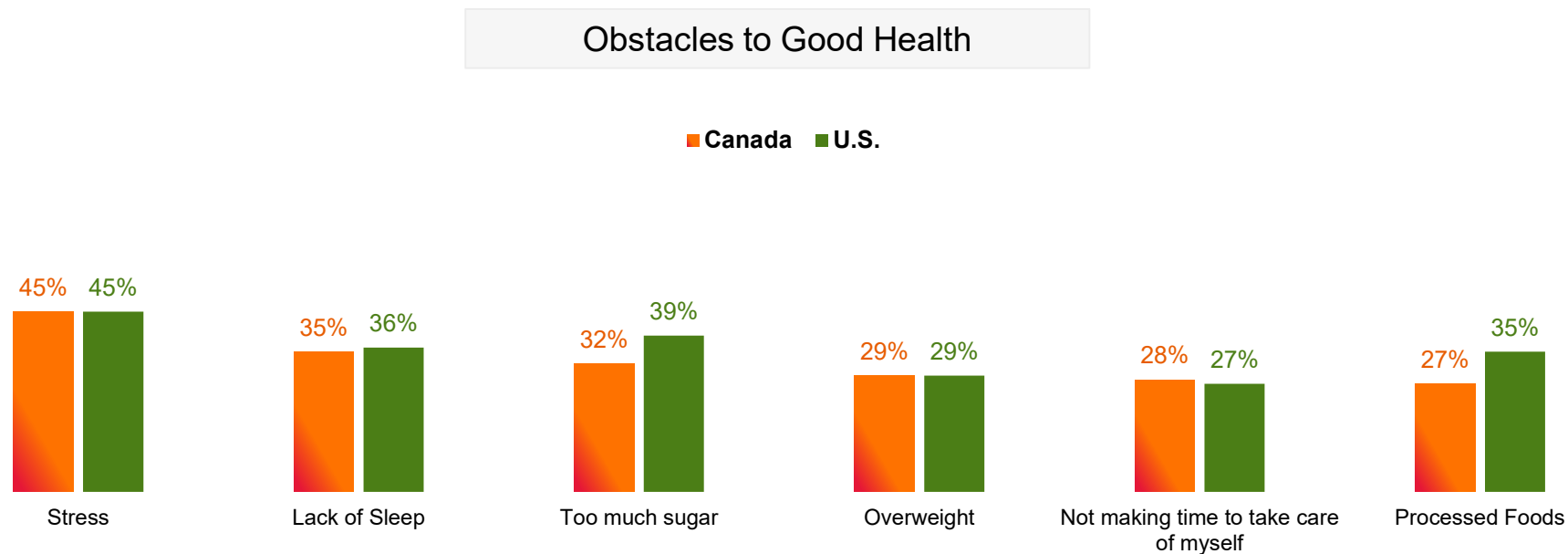
(Top 3 Box Rating out of 10)

■ Canada ■ U.S.



Canada & the U.S.

- 🌍 The obstacles to wellness are similar in Canada and the U.S., with stress and lack of sleep topping the list.
- 🌍 Concerns about diet are higher in the U.S. with more saying they eat too much sugar and processed foods.



Living WELL Holistically

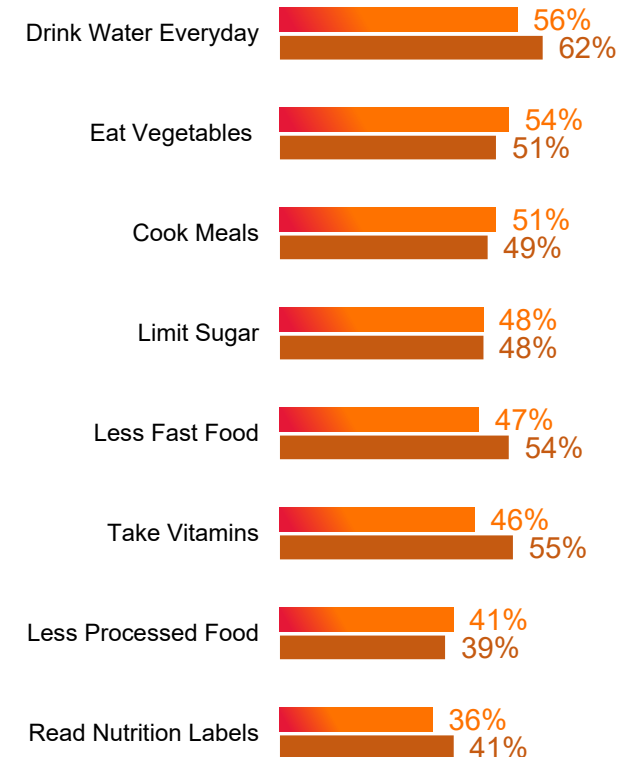
🌈 **Food Choices.** Drinking water everyday tops the list in both countries for staying healthy, along with eating vegetable and cooking your own meals. Fewer Canadians are concerned about limiting the amount of fast food they eat.

🌈 **Vitamins and Supplements** are taken by half, with slightly more in the U.S.

Food Choices to Maintain Good Health

(Top 3 Box Rating out of 10)

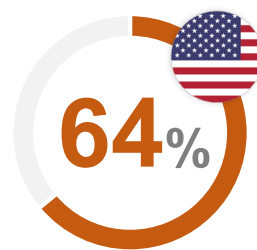
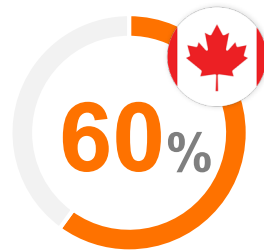
■ Canada ■ U.S.



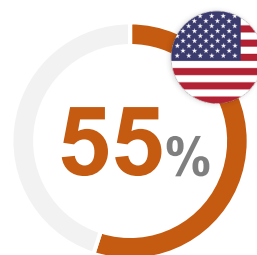
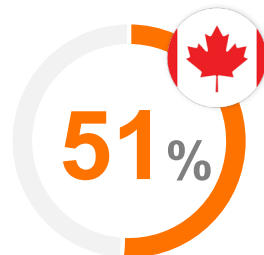
Beauty, Fashion and WELL

- 🌈 **Looking good is important** to half to support their sense of wellness.
- 🌈 **Wearing comfortable clothes and shoes** can add to good health, especially in the U.S.

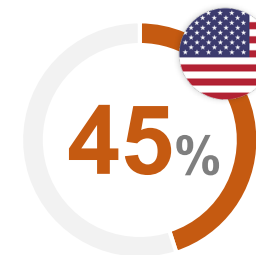
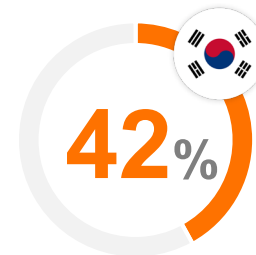
Wear Comfortable Clothing and Shoes



Looking Better Makes Feel Better



Use Apps to Help Manage Their Health

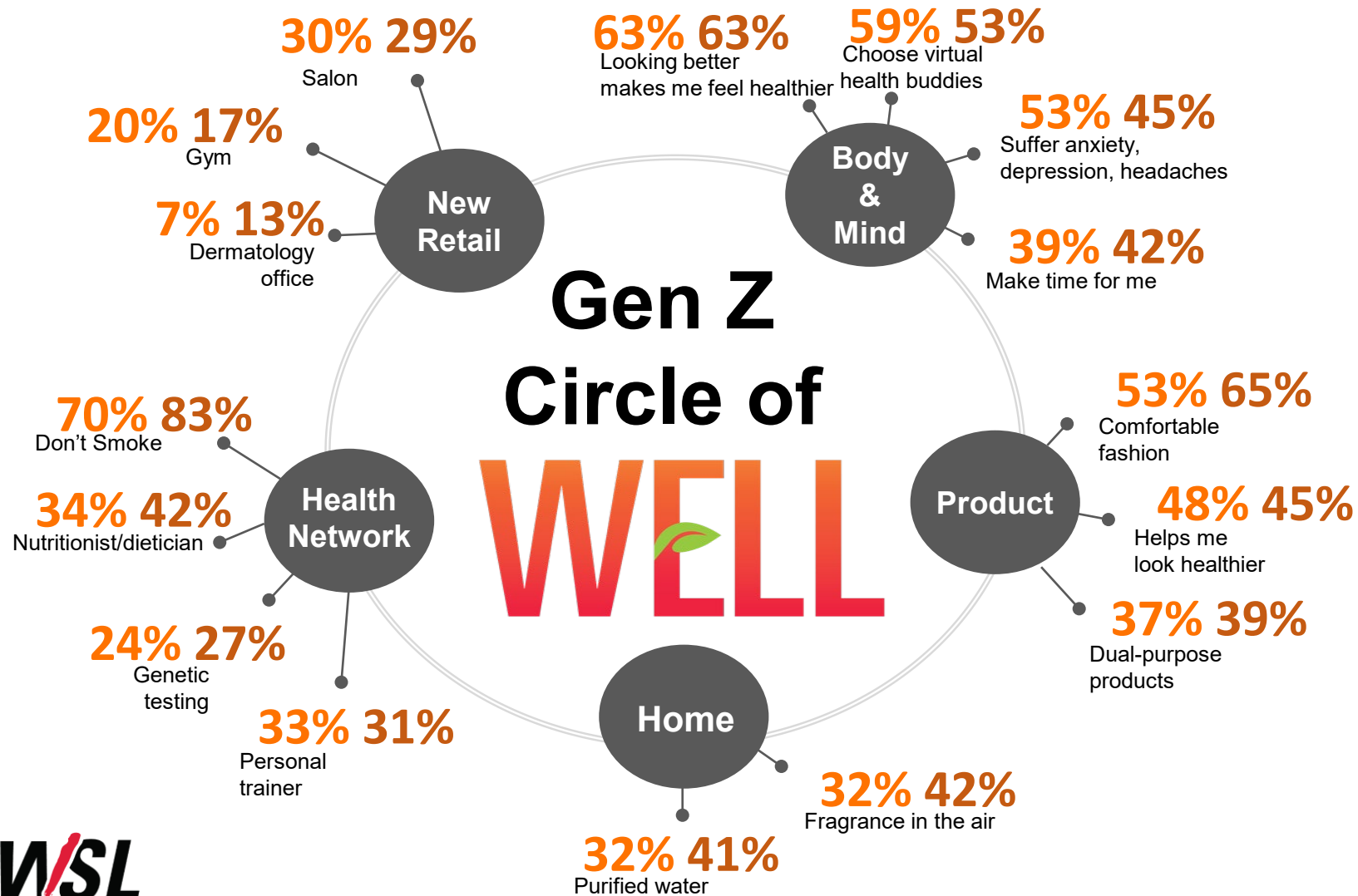


See the Future of WELL Through Gen Z



- 🌈 **Gen Z did not have to learn to live WELL** as older people did; they were born into a universe of fitness, bad food vs. good food, natural and organic, and the authority of social media as advertising.
- 🌈 Gen Z accepts alternative health services and self-diagnosis.
- 🌈 Gen Z does not always follow the rules to be WELL, but they know them.
- 🌈 They may become more mainstream with age, but their self-reliance will always shape their path to WELL.
- 🌈 **Gen Z's attitudes and choices will re-define The Big Business of WELL.**

Gen Z Circle of WELL



CANADA



U.S.

Methodology

How We Did This Study

- The Big Business of Well – Canada survey was conducted March 2 – March 13, 2020.
- It is compared to a similar study conducted in the U.S. in June 22 - 29, 2018.
- Samples were drawn nationally representative online samples in each country.

Respondent Qualifications

- Must be responsible for some or all of the household's shopping.

Localization

- The retailers included in this study have been localized for the Canada market. Some attributes statements were added or removed to fit the local market as well. These changes are marked at the bottom of the page throughout the report where localization was applied. The survey was translated into Canadian French for Quebec region.

How to Read This Study

- Ratings are on a 10-point scale where 1 is least and 10 is most. Top 3 boxes are reported.

Sample Specification

Gender	Canada Total: 1008 Women: 514 ; Men: 494
	U.S. Total: 1562 Women 793; Men 769
Age	16+
	Analyzed by Generations Gen Z Millennials Generation X Boomers Seniors
Household Income	Analyzed by Groupings
	Canada: <<\$50K \$50K - \$99K \$100K-\$149K \$150K+ U.S. <\$50K \$50K - \$99K \$100K-\$149K \$150K+
Region (Canada Only)	• West (Alberta, British Columbia, Manitoba, Saskatchewan) • Atlantic (New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island) • Ontario • Quebec

Demographics

- Canada and the U.S. have similar demographic profiles with slight differences:
 - Slightly more Gen Z and fewer Millennials vs. the U.S.
 - More Canadian reside in Urban and Urban Core areas, fewer reside in the suburb compared to Americans.
- In terms of regions, Canadians mostly reside in the West and Ontario (48%) followed by Quebec (23%) where nearly ¼ of the total population lives. Less than 10% reside in the Atlantic and the North regions.

		
	Canada	U.S.
	TOTAL	TOTAL
Base: Total	1,008	1,562
	A	B
	%	%
Male	49	49
Female	51	51
Avg. Age	47	47
Gen Z	12	7
Millennial	26	30 A
Gen X	28	26
Boomers	28	31
Seniors	5	7
<\$50K (CAD)	46	N/A
\$50K-\$99K (CAD)	34	N/A
\$100K-\$149K (CAD)	13	N/A
\$150K+ (CAD)	7	N/A
<\$50K	N/A	47
\$50K-\$99K	N/A	30
\$100K-\$149K	N/A	13
\$150K+	N/A	10
Rural	19	19
Suburban	28	47 A
Urban	42 B	28
Urban core	11 B	7
Employed (full/part time)	59	57
Not employed	8	9
Retired	21	19
Student	7	8
Homemaker	5	7
West	31%	N/A
Atlantic	7%	N/A
Ontario	37%	N/A
Quebec	23%	N/A
North	1%	N/A

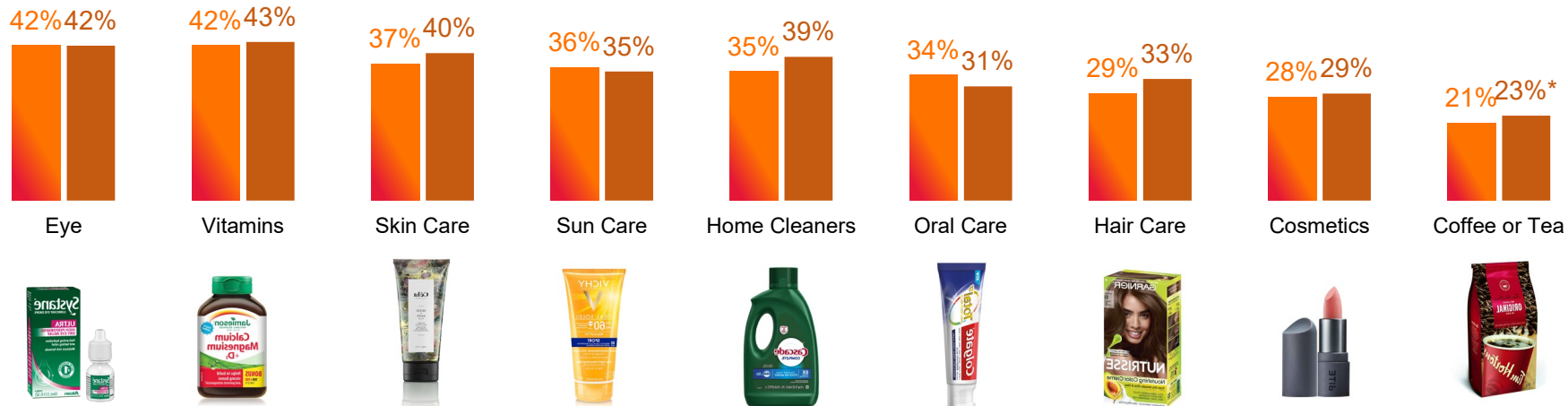
Big Business of WELL Opportunities

Be Part of the WELL Conversation

- 30% to 40% of Canadians and Americans want to know more about how product categories can help them stay healthy.
- ½ of people will pay more if they are better informed about the health benefits of Vitamins, Oral and Eye Care and Skin Care.

More Information on Health Benefits (Top 3 Box Rating out of 10)

■ Canada ■ U.S.



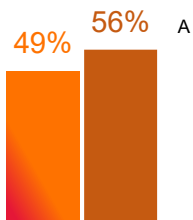
My Health

My Health

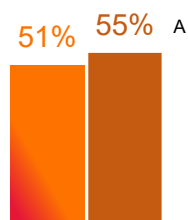
- 🌟 **Half in both countries value the link between looking good and feeling healthy**, but a few more Americans link mental wellness to physical wellbeing, and a few more Canadians accept that an occasional treat is healthy.

Mind & Body

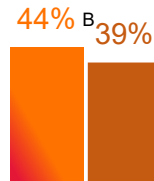
■ Canada (A) ■ U.S. (B)



Focus on mental wellbeing, affects my physical wellbeing



Looking better makes me feel healthier



I regularly treat myself with little things that might be unhealthy but makes me happy

DEMOGRAPHICS MATTER



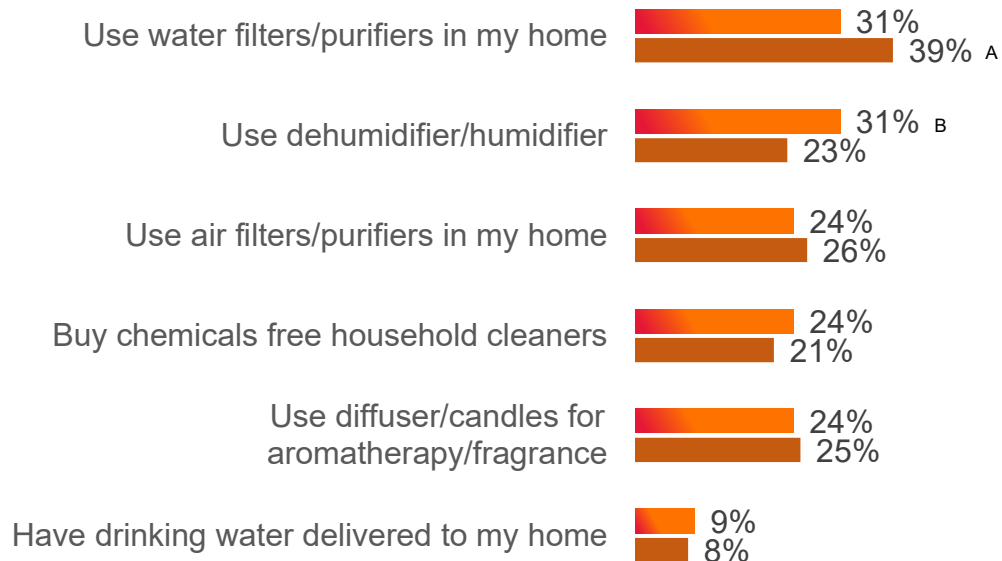
- More Women (55% vs. 43% Men) and Higher Income HHI \$150K+ (56% vs. 49% HHI <\$50K) agree that mental and physical wellbeing are related.
- More Women (61% vs. 41% Men) and Gen Z (63% vs. 53% Millennials, 47% Gen X, 49% Boomers) agree looking better makes them feel healthier. More Atlantic (62%) than other regions (41%-55%) agree with this.
- Gen Z (51% vs. 44% Millennials, 45% Gen X, 43% Boomers) and Higher Income HH \$150K+ (52% vs. 42% HHI <\$50K to HHI \$99K) are more likely than other to treat themselves. More Ontario (64%) do this than other regions (54%-58%).
- Looking good is slightly more important to a sense of good health for 2/3 of women (63% vs. 47% Men) and younger people (63% Gen Z vs. 47%-57% other generations).

My Health

- 🌈 **The environment in their home is equally important to about 1/4 in both countries, but more Americans filter their water and a few more Canadians control the humidity in their homes.**

Home Activities I Do to Maintain Good Health

■ Canada (A) ■ U.S. (B)



DEMOGRAPHICS MATTER



- More Gen Z have drinking water delivered than others (23% vs. 12% Millennials, 8% Gen X, 3% Boomers).
- More Women (30% vs. 17% Men) and Gen Z (32% vs. 28% Millennials, 23% Gen X, 18% Boomers) use aromatherapy in their homes.

Among regions:

- Ontario (27% vs. 21%-23% other regions) is more likely than other regions to use air filter/purifiers. Same goes for dehumidifier/humidifier as well (37% vs. 25%-32% other regions).

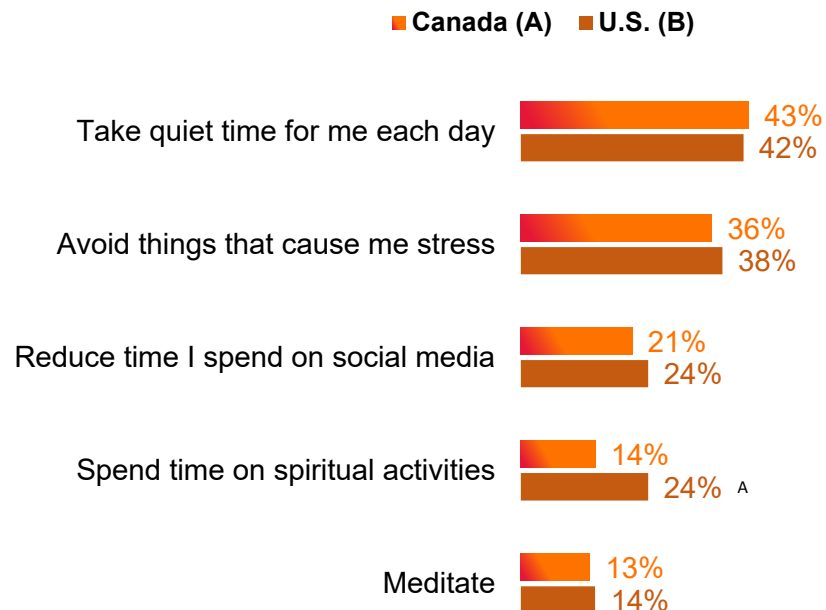
- More Higher Income HHI \$150K+ use water filters (52% vs. 32%-45% other HHI groups).
- More Women (32% vs. 17% Men) and Gen Z (42% vs. 19%-29% other generations) use diffusers.

Caring For Me

Caring For Me

- 2/5 agree that having quiet time each day is important to their good health, followed by reducing stressors.

Lifestyle Activities I Do to Maintain Good Health



DEMOGRAPHICS MATTER



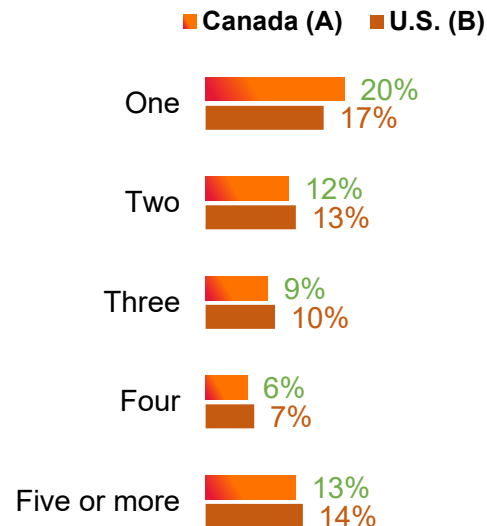
- More Women take quiet time each day than Men (53% vs. 33%)
- More Millennials than other generations reduce time on social media (28% vs. 17%-21%).
- No differences among regions.
- More Women (49% vs. 36% Men) take "me" time.
- Spiritual activities are important to more Boomers (27% vs. 19%-23% other generations).

Caring For Me

60% in both countries rely on medication to be well, but more Americans self-medicate with OTC products, especially for pain.

60% vs. 62%

Take Prescription Medications Today



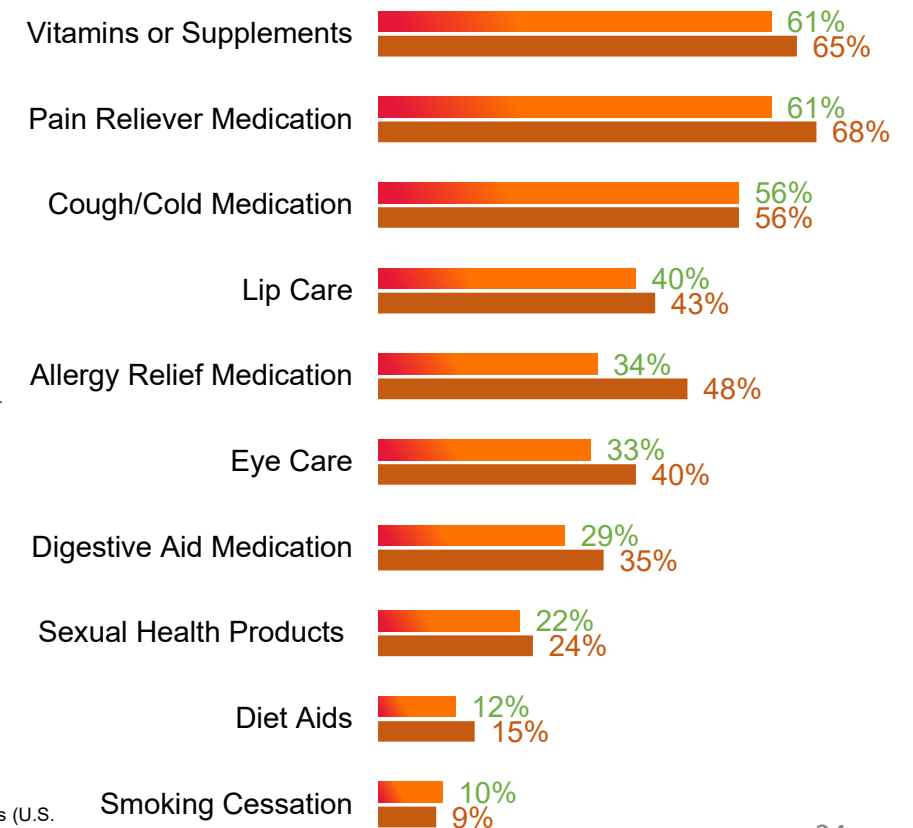
DEMOGRAPHICS MATTER



up to 61% vs. 68%

Buy OTC Medications in a Year

■ Canada (A) ■ U.S. (B)



Caring For Me

 **In spite of different healthcare systems, the level of trust across professionals is similar in both countries.**

DEMOGRAPHICS MATTER

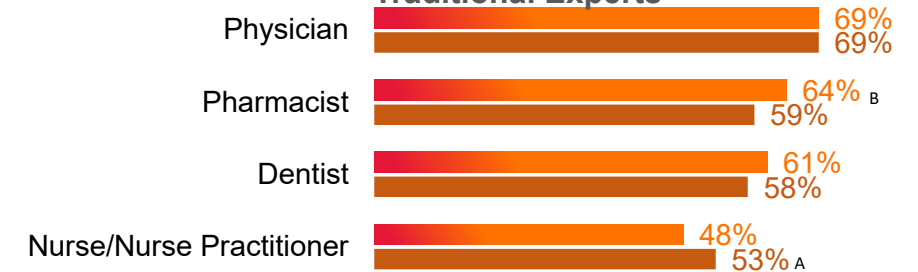


- More Gen Z trust Dentist (72% vs. 57%-64% other generations), Personal Trainer (33% vs. 9%-27% other generations), and family members (58% vs. 22%-45% other generations) compared to other generations.
- HHI \$150K+ are more likely than other HHI groups to trust Physician (81% vs. 62%-79%), Pharmacist (72% vs. 61%-66%), and Dentist (82% vs. 56%-67%).
- The Pharmacist has higher trust among Boomers (63% vs. 53%-57% other generations).
- Gen Z has more trust in the 'New Age' professionals vs. older people, such as a Nutritionist (42% vs. 22%-35% other generations) and Personal Trainer (31% vs. 11%-26% other generations).

Who People Trust for Health Advice

■ Canada (A) ■ U.S. (B)

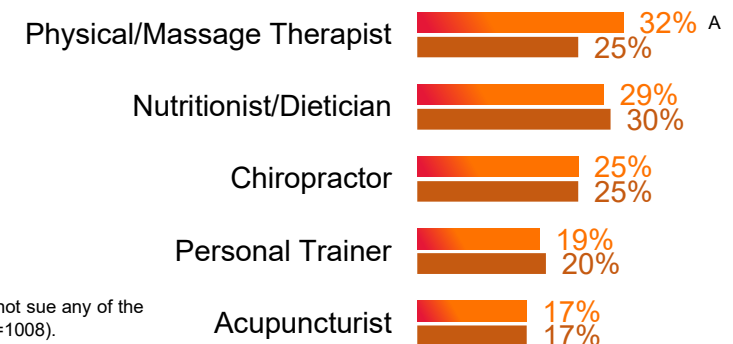
Traditional Experts



Family Members



New Age Experts

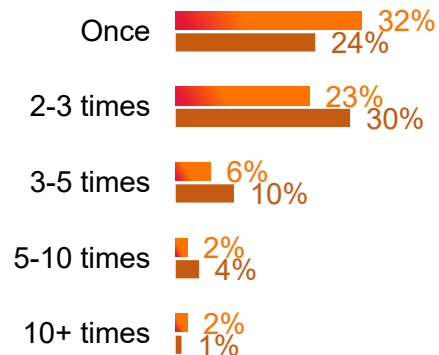


Caring For Me

2/5 of Canadians have used a hospital emergency room or walk-in clinic in the last year, in the U.S. the comparable services is urgent care and retail clinics which have been used by 1/4 or 1/3.

Number of Time Visit Past Year

■ Hospital Emergency Department ■ Walk-In Clinics



DEMOGRAPHICS MATTER



- More Atlantic region (53%) than other regions (33%-44%) use the hospital emergency department or walk-in clinic.



Used a hospital emergency department/walk-in clinic when feeling unwell



Walk-in Care Centers On Main Street are Moving Ahead of Clinics in Retail Stores.

35%

Have used an Urgent Care Clinic

27%

Have used a Retail Clinic

The Big Business of WELL

The Big Business of WELL

🌱 **Drinking water, eating healthy and cooking** are equally important in both countries as ways to stay well.

DEMOGRAPHICS MATTER



- More Boomers avoid foods with high cholesterol, saturated fat (44% vs. 17%-30% other generations).
- More Women (60%) cook meals than Men (41%). High Income HH \$150K+ also cook meals than other HHI groups (60% vs. 44%-57% other HHI groups).

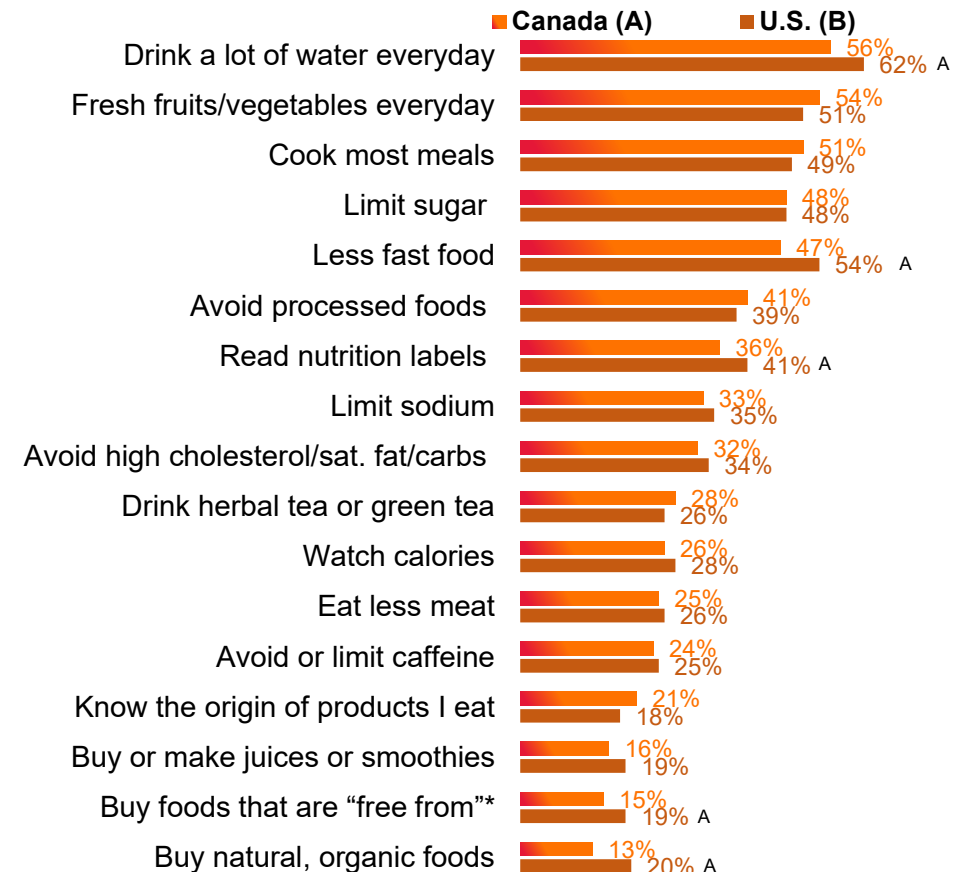
Among regions:

- Ontario (20%) is more likely than other regions (10%-13%) to buy "free from" food.
- More Atlantic (59%) than other regions (39%-49%) eat less fast food.



- More Boomers & Seniors eat fresh fruits and vegetables everyday (62% vs. 40%-46% other generations).
- Higher Income (HHI \$100K-\$149K) are more likely to buy organic foods (31% vs. 16%-22% other HHI groups).

Food & Beverage Activities I Do to Maintain Good Health

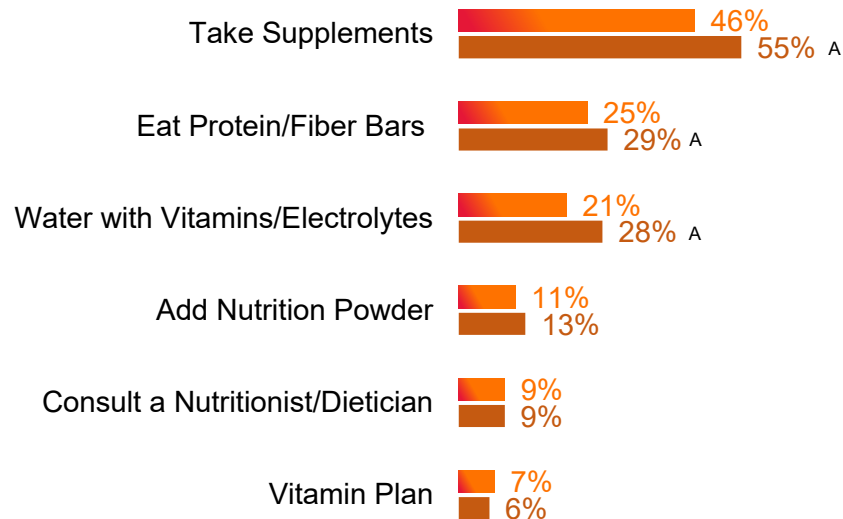


The Big Business of WELL

- Half in both countries take **Vitamins & Supplements**, and new food forms like protein bars and infused water are important to about 1/4.

Nutrition Activities I Do to Maintain Good Health

■ Canada (A) ■ U.S. (B)



DEMOGRAPHICS MATTER



- More Gen Z (37%) and Millennials (32%) eat protein or fiber bars than other generations (21% Gen X, 17% Boomers).
- Younger generations (44% Gen Z, 30% Millennials) also drink water infused with vitamins than older generations (16% Gen X, 9% Boomers).
- Traditional Vitamins and Supplements are most popular with Boomers (66% vs. 41%-52% other generations).
- Enriched Bars and Water are more important to those under 35. (39% Gen Z, 35% Millennial vs. 33% Gen X, 17% Boomers).

Among regions:

- More Quebec (11%) and Atlantic (12%) than West (6%) and Ontario (6%) subscribe to a vitamin plan.
- However, more West (50%) and Ontario (50%) than Atlantic (43%) and Quebec (32%) take daily supplements.

The Big Business of WELL

- There is agreement among 2/5 in both countries that it costs more to live a healthier life, but they feel it is worth it. The motives to live healthier are similar – to avoid medical bills and lost time at work.

40% vs. 42%

Costs more to live healthy, but it's worth it.

37% vs. 34%

I spend more on staying healthy.
Canada: So I don't have to go to the hospitals/clinics. **U.S:** To save money on medical bills.

25% vs. 26%

I spend more on staying healthy so I don't lose time at work.

DEMOGRAPHICS MATTER



- More HHI \$100K-\$149K than other HHI groups agree it costs more to live healthy but worth it (50% vs. 37%-44% other HHI groups).

Among regions:

- More Atlantic (51%) than other regions (37%-39%) agree it cost more to live healthy but it's worth it.
- Quebec (17%) is least likely than other regions (25%-30%) to agree that they spend more on staying healthy so they don't lose time at work.

- Higher Income HHI \$150K+ are more likely to agree that it costs more to live healthy but it's worth it (48% vs. 38%-46% other HHI groups) and staying healthy so they don't lose time at work (33% vs. 23%-30%).



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Q16: How strongly do you agree or disagree with each of the following statements? Base: Total Respondents (U.S. n=1562), (Canada n=1008)

Retailers & WELL

Retailers & WELL

Most buy wellness products in stores, with certain categories moving online, especially in the US for Food, Vitamins and Medications.

DEMOGRAPHICS MATTER



• More Millennials buy these categories online:

- Beauty (59% vs. 50% Gen Z, 37% Gen X, 15% Boomers).
- OTC (35% vs. 29% Gen Z, 18% Gen X, 10% Boomers).

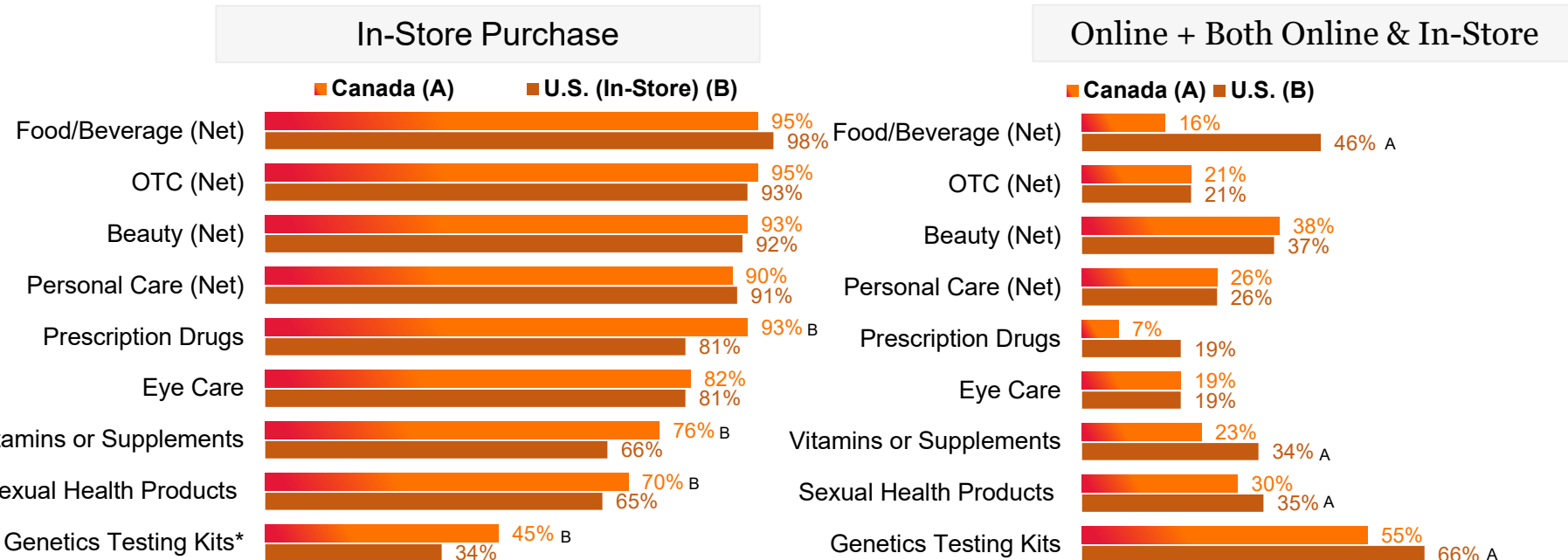
• Gen Z are more likely to buy vitamins online than others (38% vs. 31% Millennials, 24% Gen X, 14% Boomers).

• There's no difference among HHI.

• More Millennials buy the following online:

- Personal Care (35% vs. 19%-29% other generations).
- Eye Care (27% vs. 10%-24% other generations)
- Beauty (51% vs. 26%-43% other generations).

• Sensitive products like Sexual Health and Genetic Testing are more likely to be bought online by all in the U.S.



Retailers & WELL

- In Canada, Drugstore and Dollar store channels ranked number 1 channel shopped in the past 3 months
- While in the U.S. shoppers go to Mass Merchandisers followed by Supermarkets

Shopping Channel Bought Something from in the Past 3 Months

	 CANADA		 U.S.
Base: Total	1008	Base: Total	1562
Drugstore	63%	Mass Merchandiser	68%
Dollar store	63%	Supermarket	66%
Supermarket	62%	Drugstore	58%
Discount stores or supercenters	61%	Internet	56%
Specialty store for home improvement	47%	Dollar store	53%
Internet	47%	Specialty store for home improvement	52%
Deep discount grocery	42%	Convenience store	41%

Neighbourhood Pharmacies'
Big Business of WELL Research
Conducted by
WSL Strategic Retail

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