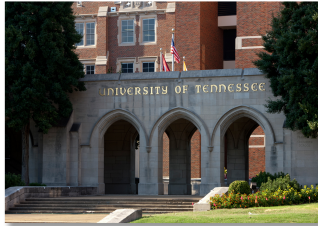


**Willingness-to-Pay:**  
 Preliminary Results on Consumer  
 Perceptions of POCT in Community  
 Pharmacy



Kenneth C. Hohmeier, PharmD

## Speaker

- Assistant Professor, Department of Clinical Pharmacy
- Director of Community Pharmacy Affairs
  - Grant-funded research in CP
  - Oversight of post-graduate CP residency program
- Over 15 years in the Community Pharmacy Industry

## HOW WE GOT HERE...

Prior research identified gaps in knowledge about community pharmacy market segment

1. Market demographics
2. Willingness-to-pay

- Identified via ***semi-structured key informant interviews*** of POCT Industry Leadership

Hohmeier KC, et al. Co-creation of market expansion in point-of-care testing: Industry leadership perspectives on the community pharmacy segment. *Res in Soc Admin Pharm* (submitted).

## Aim of Present Research

- *Follow-up on this prior qualitative research*

*Research made possible by a grant from the Community Pharmacy Foundation*



Hohmeier KC, et al. Co-creation of market expansion in point-of-care testing: Industry leadership perspectives on the community pharmacy segment. *Res in Soc Admin Pharm* (submitted).

## Research Foundations

1. *POCT Industry Key Informant Opinions<sup>1</sup>:*
  - *Study participant #6:*
    - “[It would] help your industry to **identify payers outside of third-party insurance companies who would pay for these services.**”
2. *Prior Models of Convenient Care<sup>2</sup>*
  - *Convenient care clinics entered market as self-pay*

<sup>1</sup>Hohmeier KC, et al. Co-creation of market expansion in point-of-care testing: Industry leadership perspectives on the community pharmacy segment. *Res in Soc Admin Pharm* (submitted).

<sup>2</sup>Riff, Joshua, et al. *Convenient Care Clinics: The Essential Guide to Retail Clinics for Clinicians, Managers, and Educators.*

**Today:** review selected results specific to community pharmacy market segment

Large, self-explicated conjoint analysis performed to better understand:

- 1) Niche market demographics
- 2) Willingness-to-pay

## Approach

- *Conjoint analysis was chosen*
  - *Established scientific consumer research method*
  - *Combines real-life scenarios with proven statistical techniques*
- *Research team*
  - *Community pharmacy researcher*
  - *Pharmacoeconomist*
  - *Statistician*

## Conjoint Analysis



### ELEMENTS:

- **Different weights** consumers place on the features of a given product
- **Survey based** questions designed to uncover preferences




## Conjoint Analysis



- Statistics are then used to work out the contribution that each feature will make to the overall adoption decision.

## Methodology

- Methodological approach
  - *Panel (convenience sample from Qualtrics)*
  - *Statistical analysis using SPSS 23*

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## Conjoint Methods

Survey Flow

Features & levels

presented; choose most and least preferred

→


Remaining **levels** of each **feature** are then rated

→

Finally, **features** are ranked against **each other**


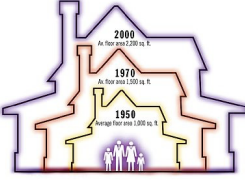

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The attribute level desirability scores are then weighted by importance

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## An Example


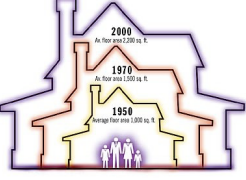

- A consumer decides to buy a house
- A few distinct features involved include:






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## Which Concessions Are Made?

Feature	Level
Price	\$100,000, \$200,000, \$300,000, \$400,000
Size	2,500 3,000 3,500 4,000 sq. feet
Bedrooms	2, 3, 4, 5


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There is no perfect product – so **consumers make concessions**

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## Conjoint Analysis for POCT


Feature	Level
Setting	Hospital, pharmacy, physician office
Location	Close to home, work, or physician
Professional recommending test	Physician, nurse, pharmacist



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## Methodology

- There are **some limitations** to self-explicated conjoint analysis, including an inability to tradeoff price with other attribute bundles.
- In this situation, the **respondent always prefers the lowest price**, and other conjoint analysis models are more appropriate.
  - For this reason, *we separated the price feature* from the rest of the conjoint model

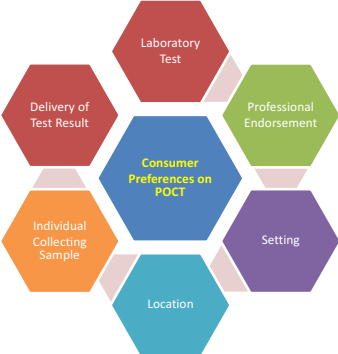
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## Methodology


- *Hybrid conjoint*
  - *Design consumer's ideal test using principles of conjoint analysis*
  - *Then used direct survey method to elicit W2P data*

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## Features




Each feature having multiple levels



## Results

**Note:** Results presented here represent a select group of data from a larger project examining consumer perception of POCT




## Results

*Demographics of panel (n = 188):*

- **Gender:** Male 44% (n=82); Female 56% (n=106)
- **Ethnicity:**


Answer	Response	%
Caucasian	123	65%
African-American	26	14%
Asian-American	11	6%
Hispanic	25	13%
Other	3	2%
<b>Total</b>	<b>188</b>	<b>100%</b>



## Results

**Ideal POCT Service:**

- Close to home, recommended and drawn by their physician at their office, with results are handed right to the patient



## Results

RAW DATA-Ideal Test Weighted Means

Recommended by physician	1.47
Close to home	1.29
At the medical office	1.09
Drawn by physician	1.05
Results handed to the patient	1.04

Not specific to a hospital or medical office

Range: 0.36-1.7

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Deeper analysis of the results

## EXPLORING THE NICHE POCT PHARMACY CONSUMER MARKET

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## Community Pharmacy Segment Results

- Age (Pharmacy vs. Entire Sample)**

Community Pharmacy Niche\*

Age Categories

N = 28

Entire Sample

Age Categories

N = 188

\*Defined by those choosing "10" for "Retail Pharmacy - Location of Lab Test"

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## Community Pharmacy Segment Results

- Willingness to Pay (Pharmacy vs. Entire Sample)**

Community Pharmacy Niche\*

Willingness to Pay

Equal

N = 28

Entire Sample

Willingness to Pay

Left skew

N = 188

\*Defined by those choosing "10" for "Retail Pharmacy - Location of Lab Test"


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## Community Pharmacy Segment Results


- Preferred CP Segment Tests:**

1	A1c	1.30
2	Liver Enzymes	1.26
3	Glucose	1.22
4	Influenza	1.19
5	Streptococcus pharyngitis	1.16
6	Vitamin D	1.15

Range: 0.54-1.53



Advice from internet sources?




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## Community Pharmacy Segment Results

- Other features preferred by CP Segment:

Results sent directly to Physician	1.53
Physician recommended	1.23
Close to home	1.11



Range: 0.54-1.53

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## Conclusion

- Characteristics of CP are preferred by niche segment of consumers
  - This niche has different preferences for POCT features than the rest of the population
- More research needs to be undertaken to understand this market niche

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