

## Substantial Increase in Public Preference for Generic over Brand Name Drugs

*Pharmacies lose sales to discount stores, online and mail order drug vendors*

**ROCHESTER, N.Y. – January 26, 2009** – *The Harris Poll*® finds a substantial change in the pharmaceutical drugs people buy, and how and where they buy them. In a period of just over two years, between October 2006 and December 2008, the proportion of adults who would choose generic drugs in preference to brand name prescription drugs has increased from 68% to 81%. And the number who would more often choose branded drugs has almost halved, down from 32% to only 19%.

In addition, consumers have been shopping more often for their drugs in discount stores like Wal-Mart, Target or Sam's Club (up from 13% to 17%), or shopping online or by mail order (up from 11% to 15%). Those shopping at chain drug stores like Walgreens, CVS or Eckerd are down from 39% to 33% and those using local independent pharmacies have decreased from 12% to 8%.

These are some of the results of *The Harris Poll*, a new nationwide survey of 2,388 U.S. adults surveyed online between December 9 and 15, 2008 by Harris Interactive.

These trends have probably accelerated because of the economic crisis as consumers try harder to save money. However, the trend was almost certainly happening anyway. The headline for our [2006 report](#) was “*low priced generics likely to attract large share of prescription drug sales,*” and they have. In line with the other findings, the amount of money people say they are willing to pay out-of-pocket for a 30-day supply of generic prescription drugs has declined since 2006. Two years ago, 56% of adults said they were willing to spend more than \$10; now only 48% say they would do so.

### So What?

While we predicted the increased use of low-cost generics, the size of this trend is striking. It is good news for those seeking to contain health care costs, including the government's Part D Medicare drug benefit program. It is not good news for pharmaceutical firms trying to generate the profits to fund their drug research, or for their shareholders.

**TABLE 1**

**WHERE PEOPLE BUY PRESCRIPTION DRUGS NOW**

“Where do you go *most often* to buy prescription drugs for yourself or a family member? Please select one answer only.”

Base: All Adults

	<b>October 2006</b>	<b>December 2008</b>
	%	%
Purchase Prescription Drugs (NET)	93	92
A chain drug store like Walgreens, CVS or Eckerd	39	33
The pharmacy at a discount store like Wal-Mart, Target or Sam’s Club	13	17
A local independent pharmacy	12	8
Online or by mail order	11	15
The pharmacy at a supermarket like Safeway, Shop Rite or Kroger	10	12
The pharmacy at a hospital or medical center	5	5
Somewhere else	3	3
Never purchase prescription drugs	7	8

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 2**

**PREFERENCE FOR GENERIC OR BRAND NAME DRUGS**

“If you had a choice between getting a brand name prescription drug or a generic drug, how often would you choose one over the other?”

Base: Those Who Purchase Prescription Drugs

	<b>October 2006</b>	<b>December 2008</b>
	%	%
Would Choose Generic More Often (NET)	68	81
I would always choose to buy generic drugs over brand name	23	40
I would much more often choose to buy generic drugs than brand name	28	28
I would somewhat more often choose to buy generic drugs than brand name	17	12
Would Choose Brand Name More Often (NET)	32	19
I would somewhat more often choose to buy brand name drugs than generic	14	10
I would much more often choose to buy brand name drugs than generic	10	5
I would always choose to buy brand name prescription drugs over generic	9	4

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 3**

**HIGHLY ACCEPTABLE PRICE FOR 30 DAY SUPPLY OF GENERIC DRUGS**

“What is the most you would be willing to pay out-of-pocket for a 30-day supply of generic prescription drugs?”

Base: Those Who Purchase Prescription Drugs Who Would Choose To Purchase A Generic Drug

	<b>October 2006</b>	<b>December 2008</b>
	%	%
Nothing	5	4
\$10.00 or less	40	49
\$10.01 - \$25.00	36	33
\$25.01 - \$50.00	15	11
More than \$50.00	5	4

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 4**

**LIKELIHOOD OF FILLING PRESCRIPTIONS WITH INEXPENSIVE GENERIC DRUGS FROM WAL-MART, TARGET, KMART, ETC.**

“Wal-Mart, Target and Kmart announced that they will begin selling *some* generic prescription drugs at discounted prices in some parts of the country. Wal-Mart and Target will sell a 30-day supply of these drugs for \$4.00 and Kmart will sell a 90-day supply for \$15.00. How likely will you be to fill your prescriptions with generic drugs purchased in these stores?”

Base: Those Who Purchase Prescription Drugs

	<b>October 2006</b>	<b>December 2008</b>
	%	%
Absolutely Certain/Very Likely/Likely (NET)	50	47
Absolutely certain that I will	13	16
Very likely	20	17
Likely	17	14
Not at All/Somewhat Likely (NET)	50	53
Somewhat likely	25	25
Not at all likely	26	28

Note: Percentages may not add up to exactly 100% due to rounding.

## Methodology

This Harris Poll was conducted online within the United States between December 9 and 15, 2008 among 2,388 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in the Harris Interactive panel, no estimates of theoretical sampling error can be calculated.

***These statements conform to the principles of disclosure of the National Council on Public Polls.***

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