Has the recession impacted the contact lens market?

The UK economy may have turned from red to black in recent weeks but the effects of recession may be felt for many months and years to come. How has the UK contact lens market fared during the global downturn and what can we learn from the experience? **Alison Ewbank** reports

To investigate the effects of the recession on the sector and understand how the market has changed as a result, Johnson & Johnson Vision Care commissioned a major survey of contact lenses wearers in the UK.

As well as looking at economic factors impacting contact lens wear, the survey provides insights into entry drivers for the category, the way consumers use their lenses and how they combine contact lens wear with other forms of vision correction.

Survey and sample

A sample of 400 soft lens wearers aged from 16 to 45 years took part in the survey, conducted by TNS in August 2009. The sample was designed to be representative of the market in age and gender. The aim of the survey was to understand how, if at all, the market had changed during the recession.

About four in 10 of the sample used their lenses every day and nearly one in four wore them 5-6 days a week (Figure 1). The next largest group used lenses part-time (1-4 days per week) and about one in eight wore lenses every two weeks or less.

To investigate differences in attitude and behaviour, wearers were divided into three groups depending on frequency of use: heavy users (5-7 days a week), medium users (1-4 days a week); and light users (every two weeks or less).

The sample was also categorised by the combination of vision correction methods used. More than three out of four in the sample were dual or triple users, rather than only wearing contact lenses, and as many as a third were triple users, with three types of correction (Figure 2).

What drives contact lens wear?

Asked what influenced their choice to start wearing contact lenses, almost half of the respondents cited improving personal appearance as the most important factor. Other top-ranking drivers related to freedom to go about their various lifestyle activities (nights out and sports). Finally, greater comfort than spectacles and having a choice of optical correction were also important.

Only one in 20 wearers said they started wearing contact lenses due to the recommendation of their eye care professional (ECP). In fact this survey shows that recommendation was more likely to come from friends than from their ECP.

Entry drivers show distinct gender differences, which present an opportunity to communicate more targeted messages. More than half of women say their initial motivation was to give them confidence in their appearance, whereas men are most likely to say that playing sport was their reason for taking up lenses.

Not surprisingly, light users were more likely to opt for contact lenses for specific occasions, such as playing sport, and to have the choice of wearing either contact lenses or spectacles. Heavy users found contact lenses more comfortable than spectacles and were slightly more concerned about their appearance.

The chance to wear lenses for a night out is another strong motivator, particularly among infrequent users, and although women were more likely to cite this as a factor, men also ranked this among their top four reasons for starting to use contact lenses.

Category messages can also be targeted by age. As expected, the 16-24 age group was especially motivated by improving and feeling more confident in their appearance, and wearing lenses for nights out.

While these findings may seem intuitive, they serve as a useful reminder that not all wearers are alike and that communication needs to be targeted to the individual, bearing in mind not only demographics but also wearing habits.

How well off do wearers feel compared with a year before?

Consumer confidence is generally influenced heavily by perceptions

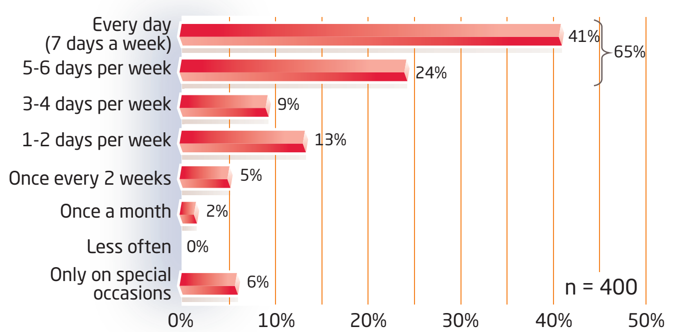

Figure 1 Average frequency of lens use

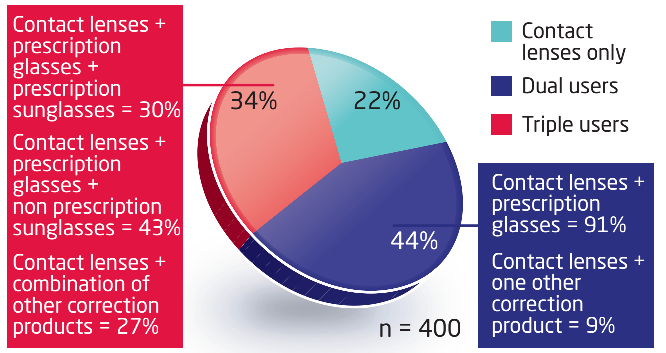

Figure 2 Usage across optical goods categories

of the prevailing economic climate and uncertainty about the future. Asked about how well off they felt compared to 2008, nearly four in 10 respondents felt their financial situation in August 2009 was similar to the previous year, although a higher proportion felt they were worse off than better off (Figure 3).

Breaking these results down by age, gender and lens type, consumers who considered themselves a little better off were more likely to be males, aged 25-34 and those who bought their lenses on a monthly basis. Those who felt they were a little worse off were more likely to be younger and female.

When perceptions were categorised by level of use, there were more heavy users that felt a little better off financially than the previous year and more light users who felt a little worse off. This is despite the fact that there is no evidence that heavy users have a higher income or socio-economic status.

Consumers were then asked about the affordability of contact lenses in view of the economic climate and the cost of their lenses. Encouragingly, nearly nine out of 10 perceived their contact lenses to be either as affordable or more affordable in 2009 as the previous year (Figure 4).

How have spending habits changed because of the recession?

Asking consumers about changes to their spending habits on a range of goods in light of the current economic situation produced one of the most revealing results of the survey.

More than seven in 10 consumers said they were spending the same on pharmacy, health and beauty, and eye care, a higher proportion than on other sectors such as groceries or media (Figure 5). In fact, this was the sector least affected by the recession, an

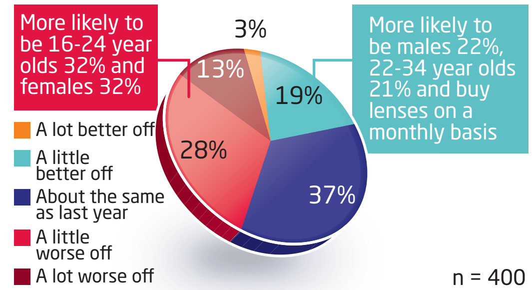

Figure 3 Perceptions of how well off wearers felt in 2009 compared with a year before

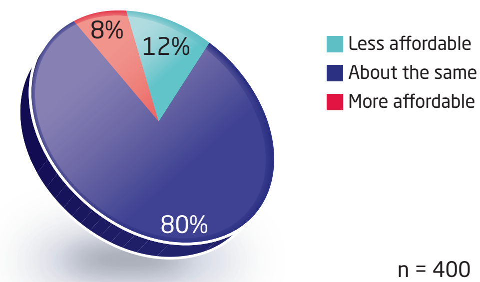

Figure 4 Affordability of contact lenses in 2009 compared with a year before

indication that consumers regard it as essential.

Conversely, the proportion who reported spending less on pharmacy, health and beauty and eye care as a result of the economic downturn was much lower than other discretionary purchases such as eating out, home décor and consumer electronics.

Consumers spent more on pharmacy, health and beauty and eye care, to a lesser extent than on goods such as groceries. This finding may be reflected in the fact that the affordability of contact lenses was considered to be unchanged, whereas food prices may be perceived to have risen as a result of the recession.

Again, the demographic breakdown reveals a gender divide in attitudes to spending. Although eating out and home décor were the two categories that both men and women spent less on, the top category for reduced expenditure among men was travel whereas for women it was eating out. Overall, higher proportions of women than men had economised and this was the case for all categories of expenditure.

When compared to spending on other products and services within the pharmacy, health and beauty and eye care category, contact lenses also performed remarkably well. Over nine in 10 wearers said they had neither cut spending on contact lenses in the past, nor planned to do so in the future.

Men and women were equally likely to have maintained their expenditure on contact lenses. Only sunglasses, spectacles, vitamins and over-the-counter medicines were considered even more essential products to invest in.

More encouraging still was that consumers' claimed annual spend on contact lenses had increased by 15 per cent year on year, from £195 in 2008 to £224 in 2009.

What cut-backs have wearers considered?

The risk of consumers cutting corners during the recession is a concern, both for business reasons and from a clinical perspective. A YouGov poll for the British Contact Lens Association and General Optical Council in May 2009 found that one in five contact lens wearers would consider wearing their lenses for longer than recommended in order to cut costs during the recession.

Asked in August whether they would consider cutting back on contact lens use due to the economic climate, a majority of consumers (55 per cent) said they would make no cut-backs. Overall, heavy users and, in particular, light users were less likely to consider cutting back than those wearing lenses part-time (1-4 days a week).

But some consumers were more vulnerable to specific cost-cutting

Perception of Essentiality →

Spend less	Spend the same	Spend more
Eating out (50%)	Groceries (61%)	Groceries (21%)
Home decor (44%)	Media (57%)	Home improvement (11%)
Consumer electronics (43%)		Travel (11%)
Pharmacy, health & beauty, eye care (23%)	Pharmacy, health & beauty, eye care (71%)	Pharmacy, health & beauty, eye care (6%)

n = 400

Figure 5 Cross-sector expenditure as a result of the economic situation

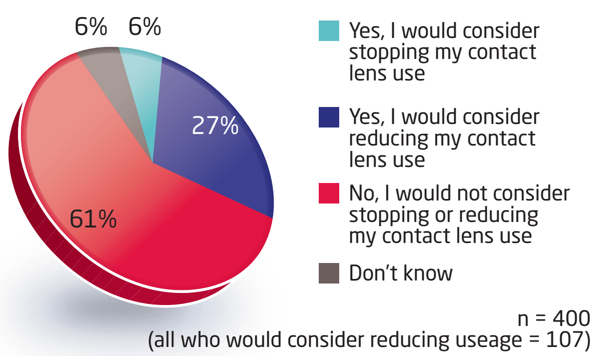

Figure 6 Attitudes to considering stopping lens wear or reducing the amount of time lenses are worn in the future

measures than others. One in five light users said they might consider stopping lens wear completely and wear glasses instead and this group, along with medium users, might also reduce the time they wore their lenses.

Heavy users were relatively immune to cost-cutting with over half of respondents stating they would not consider making any cutbacks on their contact lenses. However, new users who had worn contact lenses for less than three years were more vulnerable to cutting back than more experienced users and, in particular, were more likely to consider reducing lens wear.

A different picture emerges when wearers are challenged directly on whether they might consider stopping wearing lenses in future (Figure 6). Only a very small minority (6 per cent) said they would consider giving up contact lenses completely, and these were more likely to be light users. Of those who might reduce usage, most would reduce the number of days only slightly, by one or two days a week.

Examples of the reasons given for cutting back on or ceasing lens wear include: 'I'd only use them for playing football rather than for nights out'; 'I'm not so concerned with my appearance as I was in my 20s'; or misguided health reasons such as 'It's not good for my eyes to wear them seven days a week as I do now'.

But in reality, frequency of use did not decrease from 2008 to 2009 when the economic downturn might well have had this effect. In August 2009, 65 per cent of those surveyed wore their lenses almost every day, compared to 64 per cent the previous year.[1]

There is also evidence that the actual cost of lenses through promotional activities is less important than value for money and trust in the staff and their recommendation.

Encouragingly, consumers were slightly more likely to stay with their contact lens practitioner in 2009 than the previous year.[1] More than nine in 10 consumers were likely to stay with their current outlet, although light users and online consumers were more prone to switching.

Only 5 per cent of the sample was currently buying lenses online and, perhaps surprisingly, half of wearers did not know whether their lenses were available to buy online. Half of those who did buy lenses via the internet began purchasing online within a year of starting to use contact lenses.

Of more concern was that six out of 10 contact lens wearers said they would consider purchasing online in future, the main reason being to buy lenses more cheaply, rather than other motivations such as convenience.

When asked what influenced their most recent choice of lens type, recommendation from their ECP was the principal driver regardless of replacement frequency or modality. Monthly wearers were slightly more concerned with price and less influenced by comfort than were other wearers.

KEY FINDINGS AND APPLYING THEM IN PRACTICE

- Contact lenses are an essential purchase. 92 per cent have not and will not spend less on contact lenses in the future meaning that contact lenses have and should weather the recession in practice
- There are opportunities to increase contact lens use. Only 5 per cent of consumers enter the contact lens category because of ECP recommendation – ECPs can be more proactive in offering contact lenses to suitable patients
- There are key areas to target communication by frequency of usage, gender and modality. For example, there is an opportunity to grow your patient base by communicating with female patients about appearance and males about sporting activities
- Maximise cross-category spend by discussing all of a patient's vision correction needs, as the majority of contact lens wearers also use spectacles and/or sunglasses
- Spending on contact lenses is up 15 per cent year on year. Maximise the business opportunity by:
  - Discussing higher-value products with patients
  - Encouraging patients to increase their frequency of usage to engender loyalty

So what can we learn?

Segmenting the market in this way may be of interest to marketeers but is it relevant to what happens in the consulting room?

As we have seen, understanding what motivates consumers by factors such as frequency of use, as well as by gender, age and lens type, can be revealing. When initiating discussion of contact lenses this is useful information to have in your armoury; an example might be to open the conversation with male spectacle wearers not just with questions about their participation in sport but also asking whether they would prefer not to wear glasses for a night out.

It may seem obvious to ask every new patient how many days a week they want to wear contact lenses but how many practitioners launch into a discussion of different lens types without finding this out first. Remember also that as many as one in three contact lens wearers will have not just two but three forms of vision correction, so discussion of a combination of products should begin within the consulting room.

Those who use their lenses almost every day of the week are likely to be more immune to recessionary pressures but light users may need encouraging to stay in contact lenses and not reduce wear further. New wearers and those using lenses once a month or less are also more inclined to buy lenses online so it may be worth pre-empting this with a strong message about the importance of regular check-ups and continuity of care.

Remember to promote the benefits of buying contact lenses from your practice, such as the personal service, guidance and education in contact lens wear you provide, your ability to provide the latest innovations and offers, and the opportunity for you to regularly check that prescriptions are still valid through eye examinations.

The survey results can also be used to anticipate those patients likely to consider cut-backs in contact lens use and devise consulting room and practice management strategies for encouraging compliance. In particular, ensure that those patients who wear their lenses every day are replacing them as recommended. Warn that extending lens life may impact their eye health, comfort and vision.

Practitioners can be reassured that expenditure on eye care in general and the contact lens category in particular has been relatively unaffected by the economic downturn and average spend was actually up in 2009 year on year. This fact, more than any, suggests that the sector has weathered the recession and is well placed to meet whatever challenges the economy has in store for the future.

Reference

1 EMA Purchase Channel Attitude & Behaviour Quantative Study (UK) Nielsen July 2008. Comparison between studies is directional in nature since administered by different agencies (although online methodology and sample composition is the same).