

AN OVERVIEW OF UNORGANIZED RETAIL PHARMACY IN INDIAN PHARMACEUTICAL INDUSTRY

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ABSTRACT

Retail pharmacy business practice is very different and noble form of business practice not only in India but across the globe. Retail pharmacy not only contributes business but also to the welfare of humanity and provides significant socio-economic benefits to the society through creation of jobs, supply chains and community development. Today around 90 million unorganized retail pharmacy present at every corner of India is supporting Indian domestic pharmaceutical market. All these is not possible without the strong base of unorganized retail pharmacy. All India chemist and druggist association (AICOD) is union body of Unorganized pharmacy were on all India strike on 14th Oct, 23rd Nov in 2016 and again on 27th may 2017 due to emerging challenges. Purpose of this study is to identify emerging challenge of unorganized retail pharmacy and its contribution to current Indian pharmaceutical industry.

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INTRODUCTION

India's \$6 billion domestic pharmacy retail market is in the midst of change as the old order is giving way to the new. The crowded, neighborhood medicine stores are being replaced by swanky, large format pharmacy chains promoted by organized players that allow shoppers to browse through a vast range of products including not just medicines, but also body-care products in air-conditioned comfort. The entry of organized players is changing the face of the pharmacy business, which today is highly fragmented. According to Technopak Advisors, of the total 900,000 stores across the country, the share of the organized market is just about three to four per cent. According to rough estimates, organized pharmacy is expected to grow at the rate of at least seven stores a month. The sector is seeing the entry of new players including big industrial groups, retailers and independent entrepreneurs. New players include not just those with a pharmaceutical or healthcare background, but corporate from other sectors too. The

widespread interest in the pharmacy business is not without reason. The retail side too has been posting high growth rates. The total retail pharmacy market will be growing at a rate of around 15 per cent, while organized retail pharmacy will be seeing a growth of anywhere between 35 and 40 per cent. Besides, the high margins between 25 and 35 per cent, despite price controls, make it a lucrative business.

Literature Review

KPMG (2006)ⁱ According to this study conducted by KPMG in 2006 there has never been a more important time for India's government and its drug producers, both multinational and domestic, to work together in partnership for the good of the industry and the nation. With its enormous advantages, including a large, well-educated, skilled and English speaking workforce, low operational costs and improving regulatory infrastructure, India has the potential to become the region's hub for pharmaceutical and biotechnology discovery research,

manufacturing, exporting and health care services within the next decade. However, in order for this to happen, it is imperative that the regulatory environment continues to improve. Otherwise, India needs to look to the achievements of China, where the government's strong commitment pro-industry policies have produced a positive environment that not only offers drug manufacturers a product patent regime but also, and crucially, data protection. India's continuing failure to do so needs to be urgently rectified.

D. B. Anantha Narayana, Kusum Devi, Asha A. N, Nimisha Jain¹, Uday Bhosale and T. Naveen Babu¹ (2011).ⁱⁱ This study has for the first time brought out documented quantitative data on the availability of pharmacies/chemist outlets, identification of chemist and outlets, neatness, storage, belief in chemist and trust in their roles and work done. These results point out that the visibility of "pharmacist" in the medical shop needs to be enhanced greatly. Pharmacists need to create a more professional image and ease of identification within the outlet by wearing a specific dress, uniform, badge is highly necessary. More work needs to be done to almost create a brand image for a pharmacist that they are qualified and trained persons, knowledge on Green and Red Cross signs, neatness of the outlets, information provided to patients.

Jasmin Pandiya and Sudhinder Singh Chauhan (2011)ⁱⁱⁱ They study the importance of service quality determinant in customer satisfaction. There are many determinants in customer satisfaction but service quality is one of most important factor. Today retail pharmacy business is witnessing dramatic changes in India. This study has been conducted in two phases, first phase is carried out in order to generate ideas and understand the current practice in pharmaceutical retailing and purchase of medicine by customer whereas second phase to, measure service quality expectations in retail pharmacy. The study shows that service quality perceived as a tool to increase value for customer satisfaction and as a means of positioning in competitive pharmaceutical retail market. Study shows that convenient location, Short waiting, reasonable price, pharmacist liking, parking availability is top criteria for choosing for purchasing medicine at particular pharmacy retail in India. The study also finds that the top five pharmacy characteristic customer looked for were prompt and caring service, friendliness and reliability of the pharmacist, convenient location and convenient time.

Gulshan Akhtar (2013)^{iv} She was concluded that pharmaceutical industry contributes to the welfare of humanity and provides significant socio-economic benefits to the society through creation of jobs, supply chains and community development. The industry also plays an important role in technological innovation, which may reduce costs of economic activity elsewhere in the economy. The country accounts for an estimated 10% of global production and 2% of world markets in pharmaceuticals. It has over the years made significant progress in infrastructure development, technical capability and hence produced a wide range of pharmaceutical products. The industry now produces bulk drugs under all major therapeutic groups. It has a sizable technically skilled manpower with prowess in process development and downstream processing.

Raman Shreedhar (2013)^v He finds out the strategies of successful business of unorganized retail pharmacy because all retail businesses are not surety of success. The purpose of this

study is to investigate growing competition in unorganized retail pharmacy. Online retail pharmacy and organized retail pharmacy business are facing growing competition. Result of this study shows that there are six major strategies adopted by successful unorganized retail pharmacy. First strategy of successful pharmacy is location and customer relationship. There should be space for parking so that not only local customer should purchase easily but also outsider customer can park their vehicle easily. Second strategy understanding of customer need and good range of product variety is important for successful retail strategy. Third strategy is good product quality for better customer satisfaction and quick service for long customer relation. fourth strategy is good atmosphere of store and it should be eye catchy and fifth strategy is deals with discount because now a day's customer are getting huge discount from organized retail pharmacy and from online retail pharmacy to counter this issue unorganized retail pharmacy should work on less margin high sale formula. Sixth strategy is credit and easy payment facility customer so that customer may pay bill in any form like debit card credit card cash.

Hamil & S. Sam Santosh (2014)^{vi} According to this study there is no significant difference between more experienced retail medical stores and lesser experienced medical stores on various problems. In other words their views on the presence of problems are same between them. Taking into consideration of weighted average mean scores and F-test results it can be concluded doctors, customers and competitors are considered as the major problems and infrastructure facilities related issues are not at all considered as a problem.

Liliane Bonna and Xavier Moinie (2014)^{vii} The objective of this study was to find the characteristics of retail pharmacy that guarantees the better customer satisfaction. They have identified the core attribute of pharmacy retail as well as the factor that can contribute to high customer satisfaction. The aim of this study was to find out customer behaviour towards retail pharmacy. Pharmacy consumers are behaving more as patient in society then normal customer. Study shows that merchandising at the sale outlet has no effect on patient satisfaction. Whereas customer do not like to purchase medicine from self service counter unlike customer like to purchase daily need from self service counter as a result retail pharmacy can adjust pharmacy elements to increase the satisfaction level of their customer. Listening skills and medicine in stock are strongly contributed for customer satisfaction. Above all these elements is related to staff of the retail pharmacy. A relationship of confidence must therefore be established between customer and pharmacy and this relationship can be long lasting only if customer is satisfied with service.

R. Amudha R., L. Cresenta S. M. and Nalini R. (2016)^{viii} According to their study the role, responsibilities, and liabilities of e-commerce marketplace and the product sellers need to be clearly defined. A nodal agency has been appointed by the DCGI for consolidating the guidelines and was to get views from industry bodies such as All India Chemists and Druggists Association, States Chemists and Druggists Associations, Indian Medical Association. The Indian pharmaceuticals industry needs a new regulatory framework to effectively bring e-pharmacy under its ambit. The Drugs and Cosmetics Act does not have any guidelines for e-commerce players in the pharmaceuticals sector. The government Authority has also aimed to integrate e-pharmacy in the

existing system. The public has made clear that they want access to every commodity and consumable, from asparagus to zucchini, online and delivered to their home. It is becoming clearer that the growth of online pharmacy business depends on how much they will manage to fit themselves into the legal framework. That's the gap many of the new entrants are looking to fill in. If operated within the legal framework, online medicines or Internet pharmacy provides an easy and convenient tool for the consumers.

Statement of the Problem

From the review of the existing literature pertaining to unorganized retail pharmacy it is revealed that the various researches have been conducted on the retail pharmacy. But most of them are based on the general analysis of the retail pharmacy in terms of their sales volume, growth across different segment of retail pharmacy. An important aspect of current Indian economic scenario is the emergence of organised retail pharmacy since the first decade of 21st century. India being the second most populous countries of the world attracts the domestic as well as the foreign companies to enter in to retail pharmacy business. The Indian retail pharmacy business is the most fragmented, vast and without networked with millions of retail pharmacy across the country, is vulnerable and inefficient and retail pharmacy is the source of livelihood of the millions of people in India. In this background the present study attempts to analyze the emerging challenges in unorganized retail pharmacy.

Objectives

- To study emerging challenges of unorganized retail pharmacy
- To evaluate current scenario of Indian pharmaceutical industry
- To evaluate unorganized pharmacy sales share contribution to Indian pharmaceutical industry

Need and Scope of the Study

In the era of liberalization, privatization and globalization, the whole economy is opening up gradually. The Indian retail pharmacy business has also not remained untouched. As a result Transnational Corporations are also seeking to participate in Indian retail pharmacy business along with Indian Pharma players. However, opinions are divided on the emerging challenges and opportunities in unorganized retail pharmacy business due to the growth of organized retail pharmacy business in India. Concerns have been raised that the growth of organized retail pharmacy may have an adverse effect on retailers in the unorganized retail pharmacy business. It has also been argued that growth of organised retail pharmacy will ensure efficiencies in product availability, enabling better access to markets for customers, on the one hand and lower prices to consumers on the other. In the context of divergent views pertaining to challenges and opportunities posed by organized retail pharmacy business to unorganized retail pharmacy

MATERIALS AND METHODS

The present study comprises descriptive cum analytical approach, therefore in order to analyse challenges and opportunities in unorganized retail pharmacy, the study will

require secondary data-The relevant secondary data will be collected from the annual reports of Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers Government of India, research journals, books, news papers, various reports, and unpublished theses. The libraries of educational institutions will also be used for collecting the relevant information. Last but not the least the

RESULT AND DISCUSSION

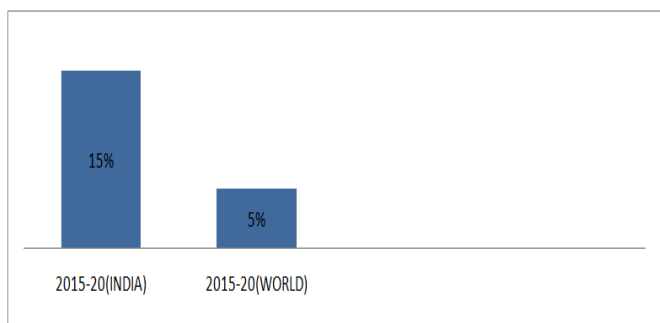
Indian Pharmaceutical Industry

The Pharmaceutical market of India size is mainly driven by knowledge, skills, low production costs and quality. There is significant growth in demand from both domestic as well as international markets. This growth has been with affordable price to the common man – one of the lowest in the world. International market is depend on export mainly whereas domestic market is highly depend upon retail Pharmacy specially unorganized retail pharmacy.



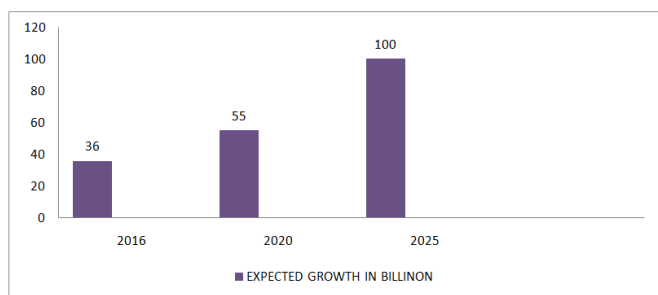
As a result of this there is robust sustained double digit growth for the sector and has set example for other sector to follow. The industry mainly belong to small sector industry and quite fragmented that comprises of nearly 10,500 units. Among all Of these about 300-400units are categorized as belonging to medium to large organized sector. Today in Indian pharmaceutical industry has now evolved around industrial development clusters set up by various state governments. In the earlier years, most of the manufacturing and R&D units could take benefit of the then prevalent environmental laws But now international customers from developed nations are becoming more stringent on ensuring local environment compliance standards and want companies to adhere to these standards.

This has led to a big challenge for the Indian pharmaceutical industry particularly small scale units, which either have investment concerns or limitations of growth beyond their allocated unit areas in the industrial clusters setup. As a percentage of total production this works out to only 4.4% of the total sales turnover. Expected growth of Indian Pharmaceutical industry, is over 15 per cent per annum between 2015 and 2020, will outperform the global Pharmaceutical industry, which is set to grow at an annual rate of 5 per cent between the same period gives confident to Indian pharmaceutical industry and this will lead to Indian market after expected performance emerge as the sixth largest pharmaceutical market globally by absolute size. Study show that lot of internal factors are responsible for the growing Indian pharmaceutical industry. Due to increasing consumer spending, rapid urbanization the Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, Total indian pharmaceutical market value in 2016 is 111022 cr with grow 13%.

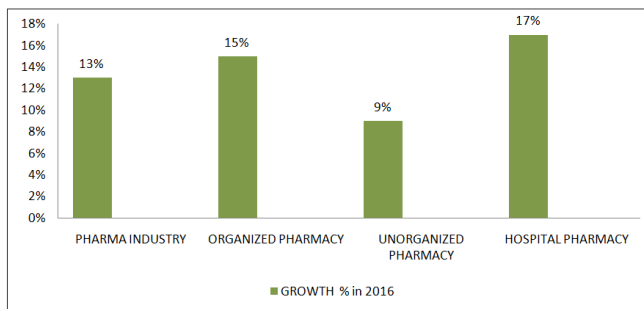


Bar-Graph 1. Expected growth of online pharmacy in India vs World Market

Unorganised retail pharmacy contribution in 2016 is 94368.7cr with growth of 9% which is 84 % of domestic sales where as Organized etail Pharmacy is accounted for 4440cr 2016 with growth of 15% which is 4 % of total domestic sales and last but most importantly Institutional sale is 10% of total is which is 11102 cr and growing at 17%.



Bar- Graph 2. Indian Pharamceutical industry expected growth



Bar Graph 3. Indian Pharamceutical domestic growth market

The sustenance in export growth rates will be driven by three factors – increased dependence on generics production due to patent expiries by 2017, estimated at some US \$300 Billion of conventional and biopharmaceuticals; slowdown in discovery/ invention of new molecules in developed countries; and pressure on the developed country governments like US, Germany, Japan etc. to contain their healthcare expenditure. The Indian Pharmaceutical market (IPM) accounts for approx. 1.4% of the global pharmaceutical industry in term of value and 10% in volume term. As a result India enjoys an important position in the global pharmaceuticals sector. Currently Indian pharmaceutical industry is supplying over 80 per cent of the antiretroviral drugs used globally to combat AIDS. India is the largest provider of generic drugs globally accounting for 20 per cent of global exports in terms of volume. India is among the top 20 pharmaceutical exporting countries globally and has shown commendable export performance with continuous positive balance of trade. The global Pharmaceutical market is valued at US \$ 943 billion growing at 2% and USA continues to dominate the market with 47% market share with growth of 10%.

Table 1. Indian pharamceutical market rank in world (ims sep 16)

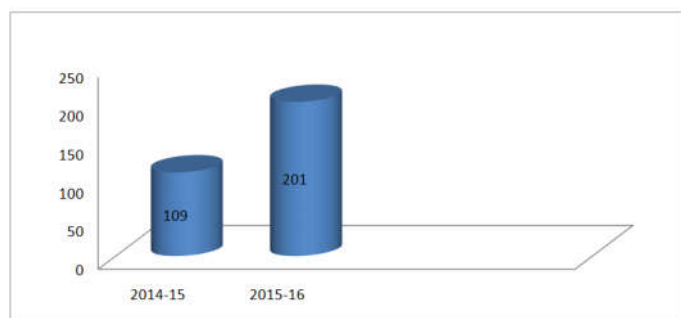
SR NO.	All values in Million USD	Aug Month	Month Growth %	Aug MAT	MAT growth %
1	Global Pharma Mkt	73043.00	1.20	957084.00	3.50
2	USA	34726.00	52.00	443724.00	7.80
3	JAPAN	6900.00	22.50	79180.00	8.60
4	CHINA	6315.00	7.30	73986.00	0.40
5	GERMANY	3424.00	13.90	40295.00	-0.40
6	BRAZIL	1995.00	26.60	19158.00	-11.60
7	UK	1949.00	-5.00	25330.00	0.60
8	CANADA	1696.00	11.00	19143.00	-4.50
9	FRANCE	1663.00	-29.20	31928.00	-5.20
10	VENEZUELA	1653.00	57.90	15293.00	33.10
11	INDIA	1424.00	15.10	15064.00	7.00

Export Market

Exports constitute a major part of the Indian pharmaceutical industry and at present it is around 50% of the total turnover of the industry .Indian drugs are exported to around 200 countries in the world including to the highly regulated markets like USA, Russia, Germany, Austria and UK with USA alone accounting for almost 25%of total export.

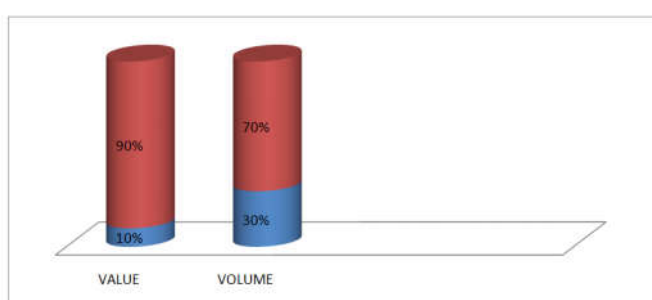
Amongst the top 15 market, India is ranked 11th and growing at 6% in the year ending in May 2016. It can best position by any other Indian industry in world. Indian companies hold 2.5% share in the global market and growing faster than the global market. The largest supplier of cost effective generic medicines to the developed world is no other then but Indian pharmaceutical industry. With the widest range of medicines available for exports and with the availability of the largest number of approved pharmaceutical manufacturing facilities, Indian companies holds 4.3% share in the global market

and growing faster than the global market. India is all set to become the leader of pharmaceutical exports.



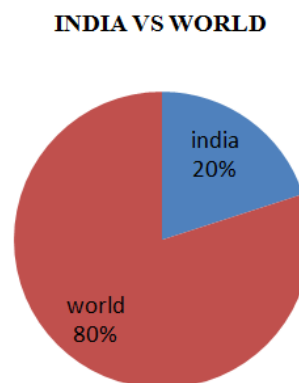
Bar-Graph 4. USFDA approval to India in 2016 Vs 201

Bar- Graph 6. Indian pharamceutical share in USA market (2016)



India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44 per cent to US\$ 12.91 billion in FY 2015-16, according to data from the Ministry of Commerce and Industry. Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15. The largest supplier of cost effective generic medicines to the developed world is no other than but Indian pharmaceutical industry. With the widest range of medicines available for exports and with the availability of the largest number of approved pharmaceutical manufacturing facilities, Indian companies holds 4.3% share in the global market and growing faster than the global market. India is all set to become the leader of pharmaceutical exports. India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44 per cent to US\$ 12.91 billion in FY 2015-16, according to data from the Ministry of Commerce and Industry. Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market. Indian vaccines are exported to 150 countries. India produces 40-70 percent of the World Health Organization (WHO) demand for Diphtheria-Pertussis-Tetanus and vaccine (DPT and BCG) and 90% of measles vaccine. Indian pharmaceutical industry contribution to world pharmaceutical market is expected to increase from 28.5 percent in 2012-2013 to 36 percent in 2016-17. The year on year growth has taken a promising growth since 2008 with an incremental increase in the range of \$ 1-15 billion each year. The US is the largest consumer of Indian pharmaceutical exported medicines followed by the UK. Indian

pharmaceutical market is ranked 11th and growing at 6% in the year ending in May 2016. Indian companies hold 2.5% share in the global market and growing faster than the global market



Pie Graph 6. India generic sales contribution to World in 2016

Domestic Market

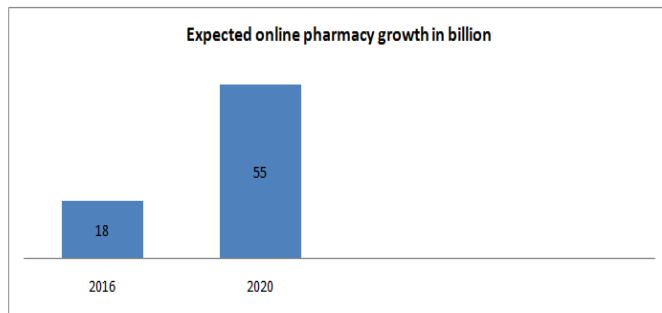
The Indian domestic pharmaceutical market was estimated to be \$ 26 billion in 2014 growing at nearly 20 percent and is expected to reach nearly \$ 50 billion in 2020 and by 2025 \$100billion Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise The Indian government has taken many steps to reduce costs and bring down health care expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. The Domestic Pharmaceutical Market is skewed towards cities with the top 23 cities accounting for almost 25% of pharmaceutical sales of which the Tier-I towns account for one-third of sales and Tier-II cities (population less than one lakh) including the rural market accounting for about 40% of market share. This is for the obvious reasons of better health care accessibility and purchasing power of the resident middle class income group. However, due to shifting rural and semi-urban economic status as well as life styles, the rural areas are witnessing a market increase growth of more than 30% annually .This increase in the growth is catching the attention of the major companies who are now focusing on them for future growth. Population growth and high population is also big factor in domestic pharmaceutical industry growth .India is number comes under top 10 in many disease as per who report that play big role in domestic pharmaceutical growth India is largely self-sufficient in case of formulations, though some life saving, new-generation- technology-barrier formulations continue to be imported. Study show Growth of Indian pharmaceutical industry is highly depend on retail pharmacy because it contain 52 % of and remaining 48% sales are from export business

Retail Pharmacy Market

The total Indian retail pharmacy market has been growing at an average of 18% per annum over the last few years, and is anticipated to grow by even higher numbers in the future. Indian retail Pharmacy industry is widely fragmented

throughout the country. The market continues to grow with such sustainability, based on the ever increasing incidence of chronic disease that the industry continues to thrive, despite its apparent lack of organization and corporate discipline. The small shops managed to literally stumble their way into an estimated gross turnover of some 94368 cr and predictions are that the figure will continue to soar. International level, the industry is highly regulated. However, on a regional and local level, the market is yet to become more organized. As in most government regulated industries in India, cases of abuse far outnumber the regulators' ability to enforce the law, and with literally hundreds of thousands of small shops to watch over and regulate, enforcement becomes a massive challenge, withering the forces of both manpower and money. Buoyed by the amazing success achieved by consumer durables industry in the online space, Pharmaceutical is the next big sector in India to target consumer online. The growth in the industry has created a great opportunity for the online model for this business. India has now seen pharmaceutical players taking the e-commerce route with an intention to offer a solution to a number of problems plaguing the retail pharmacy industry. Though online medicines look like a promising trend today, the business is challenged by regulatory issues. In past few years total retail pharmacy market has been growing at an average of 18% per annum, and is anticipated to grow by even higher numbers in the future. Organized retail pharmacy however, as a subset, has grown at an average of 25%, and is expected to grow between 35 - 40% in next decade.

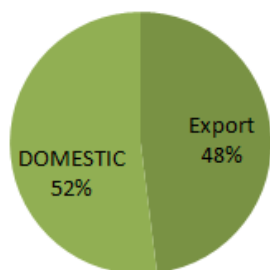
Currently, As many as 60 online pharmacy delivery startups have mushroomed over the past two years in India, but most of them haven't reached the scale of other online vertical plays like food, furniture and grocery ecommerce. The \$18-billion market is set to grow to \$55 billion by 2020 and is fast coming under the spotlight due to its growth in the coming years. According to startup data collector Tracxn online e-pharmaceutical startups India have already raised \$92.6million in funding so far and big corporate interested in retailing.



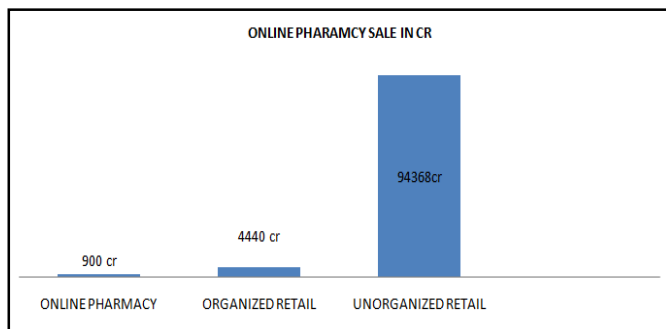
Bar-graph 8. Expected online pharmacy growth in india by 2020

Total Pharmacy retail including organized pharmacy, unorganized pharmacy and online pharmacy is estimated to be a \$7-billion market dominated by the brick-and-mortar drug retailers. Online deliveries currently account for a \$10 million in size which is in very initial stage. But with adoption of e-commerce among Indian consumers and rising spends on health care, this category is likely to grow. Indian pharmaceutical industry is highly regulated and licensed industry and it may create challenge for online pharmacy and recent all India strike is example for future challenges.

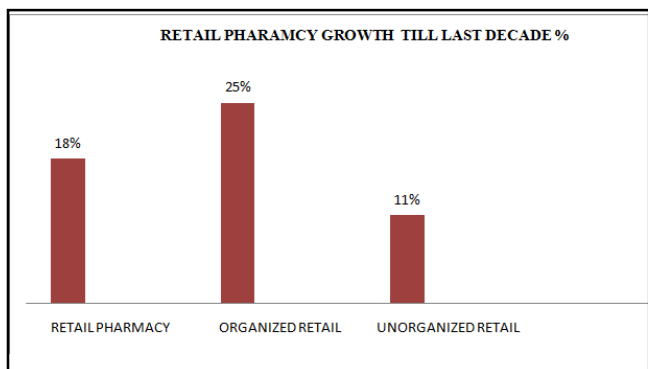
DOMESTIC VSEXPORT %



Pie Graph 7. Indian pharma market domestic vs export in 2016

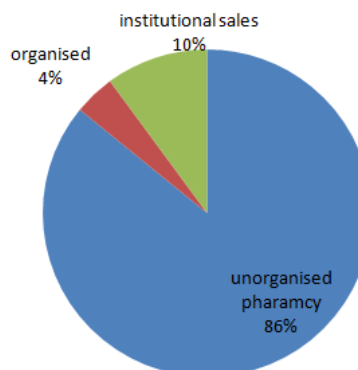


Bar-Graph 9. On line Pharmacy sale of India in 2016



Bargraph 8. Growth of retail pharmacy in last decade

DOMESTIC SALES %



Bargraph 10. Unorganised Pharmacy sale in domestic market 2016

Online Pharmacy

Online Pharmacy retailing is the new attractive retail pharmacy format for business in pharmaceutical industry.

Unorganized Retail Pharmacy

Unorganized Retail pharmacy refers to the traditional formats of low-cost retailing, for example the local pharmacy shops, managed by local owner with supporting sales staff and investment will be not same unlike organized retail pharmacy it will be different setup from different location. Indian pharmacy retail is dominated by a large number of unorganized pharmacy retailers consisting total 90 lakh and account for 86% of total domestic sale in term of amount it is 94368.7cr.

Which is 36 % of total Indian pharmaceutical industry business Unorganized retail pharmacy after growing by 11 % in last few decades now growing slow at 9% in 2016..Unorganized retail has grown more then the Indian pharmaceutical industry in current years .organized retail sales is 4% and institutional sales is 10% of total domestic sales. National capital Delhi has is center of around 12 thousand unorganized retail Pharmacy.

Organized Retail Pharmacy

Organized Retail pharmacy refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses Organized retail pharmacy is growing at an average of 25%, and is expected to grow between 35 - 40% in this next decade.

The sector currently has nearly 15 layers serving through an aggregate of 5000 stores across the country Both, the number of players and the total stores in operations shall increase with the increase in investments in this sector Analyst's consensus suggests the retail pharmaceutical sector would witness investments in excess of USD one billion over the next few years High margins of 25-35% make the retail pharmacy a very lucrative business in India With increasing consciousness

Conclusion

Organized retail pharmacy is big challenge

Organized retail pharmacy popularity and acceptance is increasing which is clearly visible in growth which is 15% in last year .at the same time unorganized retail pharmacy last year growth was just 9% that show how fast organized retail pharmacy is capturing market .organized retail are doing well in south Indian part and metro city. Due to their minimum return of investment criteria organized are not focusing in rural and class –B town .Organized retail pharmacy has bright future ahead and after looking this fact big corporate and industrialist are investing for sure return. Unorganized retail pharmacy has to improve it services for better financial result.

Online pharmacy is an Emerging challenge

Online deliveries currently account for a \$10 million in size which is in very initial stage But with adoption of e-commerce among Indian consumers and rising spends on health care, this category is likely to grow. Online pharmacy it seems to be biggest challenge for unorganized retail pharmacy

in coming years due to increasing popularity in e-commerce and internet availability to new customer of growing Indian market. Online retail pharmacy has emerged as biggest challenges for unorganized retail pharmacy in India. All chemist and druggist association a union body of unorganized retail was on all India strike 3 times in two years. First strike was held on 14 Oct 2016 then union called second strike on 23rd Nov 2016 and third strike called by union on 27th may 2017.Continuous strike show retailer are taking online retail pharmacy very seriously India.

Unorganized retail pharmacy undisputed market leader

Unorganized retail pharmacy is undisputed leader in retail pharmacy business in spite of all odd and challenge and it will be continue at least in next few decades .Study show that Unorganized retail pharmacy is major contributor of Indian domestic pharmaceutical market which is Upto 86% of total domestic sales. Unorganized pharmacy playing important role in Indian pharmaceutical market growth because of it high volume support. Biggest reason for Unorganized retail pharmacy success is present in every corner of India. Unorganized pharmacy is big source of employment in India. It offer million to employment.

The unorganized retail remained the largest channel in IPM contributing 84% of the overall sales and reflected a 13% growth. The hospital and organized pharmacy contributed to 10% & 6% of the overall sales and reflected a 17% & 15% growth. Unorganized retail growth trend is less then any retail format as of now but still it has potential to drive the market growth due to it high sale base which is 36 % of total Indian pharmaceutical industry Only export sale is more then unorganized retail sale which is 48 % of total Indian pharmaceutical sale .High base could be one reason for low growth rate of unorganized retail pharmacy but to be a continue market leader unorganized retail pharmacy may require some changes in providing services to customer

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