Understanding Retail Clinic Patients
Executive Summary

In the last decade, the number of U.S. retail clinics — medical clinics located in other businesses, such as grocery stores or pharmacies — has grown significantly. By 2017, the number of retail clinics grew almost 5x since 2006, and total sales by retail clinics grew 3x between 2010 and 2016. The U.S. retail clinics market is expected to reach $7.3 billion by 2025.

Civis conducted two nationwide surveys of U.S. adults ages 18 and up to better understand who retail clinic patients are, assess their motivations for seeking out medical care from retail clinics as opposed to traditional primary care providers, and identify any changes in spending behavior in the retail portion of these stores as a result of their clinic experience.

Key Findings

- **Retail clinics are an additional channel, rather than a complete substitute, for primary care.** Although retail clinics are popular, they are not yet replacing traditional primary care providers. Most respondents visited retail clinics for vaccines, minor illnesses and injuries. The majority did not visit retail clinics for conditions that require ongoing monitoring and evaluation. Additionally, most patients reported that they also went to a primary care doctor.

- **People who have used retail clinics tend to be younger, male, wealthier and report that they’re healthy.** A detailed breakdown of retail clinic users vs. non-users can be found in Figure 3.

- **Even with insurance, patients are cost-conscious — price and convenience were the main reasons cited for preferring retail clinics over primary care providers.** According to our survey, retail clinics deliver on their promises of shorter wait times: 2 out of 3 patients were either seen immediately or waited for less than 15 minutes. Although retail clinic users reported that cost was a major factor in their decision, people with health insurance were equally likely to use them.

- **Many patients (68%) who utilized these clinics made a purchase in the store during the same trip, and stated that they had later made a subsequent visit to that store to purchase items (58%).** For retailers, these clinics could be a strategy for encouraging consumers to patronize the retail portion of the store and improve customer loyalty. For many patients, their initial visit to the retail clinic was their first experience setting foot in the store.
Background

A retail clinic is a medical clinic located inside another business such as a grocery store or pharmacy. Retail clinic patients are mainly treated on a walk-in basis for low-acuity conditions. Examples of retail clinics include Health Clinic at Walgreens (or Advocate Clinic at Walgreens, as they are referred to in the Chicago area), CVS MinuteClinic, and Walmart Care Clinic. Retail clinics are typically staffed by nurse practitioners or physician assistants. While patients who require advanced imaging or more complex medical care have to be referred to a traditional medical provider, retail clinics offer a wide breadth of point-of-care testing, lab tests and vaccines. Patients can also receive prescriptions for medications at a retail clinic that can be conveniently dispensed on-site during the same trip. Due to their extended opening hours and flexible scheduling options, retail clinics are an attractive option for customers who find it difficult to take time off from work or can’t get an appointment with an office-based primary care provider (PCP).

The popularity of retail clinics has risen quickly over the past years, leading some to speculate that they may encroach on the practices and customer base of PCPs, especially if services are eventually expanded beyond treatment of minor acute illnesses. According to a report by Kalorama Research, there are also concerns that the growth of retail clinics could impact the jobs of internists or family practice physicians due to patient traffic shifting to retail clinics.

To gain a deeper understanding of the retail clinic industry, Civis Analytics conducted two nationwide surveys. These surveys gather information on the experiences of consumers who have used retail clinics and whether retail clinics serve as an alternative to primary care for some patients. The first survey, with 1,482 respondents, focused on understanding the popularity of retail clinics through analyzing the profiles of people who use them, and overall experience and customer satisfaction. A second follow-up survey, with 3,435 respondents, asked more detailed questions about retail clinic users’ interactions after their visits.

Who uses retail clinics

Retail clinics are a popular option among those who need medical care: 18% of the population has sought medical care at a retail health clinic in the last 12 months.

![In the past 12 months, have you sought medical care at a retail clinic?](image)

Figure 1. Nearly one-fifth of respondents decided to visit a retail clinic over the last year

CVS and Walgreens were the most frequented retail clinics, which correlates with their market share and physical presence across the United States.

![Which retail clinic did you visit most recently?](image)

Figure 2. CVS and Walgreens were the most common retail clinics visited
UNDERSTANDING RETAIL CLINIC PATIENTS

Figure 3 compares respondents who used a retail clinic with those who have not, with regards to gender, age group, self-reported health status, household income and health insurance status. We found that retail clinic users are more likely to be male (49.1% vs. 43.2%), younger (59.2% vs. 46.1% were under 50 years of age), reported that they were in very good or excellent health (54.4% vs. 45.1%), and held incomes that skewed slightly higher compared to individuals who did not seek out care at a retail clinic.

The appeal of retail clinics

When retail clinic patients were asked why they chose a retail clinic over a traditional PCP, many cited difficulties making appointments with their PCP (25.2%) and the appeal of lower prices (15.7%). For almost 17% of respondents, the reason was that they didn’t have a PCP at all.

Vaccinations (30.9%) and care for minor illnesses or injuries (40%) were the most common services sought. Wellness visits or physical exams (5.7% of respondents), as well as chronic condition care (4.3%), were less common reasons for visiting retail clinics. These responses suggest that patients are not turning to retail clinic visits in large numbers for services that are considered mainstays of traditional primary care providers. Instead, retail clinic interactions are primarily "one-and-done" visits without subsequent

Figure 4. Reasons for choosing to go to a retail clinic over a traditional PCP for care

Figure 5. Type of services sought at their retail clinic
follow-up. For more continuous care, patients may still favor the consistency of their PCP or opt out of ongoing treatment.

There are several possible reasons for this. For one, retail clinic companies like Walgreens and CVS often focus marketing and advertising on quick services like vaccinations. Also, retail clinic providers may not have as much access to a patient's medical record as a PCP would (although this is changing as retailers make more healthcare IT investments and create more partnerships with hospitals and physician practices\(^4\)), which can make it difficult to ensure continuity of care.

The patient experience

According to our survey, retail clinics delivered on their promises of convenience. Sixteen percent of clinic visitors were seen immediately, while 46.5% had to wait less than 15 minutes. Over 80% of visitors were seen within 30 minutes.

Retail clinic users reported being very satisfied with their experience. The majority of patients rated their experience as good, very good or excellent (90.3%), and said they would go back to a retail clinic in the future (81.7%).

From patient to customer

While most retail clinic visitors were already regular customers of the store the clinic was located in (61%), many had been irregular customers (28.6%) or had never been to that store before (10.3%). Most of these first-time visitors heard of that particular location from simply walking by (23.5%). Other first-time visitors reported that they had followed a recommendation from friends, family, or colleagues (17.6%), or that they had heard of the clinic through an advertisement (11.8%). Only 8.8% received a recommendation from their healthcare provider and only 7.4% of respondents reported that they found it through an online search.
A large majority (68%) of retail clinic patients were also customers of the store, stating that they had purchased something from the store during the same visit.

More than half (56.3%) of all retail clinic users stated that they visited that particular store more frequently following their visit:

We found that this response was especially common among younger (ages 18-34) male customers. Taken together, Figures 8-10 suggest that not only are retail clinics a potential strategy for drawing new customers to a particular location, but they could also be a powerful way to generate business for the retail portion of the store and increase customer loyalty. Integrating data from both of these sides of the business — the clinic and the store — may become a powerful tool for marketers looking to build new audiences or segments based on this comprehensive view of the customer.

**Conclusions for retail clinic companies, traditional PCPs, and patients**

- Retail clinics hold a lot of promise, offering customers services and options they want and are not getting from their PCP. Many customers are attracted to retail clinics for walk-in care, easy treatment for minor problems and, in many cases, a lower out-of-pocket cost than they would pay at their PCP.

- At a time where brick-and-mortar retailers are struggling to compete with online merchants, retail clinics may be a good way for drugstore chains to generate additional foot traffic. Convenience is something that people value, not only as customers but as patients. Retail clinics could be a good way to meet people where they are and cause less disruption to their daily lives than trips to the doctor would.

- If retail clinics want to continue their success and expand their market share, they should think about how to increase interoperability through greater investment in integrated healthcare IT solutions. This expansion can be either through established partnerships with health systems (such as Advocate and Walgreens) or mergers/acquisitions (such as CVS and Aetna).

- If traditional providers wish to remain competitive, they’ll have to think about ways to
Leveraging data across different sources to create a rich understanding of the patient is better for everyone involved. It can help reveal areas of hidden risk, or areas of potential opportunity, and *enhance the entire patient experience, which is currently disjointed.*

- As medical care is increasingly delivered through non-traditional avenues like retail clinics, the winners are those who can bring together data from disparate sources, create customer-centric views and predictive models using those enhanced datasets and integrate those solutions so they can be used by the right decision-makers at the right time.

**Sources**

1. “Retail Clinics 2017: The Game-Changer in Healthcare,” Kalorama Information, April 2017 ([link](#))
2. “U.S. Retail Clinics Market Worth $7.3 Billion By 2025 | CAGR: 20.3%,” Grand View Research, September 2017 ([link](#))
4. “Epic Systems EHR Brings Care Coordination to Walgreens Retail Clinics,” Jennifer Bresnick, Health IT Analytics, May 2017 ([link](#))
Authors

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