

Rite Aid Research Assignment

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Research Assignment

To: Prof. Paul Salisbury

From: Xinicol Gonzalez Aguirre

Subject: Rite Aid Target Group

Date: 4/30/2022

Thank you for this assignment. I'm excited to analyze who the target group (most profitable customer segment) for Rite Aid is. Familiarizing myself with Rite Aid's demographics and consumer insight really allows me to learn more and better prepare for upcoming competition.

Overview

Rite Aid is a retail drug store that includes branded and generic prescription drugs, health and beauty aids, personal care products, and walk-in retail clinics. Having \$24 billion in sales, over 50,000 employees, and being America's best employers by State 2021. (Forbes Magazine, 2021).

Rite Aid has recently launched its new concept store catching up with our competitors CVS Health and Walgreens. With this new update and Rite Aid also providing more training and investment to our customers and pharmacists. (Fierce Healthcare, 2020). Our company will rise and gain much more target audiences.

Target Group

After reviewing the following report of Rite Aid we can clearly see who our demographic and target group is, people between the ages of 55-64 (109), African American (126), who are making just under 20k (122), No college degree (115), No kids (110), making the items that they purchase between 3-10 items allowing them to go on the Express lane (129). The peak of when our target group usually shops and visits RiteAid is also on Friday (16%). Now, some mentions are definitely available for improvement. We should specifically focus on senior citizens between

the ages of 55-64 years old (109) and our demographic over 65 (107), who would be our second target group. When viewing the report again we can see more minorities are shopping, having African Americans (126) as our first target and Hispanics (108) as our second. Both groups are below middle class with the average income being under \$20k (122) and between \$20K-40k (106). This alone allows us to understand their background more and see their buying patterns which in this case, would be buying less with the average basket size being 3-10 items (129) and second average 1-2 items (102). We could possibly increase assistance when it comes to shopping and picking up medications, authorize more conversation to increase more interest in buying for the consumers. Possibly also focusing on having them not only pick up their prescriptions but also look around and shop, Rite Aid shoppers seem to visit PJP Marketplace (2.8x), so having the option to pick up and also buy what you need in the same store would benefit the customer more than having to head to a different retail store. We should improve on these mentions and allow our company to grow more, giving our loyal customers a chance to grow with us as well.

Thank you,

Xinicol Gonzalez Aguirre

References

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