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Impact Of Online Selling On Pharmaceuticals Marketing In India

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Abstract:

India is fastest growing market for E- Commerce and M-Commerce business all over the world. With its growing internet users and being at the second position after China, for internet users in world, E-commerce and M-Commerce business and allied services are rapidly increasing. With its increase mobile users, the country is witnessing rapid growth of online sales for all household and domestic products. Similarly, buying drugs/medicines online is the latest trend amongst the Indian patients and consumers. With this increasing trend of buying medicines online, number of online pharmacies also increase. Today's generation turns to internet and social media for almost everything in their lives, health topics would be no surprise. However, there are certain trends which are acting as driving force to make Digital Marketing for Pharma companies a must-have. With these current trends, many of the pharmaceuticals companies are using social media as a platform to connect digitally with the consumers. Many of them are using twitter, Facebook to connect with the consumers directly and many of them are using YouTube to create awareness about the pharma products.

Key Words: *Pharmaceutical marketing, digital marketing, Online Pharmacy, E-pharmacy*

1. Introduction

We are at the first half of the 21st century and connecting with the consumers digitally and online, should be now the part of organisation overall marketing strategy, no matter which industry you are in. Digital marketing in pharma industry has already picked up and starting to transform the Pharma and Healthcare industry in the ways it has already transformed retail, media, banking, airline, telecom and education industries. As per Google's report on the digital journey to wellness: Hospital Selection, prior to booking an appointment with doctor or hospital,



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- i. 48% took over 2 weeks to research before booking.
- ii. 83% used hospital websites
- iii. 54% used health insurance company sites
- iv. 50% used health information sites
- v. 26% used consumer-generated reviews

There are growing online health communities which are helping the users to read different reviews about the pharma products. Different blogs are written by individuals and health communities and healthcare professionals about the product or about the companies, which are helping the online users to acquire different dimensions of the products. Pharma companies and its executives have realized the potential and the disruption it can bring-in the pharma sector and have already started making use of and experimenting with the wide range of armaments available in Digital Marketing.

Historically, the patients have had a much passive role when it comes to their own health treatments. They would simply go and meet the doctor and rely on the medicines prescribed by her and start the treatment. This is because they have very little to no information about the treatment options, drugs on the market and the experience of other patients. With digitization, before meeting a doctor, the patient researches everything about the disease – its symptoms, diagnosis, possible cures etc and has already interacted with other patients. Patients are also more and more aware of their rights and have high expectations from the service providers and the product companies alike.

E-pharmacy is the platform for buying and selling of medicines and other pharmaceutical items with the support of e-commerce activities. In India, it is growing with number of internet and Mobile Users. There are 12 Leading online portals which are currently dominating the online market. Self Medication is being actively used in India by the patients. Hence prescription by doctors was not a real mandate historically when it was on the counter sales or offline sales. With increasing trends of online sales, Government of India also taking few steps to actively regulate this growing sector.

I. Digital Pharmaceuticals Marketing

Digital marketing is the marketing of products or services using digital technologies, mainly internet , mobile phones , digital displays , advertising , Electronic massages , etc. The Indian Pharmaceuticals sector was valued at US\$33 Billion in 2017. The nation’s pharmaceuticals industry is expected to expand at a CAGR of 22.4 percent to reach to US\$55 billion in 2020. India’s pharmaceutical exports stood at US\$17.27 billion in 2017-18. In 2018-19 it is expected to cross US\$19 billion. Hence with this increase The E-pharmacy or the digital market in India is expected to grow to US\$3 Billion by 2024 as per the report by research and markets.com.

Types of Digital Marketing followed in Pharmaceuticals Industry.

A) Search Engine Optimization

Whenever the patients want to seek any information related to any hospital or product, he will turn to Google or any of the search engines available to him. Patients starts to notice something doesn’t feel quite right, so they Google their symptoms and make their own preliminary diagnose. SEO (search engine optimization) is the process of affecting the online visibility of a website or a webpage. SEO may target different kinds of search including image search, video search etc. Healthcare information search is one of the most common online activities among internet users of all ages. SEO is an



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effective approach to reach these users. So how the pharma industries are using the SEO's to keep connected with maximum users or patients?

a) Keyword management

SEO's success is primarily based on the keywords that are being used by the consumers and the patients on Google or any other search engines. Hence Pharma companies are using the keywords which people actually type in search engines. Hence the focus is always given to search behaviour and natural keywords. Hence many a times a natural language based or voice based searching are preferred.

For Example: “Diabetes” is a common word and “Diabetes Injection” Or “Diabetes Medicines” will give better results. Hence Pharma companies are using the such keywords to make early presence on the search engines with this natural keywords.

b) Quality Content

Quality content is the biggest advantages to the pharma companies for SEO. Efficient and well presented content will attract more and more users to deep dive into the website. Hence it is very essential to maintain the quality and relevant content on the webpage.

c) Relevant Images to have Tags

All the images displayed for the products and services are having keywords as alternative tags , hence the images are displayed with captions as keyword and users can easily locate the WebPages.

d) Mobile Friendly and Multiple Browser Capability , The user Experience

With increasing mobile users, the focuses of the pharma companies are develop web pages for mobile user experience. Hence the concentration is being given to content of the WebPages which will be usable across all spectrum of the screen size.

e) Page Speed and Load Time

It is most important tool to engage customers with efficient loading of the website. If the website does not open in time, the researcher will go to some other webpage and hence to avoid loosing of the potential customer, Pharma companies are eying on infrastructural development of all the WebPages.

f) Incorporating FAQ's (Frequently asked questions)

FQQ (Frequently asked questions) are being the keys for conversational keywords. Hence those are defined in more likely natural languages.

B) Social Media Marketing

In this era more pharmaceutical companies utilize social media sites or ecommerce sites as digital marketing platform. This enables online purchase of products by the customers. Some organisations are trying to understand the true value of digital while others are integrating it into the wider marketing strategy. However all the companies cannot sell products online as they manufacture prescription drugs, which cannot be sold online.

For example, Pfizer is active and responsive to the customers via social networking platforms. YouTube, Facebook and Twitter were used to communicate with customers. Johnson and Johnson



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was one of the first companies to launch a YouTube channel. Social Media is the wonderful way to interact with key audiences. A whopping 90% of the population age between 18-24 said they would trust medical information shared by others in their social Networking.

Social Networking Mediums

Facebook:

Pharmaceuticals companies are using Facebook very efficiently to connect with consumers and patients. Facebook helps companies to display their products and services. Facebook features LIKES, Dislikes are helping researcher to know about the users experience about the products and services. It helps companies to clarify their stand if the users have any negative views about the product. Sharing features of Facebook allows users to share the products with their friends and communities and promote the products after use. Marketers are using the insight data for improvisation of the product by carefully monitoring the user activities on the social networking site. It helps to create Live video Streaming of the launch of products and services which is being used as channel for communication with the video audience and divert traffic towards the website.

Twitter:

Twitter is a micro blogging site which has current character limit as 140 characters and the company is planning to double its character limit to 260 characters for small groups. Twitter has been proved as most efficient ways to connect with the audience right from E-commerce, brand marketing to product awareness program and till politics. Many pharma companies are using this medium to respond to the consumer queries directly. Twitter users can raise queries directly to the Public Relation officers of the companies. Marketing teams can create brand awareness program with the campaigns such as #hash tags movements. Twitter helps to create Online Surveys for their products which users can respond. With the response statistics on the micro blogging site, marketers can track insights of consumer minds and provide proper feedback mechanism to the manufacturer. Twitter helps to share images of the product , videos of the ad-campaigns. Online marketers try to influence the product with the help of fan followings of the celebrity, who is associated with the brands. For Example, Cricketer Virat Kohli is official brand ambassador of Sun Pharma’s Variant “Volini”. Hence the marketing teams are forwarding videos of television advertisement on twitter handle to influence the consumers.

LinkedIn:

LinkedIn is a business employment oriented service that operates via web and mobile app. It was founded with the aim of job recruiting. It is professional networking where in employer post jobs and job seekers create their profile and post CV’s to seek jobs. However with recent changes of concept of social networking, the professional organisations have started using the network to influence the professional about the products and services. Similar to Facebook and twitter it has all the features such as Likes, dislikes, comments, image sharing, video sharing, hash tag campaigns etc. Hence Marketers are using this tool to efficiently promote the product in well professionally managed environments.

C) You Tube Channels

Youtube is online video viewing and uploading tool with parent ownership of Google Inc. Users can upload video content on the web/app and can view other videos. You tube allows user to create channels of individuals or organisation to upload the content. Similar to other social networking sites, it has features such as likes and shares. It has also features such as “Subscribe” which is helping users



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to subscribe to channels and they can get notifications for new uploads of the videos. Pharma Companies are using you tube to upload videos about their products and services to share the product features. For example, Johnson and Johnson was one of the first companies to launch a YouTube channel

D) Pay per clicks

If the company website isn't having enough traffic, ads may be purchased on Google. Ads can also be purchased on other websites via the numerous ad networks directly. Pay-per-click or PCC ads are depending on keyword that is used by searcher on Google. Ad analytics software lets the company determine the success rate of PPC campaigns. The company will only pay if anyone has clicked on the link of the add.

I. Online Selling and E-Pharmacy in India

The global e-Pharmacy market, led by North America and Europe, was approximately US\$ 29.3 billion in 2014 and has been estimated to grow at a CAGR of 17.7% to reach a valuation of US\$ 128 billion by 2023. However, e-Pharmacy is at its nascent stage in India, but like other categories, it has the potential to be a very large industry segment in the near future.

Factors driving the demand for e-Pharmacy in India include rising number of people with unmet medical needs due to large population and increasing penetration of internet in both urban and rural India. With the rapidly changing consumer behaviour in India, there is a huge demand for accessing a wide range of products at the click of a button, and at competitive prices. It is expected that the e-Pharmacy model could account for 5-15% of the total pharma sales in India, largely by enhancing adherence and access to the medicines for a lot of under-served population. E-Pharmacy improves consumer convenience and access. This will most importantly benefit chronic elderly patients living in nuclear families, and patients who are not in a condition to go out to find a pharmacy. E-Pharmacy also offers competitive pricing which thereby enables less affluent people to afford medicines. There are a lot of technology advancements that are coming up in the form of applications which help in bringing price transparency, create awareness, find an appropriate healthcare service provider, medicine reminders, and pregnancy alerts to the consumers. In addition, e-Pharmacy models are well aligned to address key known issues in pharmacy retail for tracking authenticity, traceability of medicine, abuse prevention, addressing consumption of drugs without prescription, tax loss and value added services for consumer empowerment in healthcare, which are all key areas of national development. This model also increases entrepreneurship and in turn accelerates wealth creation in the country.

An e-Pharmacy model is required to have two operating components for dispensing prescription medicines:

Technology:

1. Web-based and/or mobile-based application for consumers to upload the scanned copy of their prescriptions and place requests for medicines.
2. Every order that is received to be verified and checked by a team of registered pharmacists.
3. The registered pharmacists to forward the validated prescriptions to the pharmacy store from where the medicines are dispensed.
4. The web or mobile-based platform to be governed under the IT Act 2000 and only act as a platform to facilitate connection between consumer and pharmacy store.



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Pharmacy Retail Store:

1. The licensed pharmacists of the store to check for the validity of the prescriptions; failing which the medicines would not be dispensed.
2. The medicines should be dispensed from a licensed premise in a sealed tamper proof pack to the patient or patient's relative (Patient's agent).
3. There should be proper invoice with batch number of the medicines dispensed, expiry date, name and address of the pharmacy with signature of the registered pharmacist/(s)
4. The pharmacy store to be operated under the oversight of the Drugs and Cosmetics Act & Rules and need to comply with all the requirements of the act, as it does for its normal business.

An e-Pharmacy model would help with better purchasing margins, better inventory management, increased reach, reduced prices and greater provision of value-added services to the consumers.

Top 5 Online Pharmacy Companies In India

1. Netmeds.com

Netmeds.com is one of the established Indian online pharmacies. Initiated by Dadha & Company, a trusted pharmacy with 100 years of experience in providing quality medicines, Netmeds.com provides medicines, healthcare devices and surgical equipment in several different categories. It delivers herbal products, beauty care products, diabetic care kits, dietary supplements and healthcare products for mothers as well as babies. Every purchase on Nedmeds.com earns reward points which can be redeemed for discounts on the next purchases.

2. mCHEMIST.com

mCHEMIST is an Indian start-up in the online medicine buying space. Founded in 2014, this online pharmacy is an e-platform to shop for prescribed medicines and healthcare devices. Users or buyers need to open accounts on mCHEMIST.com and upload their prescriptions to the accounts. Following a few steps, they get medicines delivered at their doorsteps. mCHEMIST also deals in daily wellness aids and herbal supplements. It promises to meet long-term requirements for health and wellness.

3. Buydrug.in

Buydrug.in is the online presence of Buy Drug Pvt Ltd, a retail chain of pharmacy. Buydrug.in delivers only authentic and prescribed medicines with genuine invoices. All medicines and healthcare products are verified by authorized pharmacists. Buy Drug Pharmacy is a direct pharmacy, not a marketplace. You can get medicines from Buydrug.in over phone and SMSs too.

4. Apollo Pharmacy.in

Apollo Pharmacy.in is a venture by the healthcare group Apollo Hospitals into online medicine buying and delivery. Having international quality certification, Apollo Pharmacy operates 24 hours. Its customer care service is available round the clock. Apollo Pharmacy.in offers merchandise of over 4000 products in different categories including personal care, dietary supplements, OTC, baby care, etc. The quality of all products is guaranteed.

5. Medidart.com



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Medidart.com works on the same model as that of other Indian start-ups in online pharmacy market. It offers cash on delivery payment option besides accepting payments through debit cards, credit cards, net banking and Paytm wallet. Medidart.com has more than 1.7 lakh registered users and delivers medicines to 3000 pin codes across India. Shraavan Kesarla is cofounder and director of Medidart.com.

Conclusion:

With the digital revolution in India, and growing e-commerce and M-commerce business in India, the online pharmaceutical business is expected to grow at a very higher rate. With the digital marketing tools such as social media marketing, big pharmaceuticals companies are creating brand awareness program and benefits of the products and services. Pharma companies are using search engine optimization to divert traffic towards to the WebPages. Currently the Pharmaceuticals business in India is USD \$33 billion and expected to grow at USD\$55 Billion by 2020. The market is expected to grow at USD\$100 Billion by 2025. The online marketplace or E-pharmacy business is 5-10 % of the total pharmaceutical market size. Hence online market place is expected to grow to USD 3 billion to 5 Billion by 2025. Online leaders such as Flip kart and Amazon are eying at tying up with present E-pharmacies to take early advantage of the business. Swiggy, online food delivery chain and big-basket online grocery delivery chain is also eying to tap the market with door step delivery of the medicine with the help of existing networks. Hence the pharma industry is set for next level of challenges and opportunities.

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