

Indian Pharmaceutical Market Future Growth

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Abstract - India is a major player in the pharmaceutical industry. Currently, India is the world's leading supplier of generic pharmaceuticals, accounting for 20% of worldwide exports in volume. This means that the Indian pharmaceutical business will outpace the worldwide pharmaceutical industry, which is predicted to expand at a 5% annual rate between 2015 and 2020. Patent-protected generics account for more than 80% of all pharmaceutical sales (in terms of revenues). An estimated 2.4 percent of the world pharmaceutical business in value and 10 percent in volume, the Indian pharmaceutical sector is predicted to grow at a 15.92 percent compound annual growth rate to US\$ 55 billion by 2020 from US\$ 20 billion in 2015. This study demonstrates that the AGR of pharmaceutical imports and exports as a whole is responsible for its growth rate.

Keyword - Annual Growth Rate, the Indian pharmaceutical industry

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1. INTRODUCTION

India has more than a billion people and a rising middle class that has access to high-quality healthcare, making it a major player in the global economy. While the great majority of the population is rural and impoverished, Western-style medications are not even a problem for millions of individuals in this nation devastated by natural calamities. The pharmaceutical industry in India is valued USD 3.1 billion, growing at a compound annual rate of 14%. It is the world's biggest generic medication manufacturer and has made a significant contribution to India Inc.'s meteoric expansion. Generic manufacturers dominate the "Pharmaceutical Company" category. Generic medications account for 80% of sales, despite the fact that certain first-line businesses are moving away from 'Generic' and toward 'Innovator' labels in an effort to gain a larger worldwide footprint. 'Pharmaceutical Companies in India' is becoming more technologically advanced and self-sufficient as a result of

- Low costs of Production & R&D costs (around 70% less than Western counterparts).
- Highly innovative scientific manpower.
- Hosts of national and private laboratories.
- A strong IPR regime following WTO and WIPO norms.

The pharmaceutical industry in India is actively working with the government, non-profit organisations, and other healthcare providers to create safe, cost-effective, and high-quality medications that enhance health and quality of life. People living in remote regions and those who fall below the poverty line will also benefit from this programme. Despite its impressive expansion, the Pharmaceutical Company is nonetheless burdened by several unfavourable market forces. About 250 big pharmaceutical and drug companies make up the basis of this group (including 5 Central Public Sector Units).

Exporters, manufacturers, and suppliers all need to be addressed if the pharmaceutical market in India is to become one of the biggest and most sophisticated in the world. As a pharmaceutical company in India, you have a lot of room to develop, notably in the fields of genomics and proteomics, clinical research, and process chemistry. 'Pharmaceutical Companies in India'

India has a well-established domestic pharmaceutical sector, accounting for around 8% of the world's total output. Global competition for both generic and original goods is being pursued by large domestic corporations. It is dominated by low cost, locally made generics and low per capita pharmaceutical expenditures.

In a highly competitive market, India's provision of patent protection for pharmaceutical goods on January 1, 2005 makes the country more appealing to the worldwide research-based business. Both research outputs may benefit from

being outsourced to the country's highly trained local labour.

An important part of India's industrial framework is the pharmaceutical industry. With a total sales of Rs. 2200 crore and a market share of 4.0 percent, the pharmaceutical business is India's 8th biggest industry. The Bengal Chemicals and Pharmaceutical Works in Calcutta, established in 1901, is the first incarnation of the Indian pharmaceutical industry. It's been a long time since then, yet the pharmaceutical industry has been expanding and diversifying at an incredible rate.

Today, India's pharmaceutical sector is one of the world's biggest and most sophisticated. Manufacturers of bulk pharmaceuticals from several therapeutic areas, each needing a different manufacturing procedure, have built state-of-the-art facilities to accommodate the creation of all conceivable dosage forms. This accomplishment is bolstered by a guarantee of product quality.

About 300 major and medium-sized businesses, including 45 multinational corporations (MNCs), as well as 10,000 small businesses, make up the country's pharmaceutical industry. Produces formulations ready for intake by patients as well as roughly 350 bulk pharmaceuticals, which are substances that have therapeutic potential and may be used to make formulations. Today, India has the capacity to meet the bulk medication needs of the nation and almost all of the formulation needs. Pharmacies all around the nation serve as a well-oiled distribution system for finished goods.

1.1 Indian Pharmaceutical Market's Future Growth

The graph below shows that the Indian pharmaceutical industry is on track to reach even greater growth rates, taking into consideration the reasons outlined in this article.

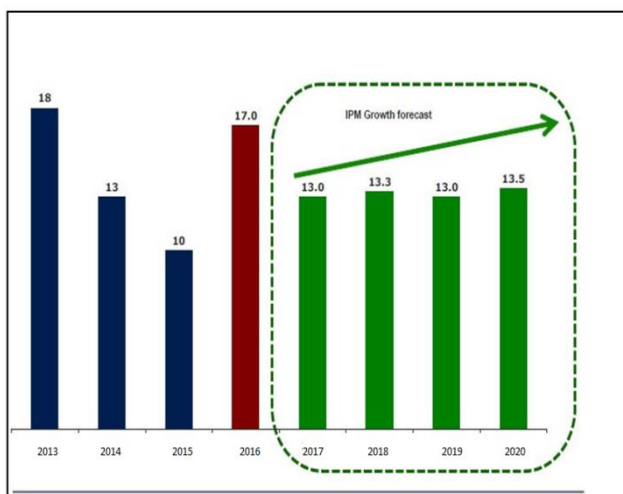


Figure 1: Indian Pharmaceutical Market (IPM) Is Projected to Grow

Pharmaceutical sales is a widely-liked profession because it pays well, has excellent benefits, is adaptable, and offers possibility for growth.. As the population ages, health care expenses rise, clinical treatment shifts away from hospitals, and people grow more concerned with their general quality of life as their lifespans increase. There is a big market for pharmaceuticals throughout the world, which is stable and growing at a quick pace. Organizational and human resources consulting firm Hay Group estimates the market has grown by 300 percent in the last decade.

Having a pharmaceutical salesman working for you is considered as a good thing, too. Pharmacist recruiter Pat Riley says of the field's appeal: "A pharmaceutical sales representative presents a highly sophisticated product to exceptionally educated doctors in a very professional atmosphere. Author Riley is a prolific writer of e-books about the pharmaceutical sales sector.

Pharmaceutical companies often seek applicants with at least two years of B2B sales experience. Positive consideration is given to prior job experience that involves solid sales training. A proven track record in marketing may be really useful. There may be an advantage for people having a healthcare or clinical background over those without sales expertise. Another requirement is that the candidate must have a demonstrated history of success.

Experts agree that being organized, goal-oriented, and creative, as well as assertive and clever, are all beneficial for landing a position in this industry. Being self-assured and ambitious, as well as being a problem solver, team player, and independent performer, as well as an effective time manager and prioritize, are all highly valued skills. Honesty, the capacity to negotiate, and the ability to present well round out the list of required characteristics for this position. For the most part, it's OK to be motivated by money. You'll need to be physically active because of the long hours and frequent travel, as well as the heavy sample and promotional cases you'll have to carry. Depending on the situation, you may find yourself having to relocate or travel. According to Pfizer's recruitment website, the company is looking for "college graduates, seasoned salesmen, junior military leaders, and anybody else with the knowledge, experience, and endurance to take on the demands of a fast-track career."

Applicants must possess "the technical expertise and business competences we're seeking for," in addition to being "creative self-starters with a love for health or science and great interpersonal

skills," according to the job posting. The pharmaceutical sales sector benefits greatly from networking since most companies only post job openings when they cannot be filled via word of mouth.

1.2 Development of pharmaceutical industry in India

India's pharmaceutical business is expected to increase by 9-11% in 2021-22, as per Icria's forecasts. According to ICRA, revenue growth in the second quarter of FY22 will be 6.4 percent, down from a 16 percent increase in the first quarter of 2021-22. An independent pharmaceutical sector and reduced dependence on pharmaceutical imports will be two goals that the Indian government will seek to achieve through more lenient patent regulations.. Due to the high import taxes and limitations imposed by the Indian government, foreign pharmaceutical companies were compelled to reduce their ownership in Indian operations by two-fifths. A CAGR of 22.4% is predicted for the Indian pharmaceutical industry between 2015 and 20 to reach US\$ 55 billion. In fiscal year 2018, India's pharmaceutical exports were valued at \$17.27 billion, and this year they are expected to be \$10.80 billion. Global vaccination demand is met by the sector, which accounts for more than half of the total. In the middle of the 19th century, apothecaries began producing wholesale pharmaceuticals like morphine, quinine, and strychnine, while dye and chemical industries began doing research and discovering medicinal uses for their goods.

Generic Drugs have a Large Market Share – At a time when access to dependable, affordable, and high-quality prescription medicine is more vital than ever, generics fill 90 percent of prescriptions in the United States for just 20 percent of the cost. A compound annual growth rate (CAGR) of 5.59 percent has been predicted for the worldwide generic medicines industry between 2021 and 2030 by Precedence Research, which estimates the market to be valued \$390.57 billion in 2019. Compared to the costly creation of original preparations, this proved to be more cost-effective since no money was needed for research. This might cost up to EUR 600 million for just one drug. For a long time, this kind of money was solely available to large corporations in developed countries.

Currently, India's pharmaceutical sector is worth \$41.7 billion dollars. The pharmaceutical sector in India is dominated by generic pharmaceuticals, which account for 71% of sales. Generic medicine shipments to the U.S. are expected to climb when branded pharmaceuticals worth \$55 billion expire between 2017 and 2019. Generic medicine exports from India totaled US\$20.0 billion in the 2018–19 (April–March) year, making it the world's most populous nation. Generic medications manufactured in India are sold in the United States and Europe. Only because they don't have to spend money

creating and promoting a new medicine, generic pharmaceuticals are cheaper. All drug manufacturing facilities must meet the same FDA regulations, and many corporations produce both brand-name and generic medications.

Pharmaceutical Products Exports: Pharmaceutical sales in India rank third in terms of volume and 13th in terms of dollar volume worldwide. It has established itself as a manufacturing and research centre on a worldwide scale. The industry has a significant edge over its competitors since it has access to a huge supply of raw materials and a competent workforce. With a cumulative annual growth rate (CAGR) of 22.4%, the Indian pharmaceutical business is predicted to reach US\$ 55 billion in 2019. Generic medications account for about 70% of the Indian pharmaceuticals business, while over-the-counter (OTC) drugs and patented drugs account for 21% and 9%, respectively. With an approximately Rs 1 lakh crore (US\$ 1.3 billion) budget, India intends on promoting the local manufacturing of pharmaceuticals and pharmaceutical components by 2023. Foreign equivalents of the FDA's Food and Medication Administration are considered to be "pharmaceutical products" when they are subject to regulation as a drug, medicine or therapy. The following are the 15 nations that will export the most medications and medicines in the United States in 2019.

India's Population Growth and Pharmaceutical Business -India's rising population is a boon to the pharmaceutical sector. UN estimates show that the population will rise from 1.1 billion presently to 1.4 billion by 2019. By 2019, India is expected to give birth to the same number of children as Europe as a whole. India is expected to replace China as the world's most populated country by 2025. Population expansion has been fueled by a variety of factors, not the least of which is the fact that people are living longer. One reason for this is better preventive healthcare. In contrast, the average life expectancy in India remains much lower than that of Western countries. Males in India may expect to live 64 years, while women in the country can expect to live 66 years, while men in Germany can expect to live 76 years and women can expect to live 82 years.

The ageing population of India presents several commercial opportunities. The proportion of the population aged 65 and above is expected to rise from 5% to 8% by 2025, according to UN projections. Compared to now, there would be a 55 million-person rise in the elderly population. Age-related disorders such as cancers, diabetes, and cardiovascular difficulties will rise in prevalence. The pharmaceutical business would gain from an increase in the prevalence of civilization-wide disorders like obesity and diabetes. According to PricewaterhouseCoopers,

India's diabetes population is anticipated to grow to 74 million by 2025, which is roughly the population of Turkey (PwC). The number of diabetics in underdeveloped countries may be smaller than 230 million, yet this development would be beneficial to Indian generics makers

2. LITERATURE REVIEW

Kumar, G. A., & Kumar, A. R. (2018) In India, the pharmaceutical business is one of the most heavily regulated. Progress in the area of general medicine relies heavily on this industry's contributions. Due to factors like the closeness of straightforwardness collecting workplaces and the ability of the workforce to operate unobtrusively, the sector is likely to achieve new heights in the domains ranging from innovation to research and development. In social protection, pharmaceutical collection includes the acquisition of equipment and pharmaceuticals. It's a real and expensive strategy to make any changes to the pharmaceutical solutions you're using. Pharmaceutical companies have a business grant to conduct research, develop, manufacture, market, and distribute pharmaceuticals that are primarily focused on human administrations.

Raulgaonkar, H., & Adhia, M. (2019) In India, the "field sales force of Medical Representatives (MRs)" drives the prescription medications market. In order to persuade physicians to prescribe their pharmaceutical company's products, these medical reps (MRs) make it a point to see them on a frequent basis. In addition, MRs checks to see whether the prescribed medications are readily accessible at local retail chemists. Thus, his pharmaceutical company's success is based on the MR's performance. In order to meet their monthly sales goals, pharma sales managers who head the team of MRs must ensure that their MRs regularly provides the desired results. A key factor in the success of the company is the ability of these sales managers to inspire and motivate the MRs they supervise.

Mahesh K. Karajgikar (2016) the pharmaceutical business in India is one of the country's most well-run. As a result of globalization, the healthcare business has grown more aware and sensitive of the quality results. Pharmaceutical companies in each country must now lower their prices and improve their competitiveness in order to meet the new international requirements. The scientific and technical underpinning of the pharmaceutical industry sets it apart. People's lives are at stake in the marketing of pharmaceutical medicines, making it a difficult task. Therefore, pharma salespeople need to be well-versed in the subject matter they're selling. The pharmaceutical industry in India is the world's third largest. The quality, quantity, and diversity of pharmaceuticals produced must all be considered while calculating this third figure. The nature of the pharmaceutical sector is defined as basic and difficult at the same time. Trust in the pharmaceutical sector

must be created among the public, and consumers must be taught about the proper use of pharmaceutical products at the correct time.

Undale, S., & Pande, M. (2016) Pharmaceutical marketing, with a focus on medical representatives' challenges, is examined in this research. As the world's second-most populous nation, India has evolved as a significant pharmaceutical market as a result of globalization. Medical salespeople in India rely heavily on their personal relationships with physicians to promote pharmaceutical products. Many international corporations have joined the Indian market during the last decade. There is a lot of competition among medical reps because of this. Because of this, it is essential to analyze the obstacles that medical representatives encounter in this ever-changing setting.

Mickey Smith: (2014) Medical Product Promotion in the 21st Century To assist pharmaceutical professionals anticipate and prepare for industry changes and advances, Pharmaceutical Marketing in the Twenty-First Century offers guidance on how to alter their marketing practices in the future so that they are unwavering. For planners, strategists, and managers, this book is a treasure trove of information on pharmaceutical history and how it might be used to predict the next twenty years. The Japanese version of this book is now open, making it far more accessible to readers throughout the world. Experts in the field of pharmaceutical marketing have made explicit predictions about the future of several aspects of the industry in the twenty-first century. For the next several years, pharmaceutical specialists rely on their expertise and abilities for marketing ideas. A wide range of businesses, from retail to manufacturing to marketing, are able to see what the future holds These are only a few of the pharmaceutical marketing experts of the twenty-first century.

Mbugua, D. M. (2014) In today's dynamic business world, everything is always changing" due of globalization, legislative changes, increased competition, more demanding consumers, new information technology, and mergers and acquisitions. As a consequence, markets have become more chaotic and unpredictable, prompting many businesses to seek competitive advantages that allow them to outperform their customers and so boost the market and financial performance of the business. Personal selling is becoming more and more popular among businesses as a means of cutting expenses, boosting market share, and building long-term customer relationships. The most significant features that entice clients to a retailer's business must be identified when the market is crowded and customers have several brands to select from. The store's overall performance and

revenue increase as a result of their utilization by salespeople. Researchers set out to examine how pharmaceutical businesses in Nairobi, Kenya, fared based on the efficiency of their sales strategies.

3. RESEARCH METHODOLOGY

For the present study, a careful study was carried out which was based on the secondary literature and the survey of other existing reports of the sample units to know about the feasibility of carrying out the present research. Other things like the time, money and effort cost were also taken care of while the present research.

3.1 Primary Data Collection

Observation Method - When conducting this study, the observer knows in advance what aspects of behaviour or activities of the individuals are significant to his research work, and so, he arranges the approach in which he observes and records the occurrences well before the real data collecting starts.

Questionnaire Method - A self-administered questionnaire was used to gather the data. Before distributing the survey, a pilot test was undertaken to identify the survey's weak points. Representatives of the medical community were asked to rank the significance of several factors on a 5-point scale. For each questionnaire, an absolute average or mean percentage score was generated. Various sub-factors were also ranked.

3.2 Secondary Data Collection

The secondary data was collected through different sources i.e. research journals, articles, thesis, internet, websites and reports.

3.3 Sampling method & selection of samples

The study recruited 500 salespeople from the regional offices of the pharmaceutical companies listed above. For a nearly equal representation of each sample unit's responses, the sample was selected at random (company). Because the salesmen were spread out throughout the country, snowball sampling was used in certain cases.

4. OBJECTIVES OF RESEARCH STUDY

The main objective of the present research is to make a close, careful, critical and analytical study of the management of sales personnel in Pharmaceutical industry. The other specific objectives are to:

- Review the present position of management of sales personnel in Pharmaceutical industry.

- Assess the job analysis – objectives and duties;
- Examine the recruitment and selection policies and procedures;
- Discuss the training and development policies and practices of the Pharmaceutical industry;
- Study the remuneration and motivational aspects of the sales personnel; and
- To find out control measures over sales personnel in Pharmaceutical industry.

5. DATA ANALYSIS

Table 1: India's domestic market is growing at a rapid pace

Year	India's domestic market (figure in crore)	Growth Rate (%)
2014-2015	32575	7.28
2015-2016	34128	4.77
2016-2017	39989	17.17
2017-2018	45367	13.45
2018-2019	50946	12.30

Source: Department of Pharmaceutical, GOI, Annual Report 2009-10,

Table 2: During the 2018-19 Fiscal Year, the Top 20 Destinations for Indian Pharmaceutical Goods were

Importing country	2018-19 (figure in Crore)
Austria	1417.15
Belgium	520.90
Brazil	1018.89
Canada	1090.43
China	561.53
Germany	1441.87
Israel	686.22
Italy	57.85
Kenya	543.86
Mexico	501.54
Netherlands	669.98
Nigeria	1001.74
Russia	1519.20
South Africa	1126.75
Spain	620.02
Turkey	614.20
UK	1233.09
Ukraine	687.22
USA	7103.27
Vietnam	536.62

Source: DGCIS Kolkata, the Directorate General of Commercial Intelligence and Statistics.

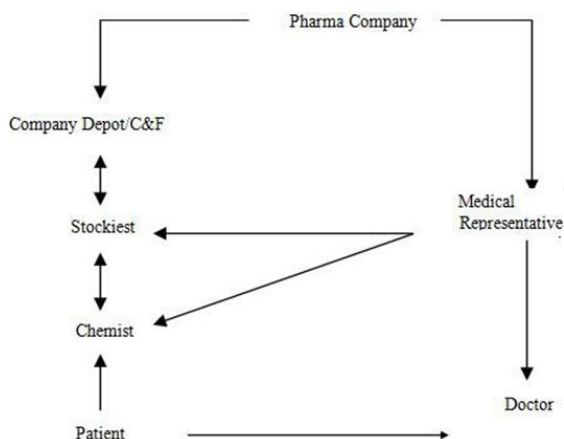


Figure 2: Indian Pharmaceutical Market Supply Chain

6. CONCLUSION

The pharmaceutical sector in India contributes significantly to the overall GDP of the nation. India's pharmaceutical industry ranks 8th in the world in terms of yearly sales. Established in 1901, the Bengal Chemicals and Pharmaceutical Works, in Calcutta, is where India's pharmaceutical industry got its start. However, the pharmaceutical sector has grown and diversified tremendously since then, even if it has been a long period. Today, India's pharmaceutical sector is one of the world's biggest and most sophisticated. Manufacturers of bulk pharmaceuticals from several therapeutic areas, each needing a different manufacturing procedure, have built state-of-the-art facilities to accommodate the creation of all conceivable dosage forms. The fact that the items' quality has been guaranteed adds credence to this accomplishment. Pharmaceutical companies in India are in the middle of a period of consolidation and mergers. People in the company are suddenly in the spotlight in this changing circumstance. An increasing number of Indian organisations are struggling to compete for top talent in a global market because of the traditional management paradigm, which includes a hierarchical structure, authoritarianism, and tight control over employees.

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