Industry in Focus

The Consumer Reconsidered
Consumer Healthcare

How to adapt to changing consumer behaviour

pwc

Introduction

How consumers buy over-the-counter (OTC) healthcare products and services is changing, but what influences their buying decisions and where are the opportunities for brands and retailers?

With traditional healthcare services still under pressure from demands caused by the pandemic and an ageing population, individuals are increasingly looking to take greater ownership of their own health.

These changes are creating untapped opportunities for brands, retailers and service providers that truly understand how consumer attitudes, behaviours and buying habits are evolving. But it's not as straightforward as you might think.

Our latest research reveals that buying behaviours for OTC healthcare products differ from other types of shopping. Consumers often start highly engaged, as you might expect with something as important as health, but can quickly settle into familiar brands and buying routines. While they usually stick to the same product or brand, they're open to impulsively switching in-store if their preferred choice isn't available. They read advice online, but often switch channels and buy in-store. They know which products they'll need in advance, but many regular users don't stock up.

These findings have important implications for brands, retailers and health providers. We look at the underlying factors that influence buying journeys, from the importance of trust and distrust, to the steps you can take to win over and retain consumers.

Understand unique buying behaviours

There's a widely held belief that the way consumers buy OTC healthcare products is predictable and habitual. While this holds true to some extent, there are significant opportunities for brands and retailers to disrupt the industry, and attract, convert and retain new customers.

On the surface, consumer healthcare purchases seem difficult to influence. The majority buy the same product most or all the time and many rarely seek advice, which can make it seem challenging for brands to influence decision-making. But it's not as predictable as you might expect, largely because people are paradoxical: they're habitual but impulsive.

Although many consumers regularly buy the same products, they don't all plan ahead. Nearly half (43%) only buy health products when they need them, rather than stocking up in advance. Even one in three of the most frequent buyers, who purchase products once a month or more, buy when their symptoms arise rather than stocking up in advance.

When we asked consumers if they tend to buy the same product, only 19% said they have unwavering loyalty and buy the same one every time. The vast majority of consumers (81%) are open to trying something else, even though 68% tend to buy the same product most of the time.

By understanding how these consumers think – as well as their existing routines when it comes to health products – it's possible to change their behaviour and influence their buying decisions. To understand your consumer better, see our personas and their buying journeys on the **PwC UK website**.

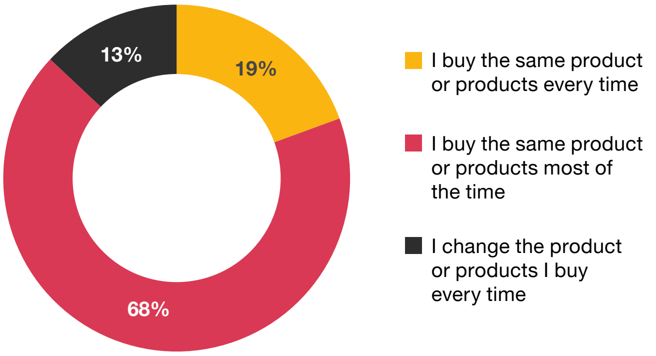
43%

of consumers only buy health products when they need them

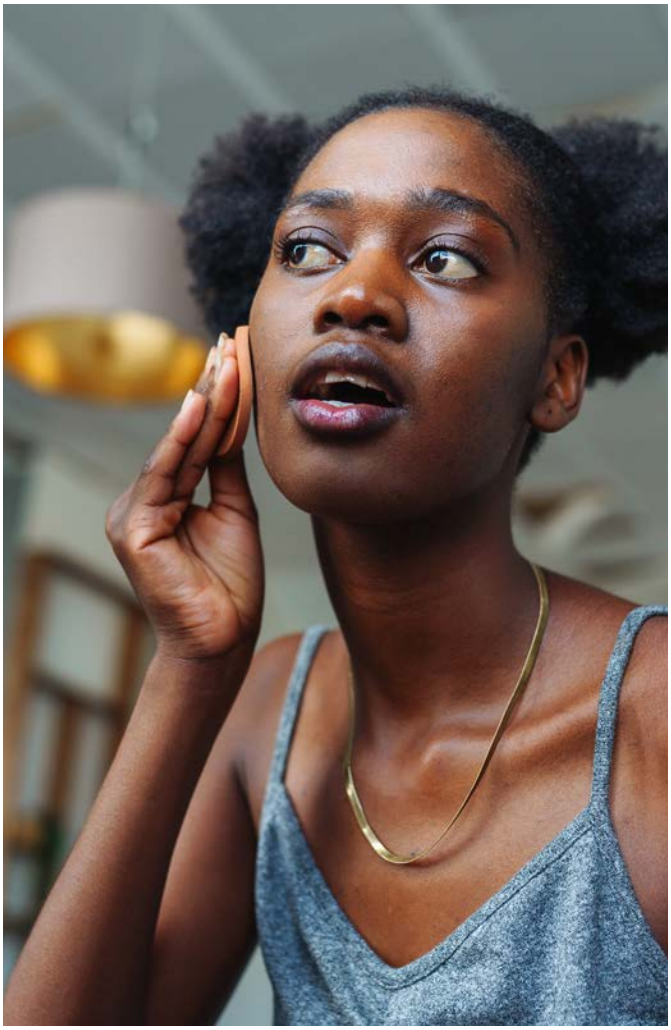
81%

of consumers are open to trying new products

The majority of consumers favour the same product*



*Amongst regular consumer health product buyers (with one of five conditions – see methodology).



Recognise how consumers shop to grab their attention

Broadly, there are three factors that affect how people buy consumer healthcare products and services: how long they've suffered from the condition, whether they seek advice, and whether they buy in advance.

As online channels have grown more sophisticated, they have transformed traditional buying behaviours, adding new sources of information, tools and layers of complexity.

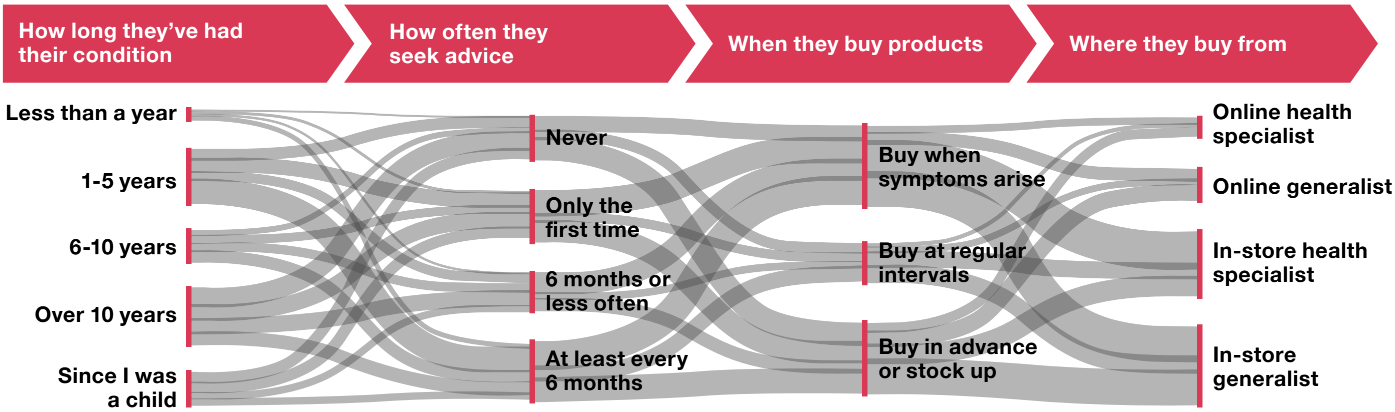
Consider a shopper who has lived with a medical condition for a while. As a result, they are unlikely to look for advice and may have deeply ingrained habits formed over a number of years of managing their condition. They will largely stick to the same brands most of the time, but may (surprisingly) buy on an 'as-needs' basis rather than stocking up in advance.

Here, product availability, in-store promotions and pricing will be influential in any buying decisions, particularly in non-specialist retailers which are often overlooked as channels.

Conversely, a younger consumer that's new to their condition may want to delve into advice and information before buying. They're more likely to look online, possibly on the NHS website or another trusted source, and less likely to speak to health professionals in-person. They may buy the products they need online at regular intervals or through a subscription model. Influencing this type of individual will require a brand to be part of the conversation online, providing the trusted, reliable, expert-backed advice they need.

> "Many of the discounter clients we work with place a lot of emphasis on consumer healthcare products. Not only because it's an important line for them, but it's clear that consumers also value the availability of these types of products in locations that are convenient for them."
>
> **Lisa Hooker**
> Leader of Industry for Consumer Markets, PwC UK

The reality of a consumer's buying journey*

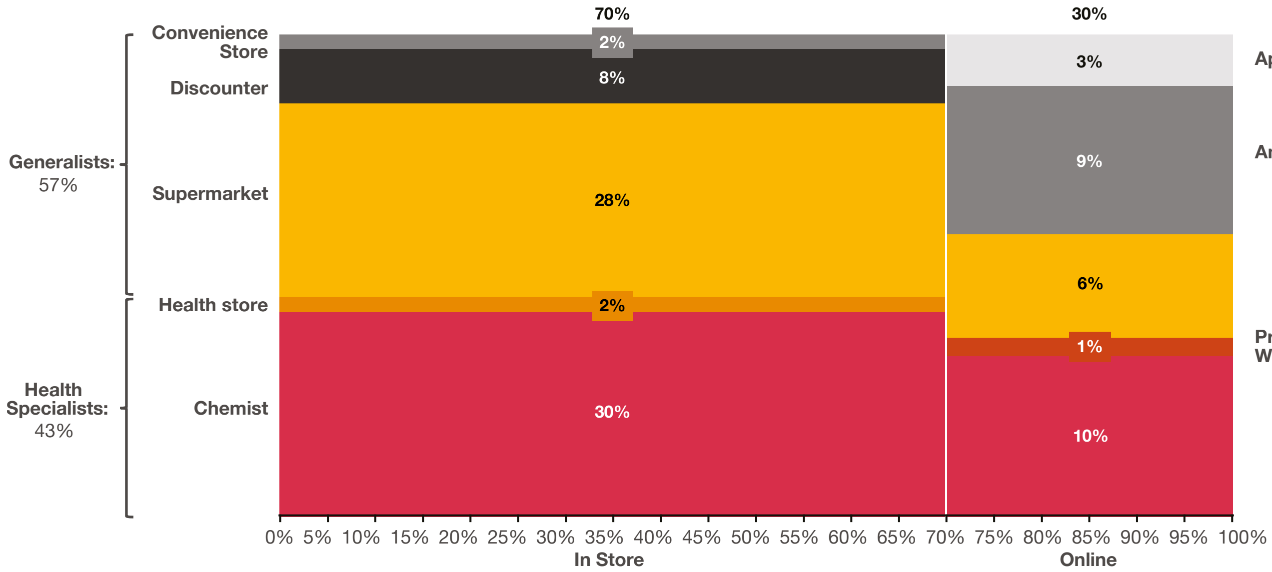


*Amongst regular consumer health product buyers (with one of five conditions – see methodology).

Use our interactive diagram to explore consumer buying decisions, and find example personas to bring those journeys to life on the [PwC UK website.](#)

Engaging in-store is essential

In-store dominates OTC consumer healthcare purchases*



*Where most recent purchase was made amongst regular consumer health product buyers.

With the majority of consumers buying healthcare products only when needed, the right location is critical. For brands, that means being in-store.

Compared to other non-grocery product categories, online penetration for health products and services is unusually low, with 70% of consumers buying in-store. But where consumers shop is more nuanced than you might think.

Buyers are no longer just looking at traditional chemists for these products. They use a wide range of retailers and the majority of purchases are made in generalists, rather than health specialists.

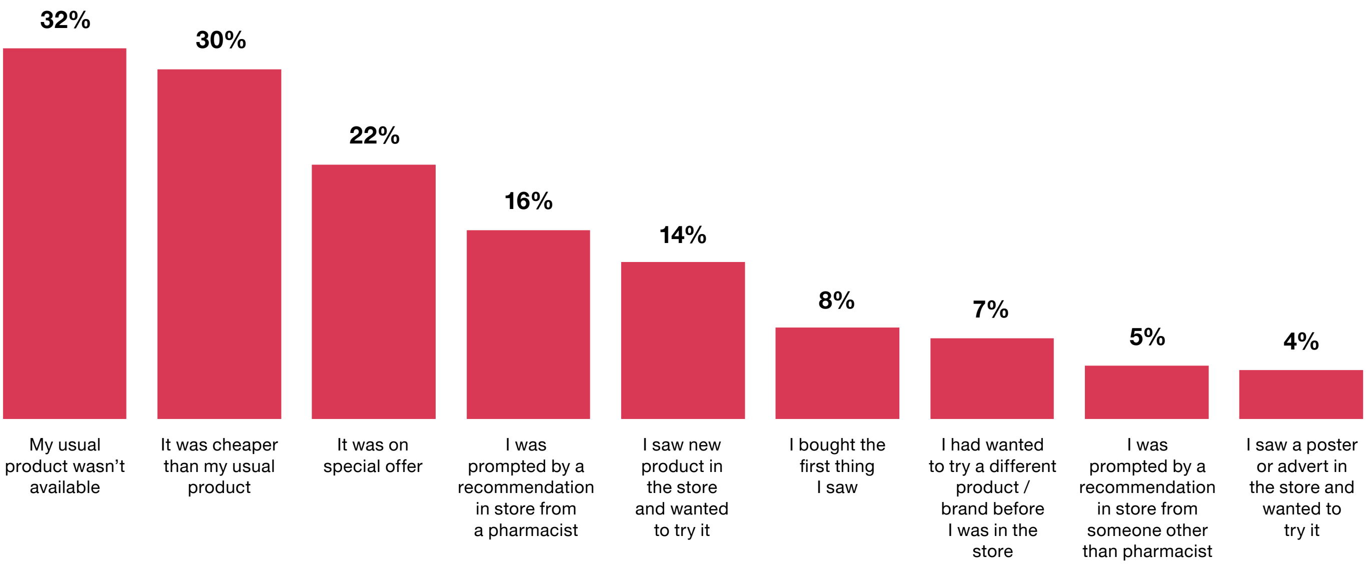
Supermarkets make up a significant proportion of transactions, but almost one in ten consumers recently bought from a discounter, reflecting the growth of discount supermarkets and general merchandise stores in the UK.

The trend towards generalist retailers also extends online, with nearly one in ten consumers having recently purchased on Amazon. Brands need to develop their relationships with supermarkets, discounters and online retailers to capitalise on potentially as-yet untapped opportunities.

The way products are presented and positioned in-store is also critical for brands to get right. Our research reveals that when consumers change the product they buy, around half of these decisions occur spontaneously in-store, rather than being driven by a prior recommendation. This jumps to nearly two-thirds for the hardest-to-reach consumers who never seek advice before purchasing.

These spontaneous decisions are mostly influenced by factors like what's available in-store, pricing or special deals.

Why consumers change over-the-counter healthcare products*



*Reason for buying a different product when the decision was made in store.

Be part of the conversation

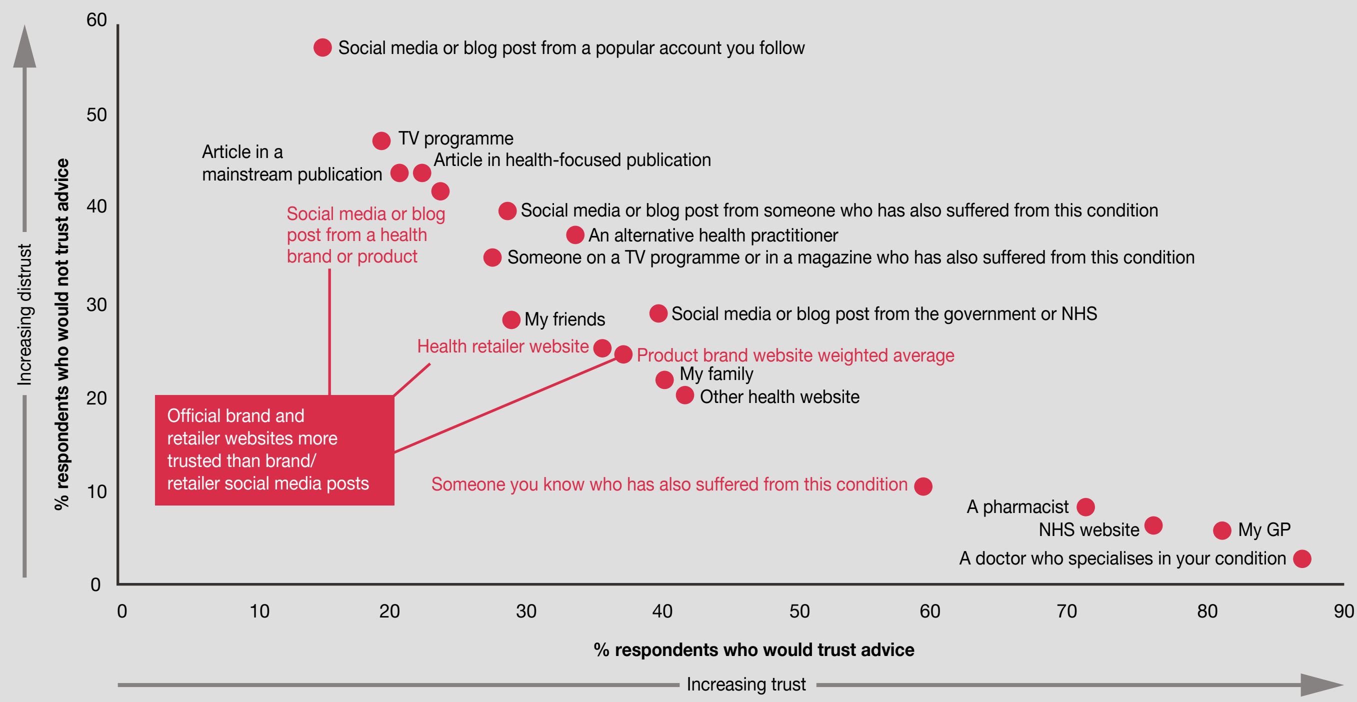
Brands have long understood the importance of gaining and retaining consumer trust, especially when it comes to health. Consumers have more access to health-related data and advice than ever before, and expect transparent, objective and honest information about everything from ingredients and suppliers to company values and ethics.

With the proliferation of online channels and social media, the line between objective advice and advertising blurs. As a result, it can be increasingly hard to tell a knowledgeable healthcare expert from an unqualified influencer.

Brands rightly focus on trust as critical to creating strong and lasting relationships, with consumers receptive to exploring new services and sources of information. However, we believe it's also useful to consider distrust, which is usually left unexplored.

To understand where people turn to for advice, we compared trust and distrust levels across key channels. It's no surprise to see that the most trusted are also the least distrusted. The NHS website, in particular, emerges as a highly trusted source of information with minimal distrust, suggesting that, when it comes to health, consumers want objective, expert advice based on high-quality research. But there are some interesting findings when you look at the chart in more detail.

Trust and distrust is increasingly complex when it comes to consumer healthcare



Explore the sometimes fragile relationship between trust and distrust in an interactive version of this chart on the **PwC UK website.**

Strengthening trust through the right channels

Whether it's from pharmacists, GPs or the NHS website, people of all ages are seeking health advice that is trusted, reliable, and expert-backed. This presents an opportunity for consumer healthcare brands. Those that can deliver trusted health advice can create strong and lasting relationships with consumers.

But when looking to build trust, distrust must also be a critical focus.

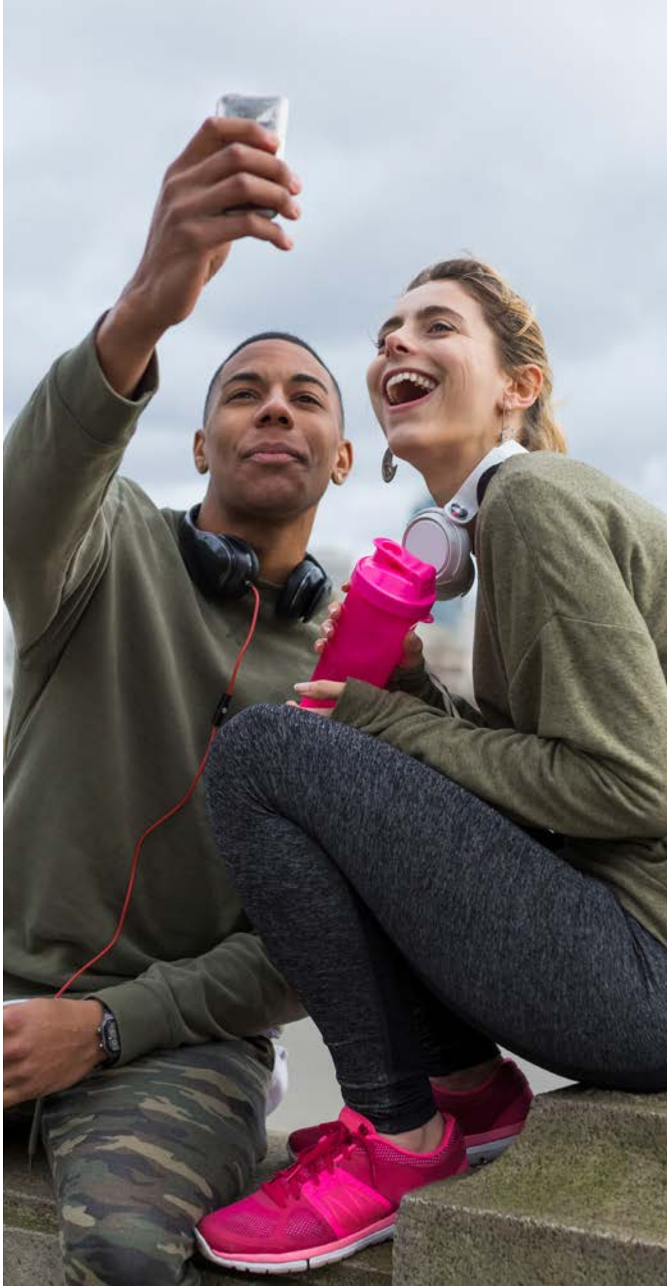
Broadly speaking, the higher the levels of distrust, the more potentially damaging that channel might be for your brand reputation. Any channel distrusted by more than 30% is likely to have a damaging impact on your relationship with consumers. Take alternative health practitioners, for example. While 35% might trust their advice or look to them for recommendations, an equally significant 36% are sceptical. This dynamic presents a challenge. Investing in the wrong channel could be brand damaging, and using a channel that is trusted by one group could inadvertently alienate another.

The importance of a strong online presence is well acknowledged, but how brands show up online can positively influence trust (and distrust) levels. Generally, consumers tell us they are more likely to trust websites over social media or blogs, with 55% actively distrusting advice from accounts they follow, putting brand and retailer websites almost on a par with advice from family.

While some brands continue to chase media opportunities they might be doing themselves a disservice. From TV programmes to magazine articles, these findings show mass media is broadly distrusted when it comes to health advice. There are still few alternatives to an accessible, objective and informative web page for those brands looking to build trust and dispel distrust.

> "Successful healthcare brands will need to understand not only what builds consumer trust, but also what damages it. As the cues of authority and trustworthiness evolve, brands should tailor the medium and message to different consumer segments."

Tamar Kasriel
Futurist, Futureal



Consumer's go-to sources of advice

NHS professionals predictably command the highest levels of trust, but GP's limited capacity means patients increasingly struggle to get appointments. More than half (52%) told us that they find it difficult to see their GP, with 59% unable to see their doctor at a convenient time during working hours.

In light of this, pharmacists will take on a larger role as the first port-of-call for health advice. Our research indicates that 42% of adults already turn to pharmacists if they are unwell, surpassing the 30% who consult their GP. But significant generational differences exist, with around half of those over 35 seeking advice from pharmacists compared to just a quarter of those under 35.

Conversely, younger individuals are more likely to turn to the NHS website (38%) or even their family (32%). This may indicate a growing trend where younger people prefer dealing with professionals online rather than face-to-face.

Winning over your consumers

The new consumer is empowered and informed. They only buy the same brand out of habit and will switch products based on availability, price, and promotion. They seek out expert, objective advice and they're discerning about the sources of information they trust. With this in mind, what steps can you take to engage and win over customers?

Be visible and front of mind

Brands that are front of mind – and available in-store – have a strong opportunity to attract consumers. Factors like availability, pricing, special offers and positioning in-store all influence the final buying decision.

Increasingly shoppers, especially those that stock up, are choosing health products in supermarkets, discount stores and other generalists. Making sure that you are in the right locations that your customers – and potential customers – shop is essential.

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Consumer healthcare brands have a real opportunity to encourage loyalty and switching in a store where most customers still make their purchases. Brands have to stand out from the competition with the right messaging, packaging and merchandising – using more creative ways to amplify the brand from exclusive products/bundling to pop-up displays and digital touch points."

Jacqueline Windsor
Retail Sector Leader, PwC UK

Capitalise on established trust

Unlike other non-discretionary categories, consumers don't always choose the cheapest health products and services. In particular, young people and more recently diagnosed sufferers are more likely to choose well-known brands over generic or own-label products. This inclination may reflect a wider willingness amongst Millennials and Gen Z to pay for quicker healthcare access.

Consumer healthcare brands should therefore invest in cultivating loyalty and they can do this by harnessing the credibility of trusted sources such as the NHS and other expert clinical sources. Consider creating content, information or guidance that's up-to-date, balanced, and based on officially published recommendations from professionals or researchers to give your brand more authority and demonstrate expertise.

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Brands need to mix the right tone of authority with all the tools of persuasion in store, to win savvy and informed customers."

Tamar Kasriel
Futurist, Futureal

Personalise experiences

Consumers are inundated with health-related content and a plethora of alternative products. To cut through the noise and resonate with consumers, you need to use data and insights to personalise messaging, offers, and interactions.

Crafting engagement strategies for specific consumer groups requires a targeted approach. Younger consumers are more likely to seek advice before buying, place trust in labels rather than generic brands, and tap into alternative sources of information. Conversely, older customers exhibit more habitual tendencies and are less inclined to seek advice.

Deriving the maximum value from the data you collect is a key challenge. One strategy is to employ a single customer view to build trust by offering more customer-centric experiences and services.

> "Choosing the right products to treat a health condition is a highly personal decision, and brands will cultivate trust if they address consumers in a transparent and meaningful way. Using a single customer view isn't just about consolidating data, it's about building trust by demonstrating that a person's unique preferences are understood and their needs are anticipated."

Megan Higgins
Partner, Customer and Retail Analytics, PwC UK

> "We know that people want more personalised products, services and experiences across the board, and consumer healthcare is no exception. We're working with brands to harness data to understand and anticipate customer needs – it's about reaching them where they are, speaking to their unique preferences, and delivering value."

Tom Adams
Partner, UK Experience Consulting and Marketing Transformation Leader, PwC UK

Methodology

The Consumer Reconsidered: Consumer Health report is based on a two stage research process consisting of both qualitative and quantitative consumer research.

To understand buying journeys for consumer health products and sources of information and advice, we conducted four in-depth focus groups of regular consumer health product buyers consisting of: Younger women with dermatological conditions; younger men with allergies; older women with musculoskeletal pain; and older men with musculoskeletal pain. The focus groups were held in April 2023.

The findings from the focus groups informed the design and questionnaire of an online survey conducted in May 2023. This survey was based on 2,516 responses from a nationally representative sample of adults across England, Scotland, Wales and Northern Ireland, and covered general attitudes to health, sources of health information, and consumer health product buying preferences.

Further questions were then posed to 1,248 of those respondents who regularly purchase products for one of the following conditions: Eczema, psoriasis, or similar dermatological conditions; acne, or acne-like conditions; hay fever, or other allergic rhinitis (e.g. allergy to pets or dust mites); musculoskeletal pain (e.g. back pain or arthritis); and indigestion, irritable bowel syndrome or other digestive conditions. These covered sources of information and advice and buying journeys for consumer health products specific to their condition.

What are over-the-counter consumer health products?

Over-the-counter (OTC) consumer health products are medicines you can buy without a prescription from a healthcare professional. They are typically taken to treat minor health problems such as pain relief, allergies, and skin conditions.

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