

WALGREENS HELPS CUSTOMERS IMPROVE QUALITY OF LIFE WITH INNOVATIVE MOBILE APPS



Walgreens has teamed with Urban Airship to power a communications channel that delivers great customer service and builds customer relationships through its new generation of mobile apps.

“Urban Airship has been our provider for push messaging since the very beginning of our work with mobile. They have done a great job for us.”

- Mark Shaffer, Mobile Planning and Analysis Manager, Walgreens

Business Overview

Walgreens is the nation’s largest drugstore chain with 244,000 employees operating 7,919 drugstores in all 50 states, the District of Columbia and Puerto Rico, and generating fiscal 2011 sales of \$72 billion. Each day the company provides nearly 6 million customers convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice in communities across America.

Innovation has been part of the company since 1901 when Charles R. Walgreen, Sr., purchased the small Chicago pharmacy he was working at and as the new owner decided that brighter lights, wider aisles, and an expanded selection of quality goods would provide a better experience for his customers. Innovations included serving warm meals—prepared by Myrtle Walgreen, Charles’ wife—providing speedy delivery of purchases, and embracing newspaper advertising, large promotional campaigns, and becoming an early user of radio to market his growing chain of stores. The company also helped pioneer the sales of private-label alternatives to more costly products, and was an early adopter of computers, barcodes, satellite communications, online shopping, and other technological innovations

Challenge

With its history of innovation, it was natural for Walgreens to deploy mobile applications to reach the soaring number of customers integrating smartphones, tablets, and other devices into their daily lives. The challenge Walgreens faced was how to create the best experience for its mobile customers—how to put mobile technology to work in such a way that it could make life better for its customers. “We’re trying to re-invent the customer experience through mobile,” says Mark Shaffer, Mobile Planning and Analysis Manager at Walgreens. “A mobile app has increased functionality over a Web site—including, for example, giving our customers the ability to use the scanning functionality on their smartphone to capture and transmit the bar code off a prescription label that needs refilling. We see tremendous potential for using mobile apps to better serve our customers, and push notifications play a big role in this.”

The company had already seen good results from integrating text messaging and e-mail alerts into its mobile apps, and was eager to do the same with push notifications. Despite Walgreens’ talented resources for development, the company decided against creating its own push notifications application. It wanted to find a dependable and robust 3rd party solution.

Walgreens is the largest drugstore chain in the United States, operating 7,919 drugstores and more than 700 worksite and in-store health and wellness centers.

Solution

Walgreens has teamed with Urban Airship to deliver the push messages that help power its new generation of mobile apps. The company uses Urban Airship application programming interfaces (APIs) to create automated reminders to alert users on an opt-in basis that it is time to refill a specific prescription. Walgreens uses push notifications as an addition to, rather than a replacement for, its original messaging methods of e-mail and text messaging.



Walgreens uses push notifications to enhance the in-store customer experience.

“We’ve seen a measurable increase in customer responses when they receive refill reminders through more than one channel,” Shaffer says. “Our customers are not frustrated about receiving three messages—a text, an e-mail, and a push notification. They appear to be fine with it. One hypothesis is that people don’t like to refill prescriptions, so if they receive them in three different formats, they kick into action. So push paired with other marketing channels has been a big win for us.”

Push notifications have worked so well for prescription refill alerts that Walgreens is investigating the use of push messaging for other areas of its business including:

- Reminding people when to take medications
- Alerting customers when a prescription is ready for pickup
- Notifying customers when photo prints are ready
- Providing users with new in-app coupons

Practicing the precepts of the Good Push philosophy pioneered by Urban Airship, Walgreens works to ensure that all of its push messages are relevant to the user, providing them with information they will value.

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Benefits

Walgreens is using Urban Airship push notification services to gain better operational efficiency, help its customers improve adherence to medication regimens, and provide a better customer experience.

Better Operational Efficiency

The mobile apps Walgreens has created have helped the company enhance operational efficiency, which in turn makes for a better customer experience. When a customer responds to a push message reminding them to refill a prescription, and takes advantage of the company’s Refill Rx by Scan app, the re-order goes straight from their smartphone or tablet to the pharmacy, workflow planning at the store is improved, and wait time for the customer can be eliminated.

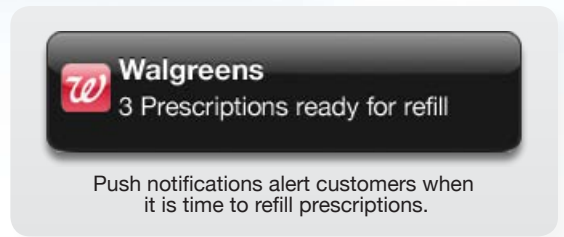
“Within our pharmacy workflow planning is very important,” Shaffer says. “When people scan their barcodes and send that into the store, we’re able to plan our workflow much better because we know what is needed and when those prescriptions are actually going to be picked up. It’s far better than you or me just walking into the store, placing that empty pill bottle on the counter, and saying ‘I need this refilled.’ It also means the pharmacist doesn’t have to tell us



to come back in 20 minutes. We benefit and the customer benefits.”

Push Messages Improve Medication Adherence

Not surprisingly, researchers in a number of studies have found that the #1 reason for people failing to follow instructions for a complete regimen of taking a medication is that they simply forget to do it. The medical consequences of stopping a medication early or taking it only intermittently can be severe—endangering the patient’s health while driving up the cost of healthcare through complications and emergency room visits.



“We actually see our push messages resulting in increased follow through in refilling prescriptions, and we fully expect to see improved daily adherence when we provide push messaging with our daily pill reminder app,” Shaffer says. “You hear the term win-win all the time, but with push notifications we actually have a win-win. It’s a win for Walgreens because if you take your pills more frequently we will see more refills in a year. That’s more revenue for us—a win. But the bigger win is for the patient because when they’re completing their required health regimen they’re enjoying better outcomes and avoiding unnecessary time in the hospital, or the emergency room.”

The term becomes win-win-win, with an additional benefit.

“There’s a third win here because improving medical outcomes and avoiding the complications and emergencies that can come from not taking medications helps to drive down the cost of medicine, which is a win for the insurers,” Shaffer says. “Increased adherence is one of those things where if everybody just took their pills as prescribed, the result would be significantly driving down the cost of healthcare. Push notification is helping us achieve this.”

Better Customer Experience

Walgreens is excited about the ways in which mobile apps and push messaging can enhance the customer experience. In fact the company has promoted its mobile app, encouraging customers to download it with in-store and media promotions.

“We are continually exploring new ways in which to use mobile and push to make life better for our customers,” Shaffer says. “We can use push to let customers know exactly when their photos are ready, which can help them use their time more efficiently, and we can help people improve their health by reminding them when to take their pills or order a refill. We are always looking for new ways to add value to the customer experience, while making it fun and welcoming but also providing a relevant call to action.”