

Market Penetration of Generic Medicines in Tinsukia, Assam.

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ABSTRACT

Pharmaceutical industry is one of the fastest growing industries. This industry has a significant impact on lives of everyone. Irrespective of any kind of status whether it is financial or demographic, this industry has the same impact on everyone. Increasing infections and proneness to diseases has considerably increased a person's expenditure towards medicines. Non regulation of prices of pharmaceutical companies and increasing competition among various companies has made the prices of medicines to soar high. This necessitated some action so that medication could be affordable for everyone. Thus, the awareness relating to making the people aware of the chemical composition of the medicine was sought to be made. This resulted in the trend of generic medicine. This research has been undertaken to study the market penetration of generic medicines. This empirical study has been done on Tinsukia Town of Assam, India and is based on primary data collected from the respondents which included consumers as well as pharmacists of Tinsukia; through Schedules. A total of 100 consumers and 20 pharmacists were conveniently selected for the study. Secondary data had collected from various sources such as websites and online journals. Data analysis has been carried out using various tools of descriptive and inferential statistics. Conclusions and recommendations have been based on data analysis.

Keywords:

Generic Medicines, Consumers' Perception, Jan Aushadhi Yojana, Market Penetration

INTRODUCTION

Rapid growth of chronic as well as other diseases in humans as a result of sedentary lifestyle has led to an exponential growth in the pharmaceutical industry. Deteriorating health of people and the weakening of immune system has exposed human to wide number of diseases. This affects everyone irrespective of the financial status, age or gender of the people. However, not everyone is able to afford world class treatment. The difference in people being able to ensure safety of health and safety from diseases has made it important for the government to focus on improvising healthcare facilities for its citizens specially those who may not be able to afford the

same. Jan Aushadhi Scheme by the government is one such attempt. It provides generic medicines to people at affordable rates. Generic medicine refers to non branded medicine having the same composition and performance caliber as the branded medicines. According to FDA, generic and branded drugs have no significant medicinal difference. However, in this study we will study the perception of consumers regarding generic medicines thereby establishing the extent of market penetration of generic drugs. Few important terms which need to be understood to understand the study are as follows:

- Branded medicines: These refer to medicines which are manufactured and marketed by companies which have registered trademark and brand name.
- Generic Medicines: Medicines having the same composition and performance capability as the branded medicines but are not branded.
- Customers: People purchasing the product intended for their own use or for the use by their dependents/ family members.
- Consumers: People consuming the products purchased by themselves or by others (termed as Customers in this study).

RESEARCH DESIGN

- **Need for the study:-**

Growing competition in the pharmaceutical industry has led to extreme rise in the prices of medicines which makes it unaffordable for many. This study aims to reflect the perception of the consumers regarding generic medicines.

- **Objectives of the Study:**

- To study the awareness of consumers' regarding generic medicines.
- To understand the perception of consumers regarding Generic Medicines.
- To determine the extent of market penetration of generic medicines.

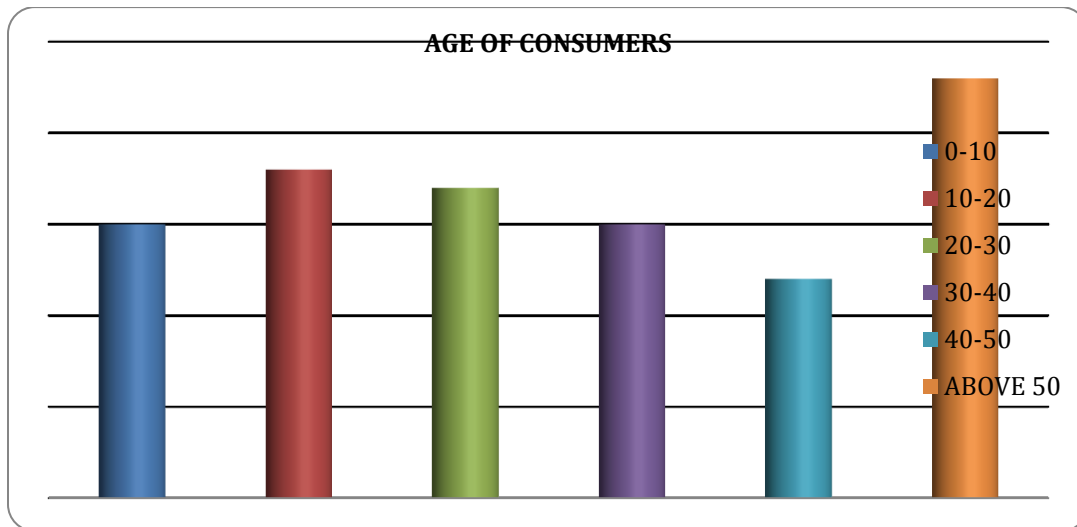
- **Hypothesis for the study:**

- H₀₁ : There is no significant association between age of the consumers and perception regarding effectiveness of generic medicines
- H₀₂: There is no significant association between income of the consumers and perception regarding effectiveness of generic medicines
- H₀₃: There is no significant association between education of the consumers and perception regarding effectiveness of generic medicines.

- **Scope of the Study:** This study has been conducted in the vicinity of Tinsukia Town. Any generalizations should be made cautiously.
- **Methodology:** This research has been done through schedules. Random Sampling Method has been used to determine the sample of pharmacist and convenient sampling for consumers whereby the researcher visited the pharmacies in Tinsukia and asked the customers there to participate in the research. The total numbers of respondents for the study were 100 customers and 20 pharmacists.
- **Collection of Data:**
 - Primary Data: The data collected for this study has been through schedules. The data has been collected from pharmacists and customers who may not necessarily be the consumers. However, some questions related to the consumers have been answered by the customers wherever there is a difference between the customer and the consumer.
 - Secondary Data: The secondary data has been collected through websites, books, magazines, news papers, journals.
- **Sample Size:** The research is a sample study, with a sample size of 120 respondents.
- **Data Analysis:** The data collected has been analyzed using inferential statistics (Fisher's Exact Test) as well as descriptive statistics.
- **Limitations of the Study:** The study has certain limitations which are as follows:
 - The research is conducted in Tinsukia town and therefore may not be universally applicable.
 - Time and cost constraints were major limitations of the Study.

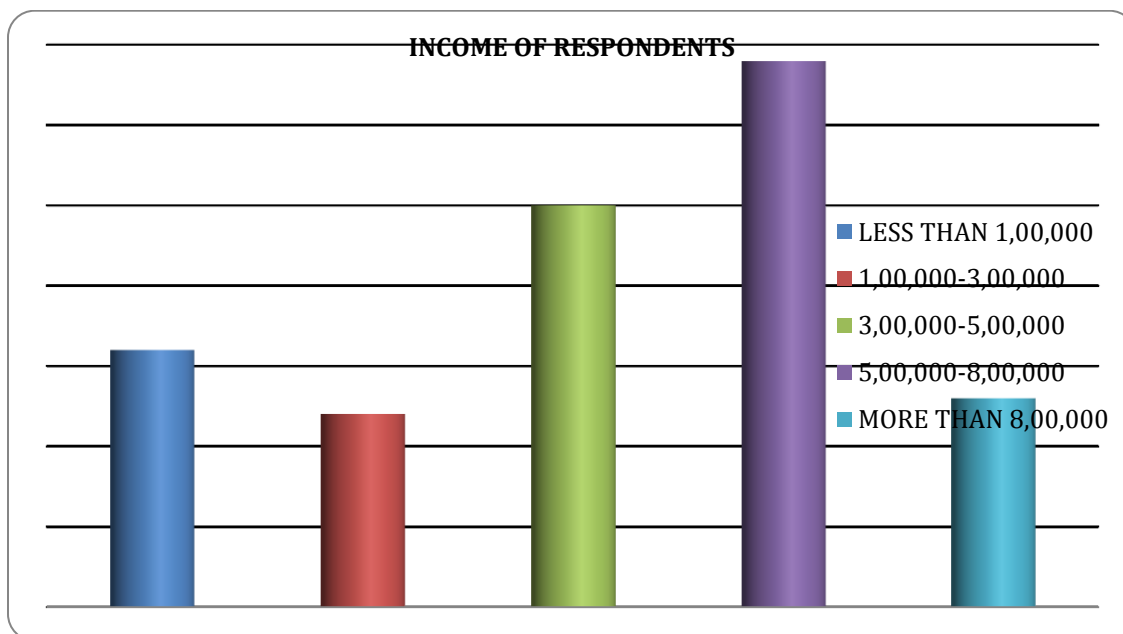
DATA ANALYSIS

4.1 DIAGRAM SHOWING THE AGE OF THE CONSUMERS



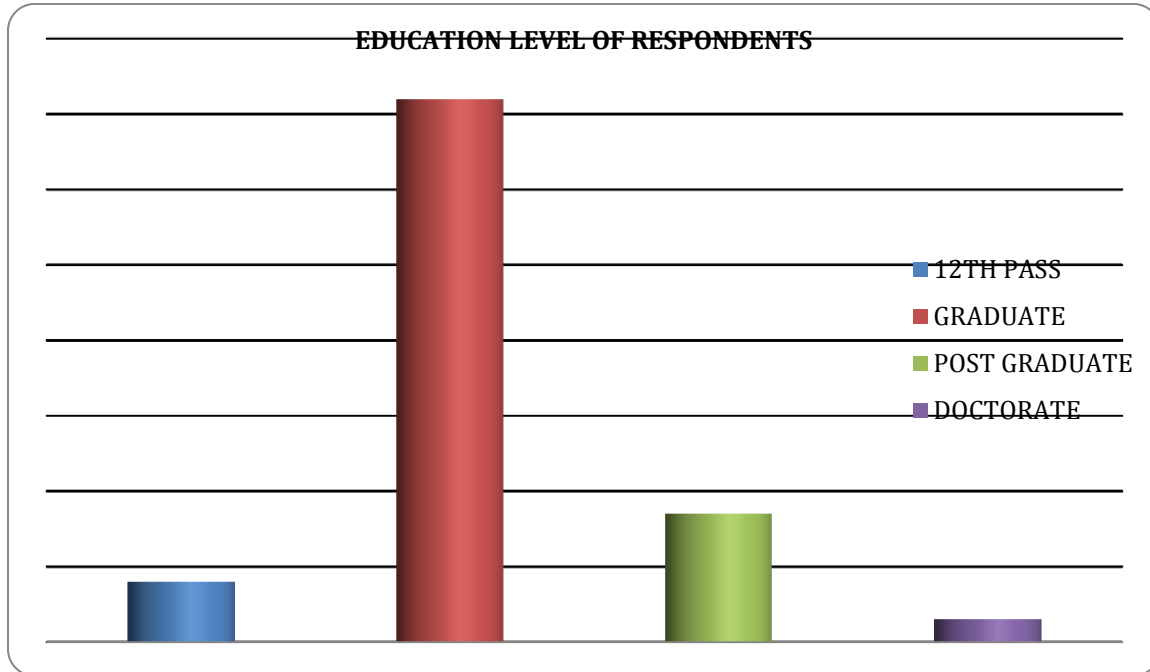
SOURCE: SCHEDULE

4.2 DIAGRAM SHOWING THE INCOME OF THE CONSUMERS



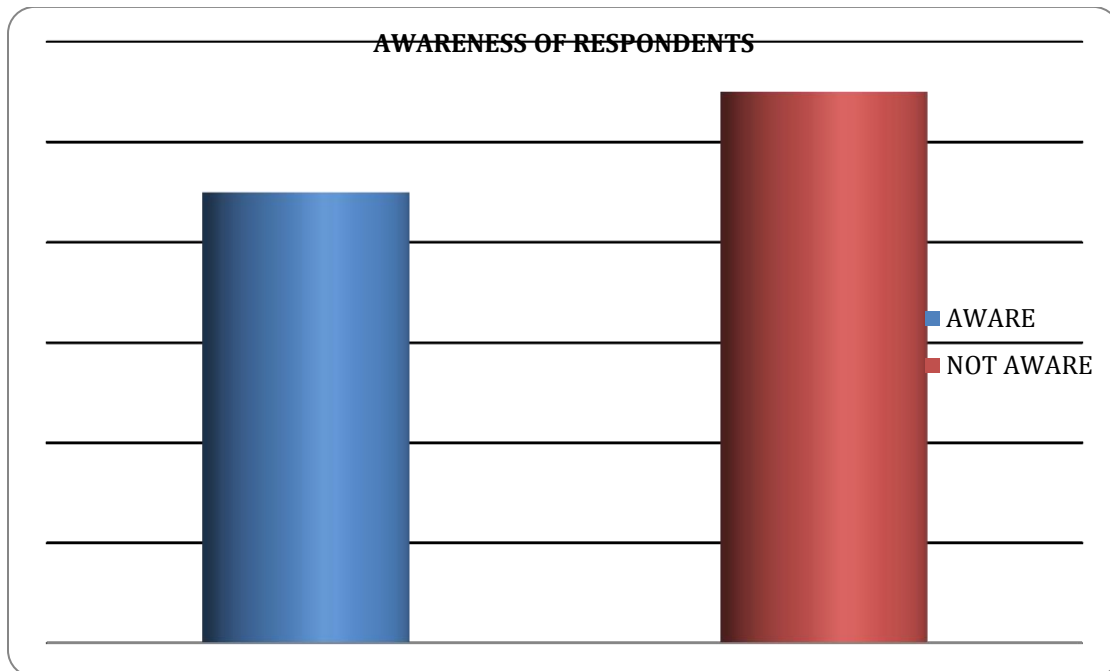
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4.3 DIAGRAM SHOWING THE EDUCATION OF THE CUSTOMER



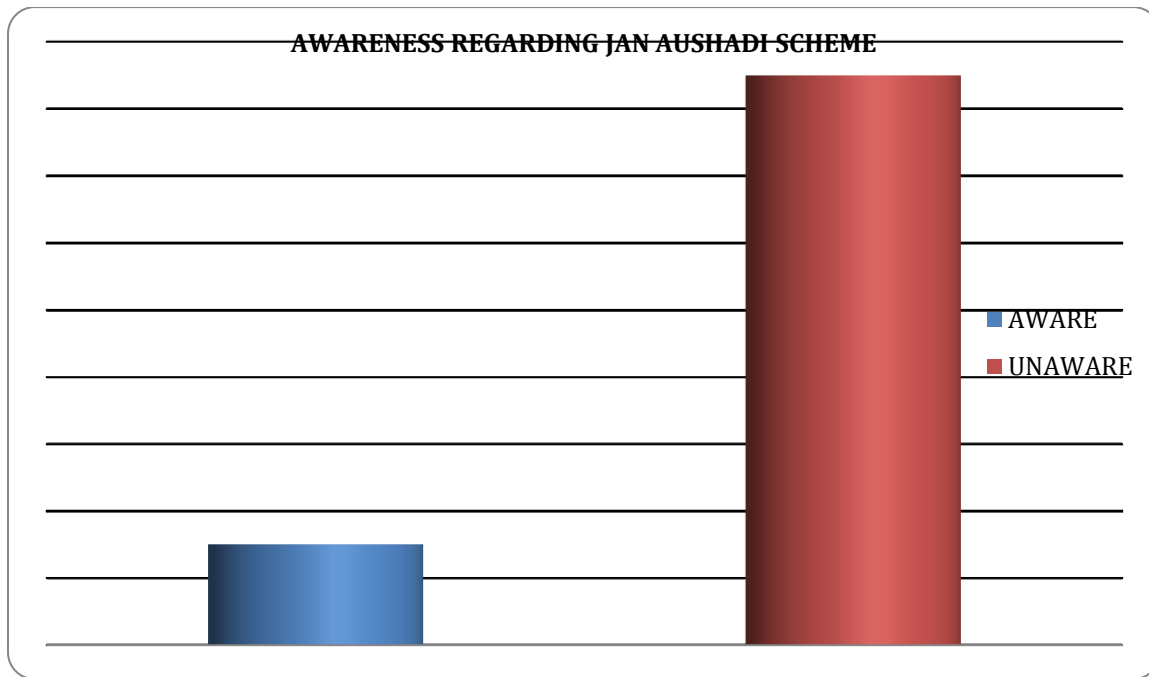
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4.4 DIAGRAM SHOWING THE AWARENESS OF RESPONDENTS REGARDING GENERIC MEDICINES



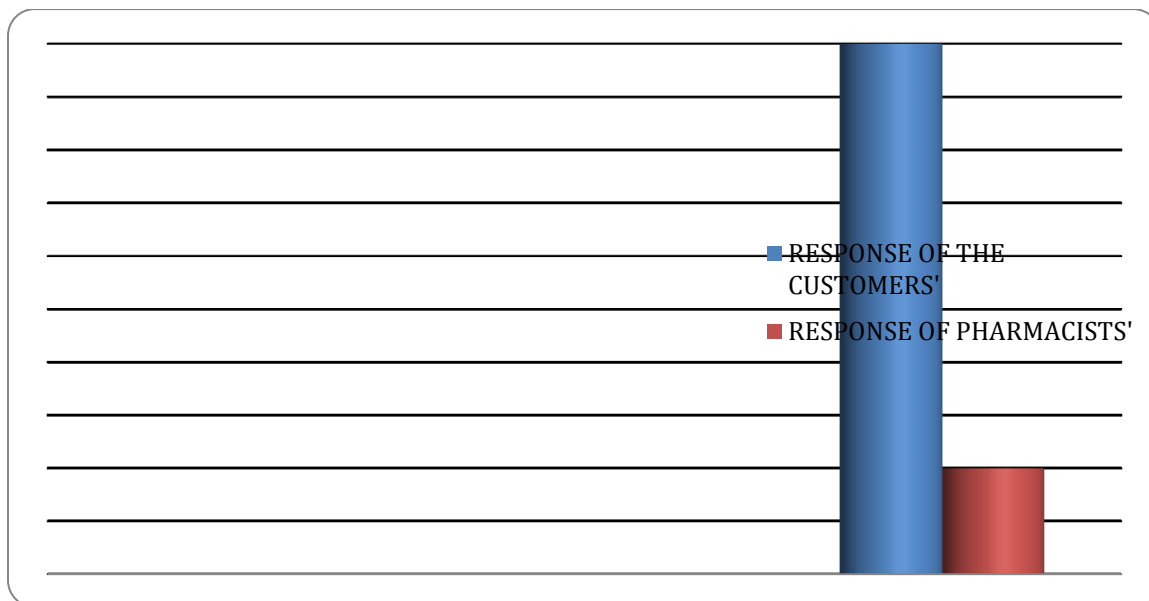
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4.5 DIAGRAM SHOWING AWARENESS REGARDING JAN AUSHADI SCHEME AMONG CUSTOMERS'



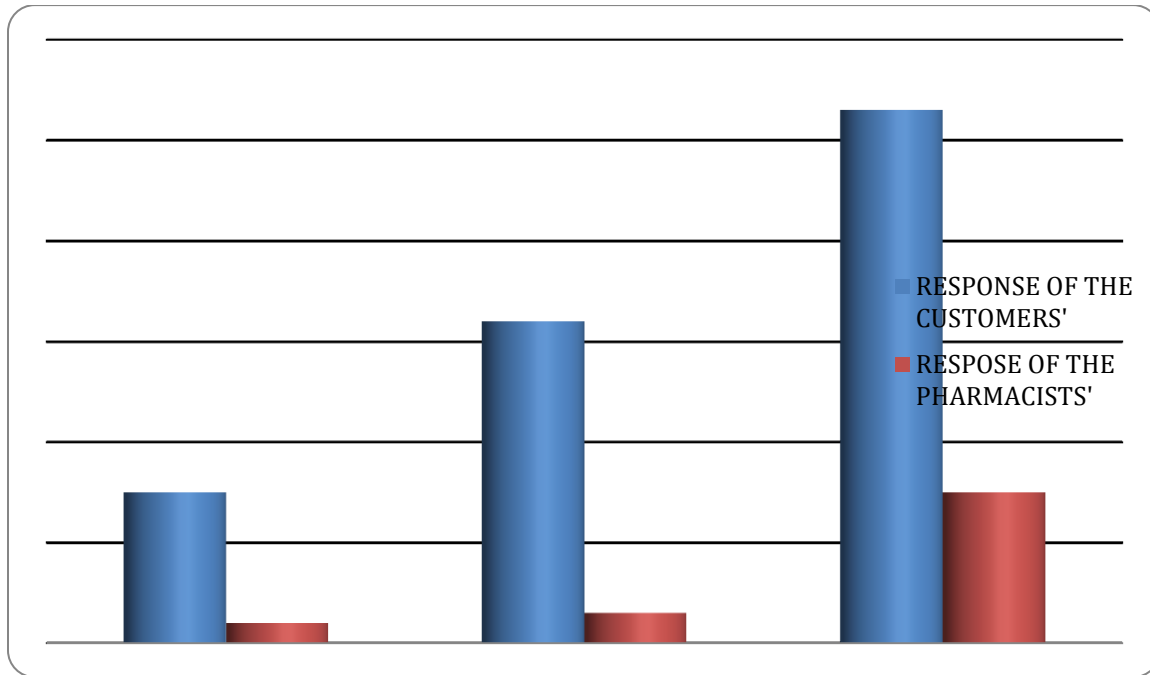
SOURCE: SCHEDULE

4.6 DIAGRAM SHOWING PRICE OF GENERIC MEDICINES AS COMPARED TO BRANDED MEDICINES



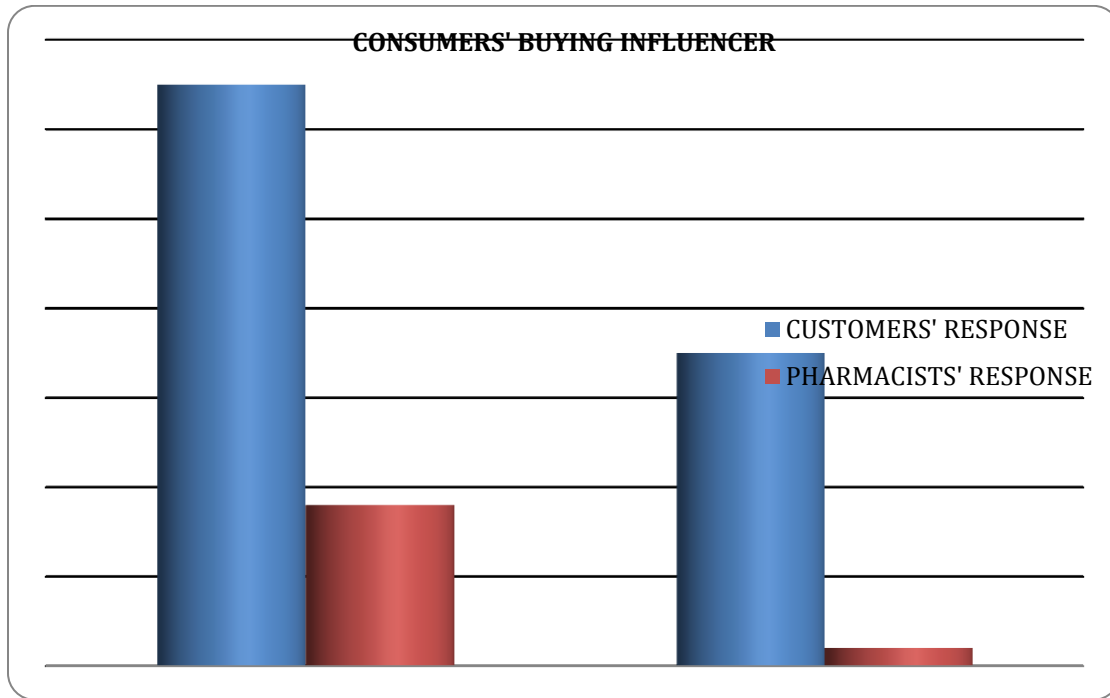
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4.7 DIAGRAM SHOWING IMPACT OF JAN AUSHADI SCHEME ON BUYING BEHAVIOUR OF CUSTOMERS'



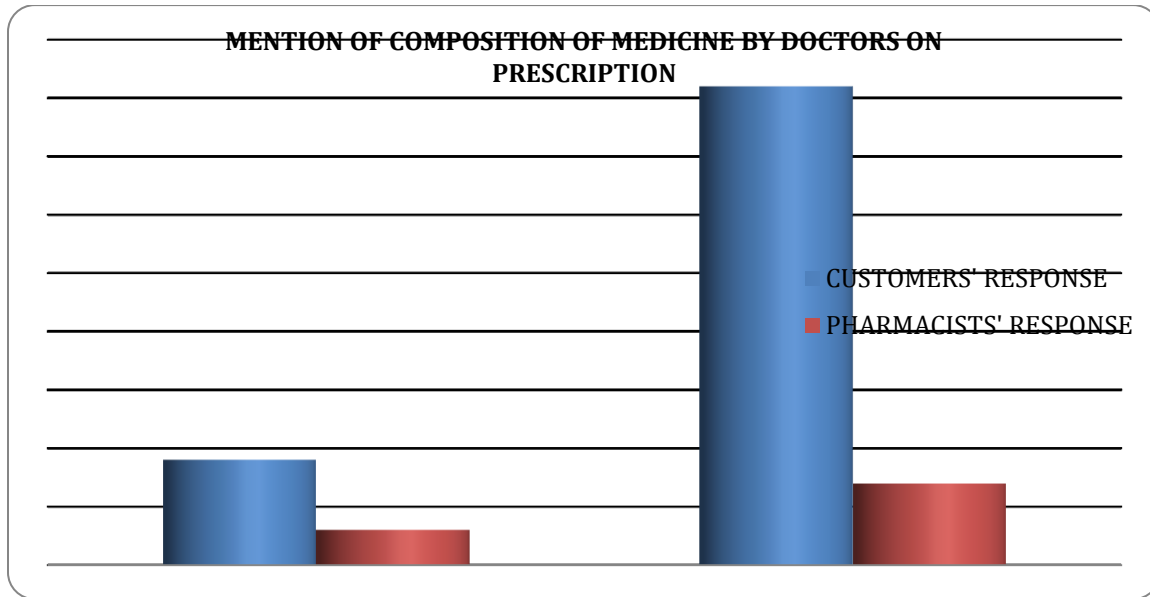
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4.8 DIAGRAM SHOWING THE CONSUMERS' INFLUENCER REGARDING MEDICINES



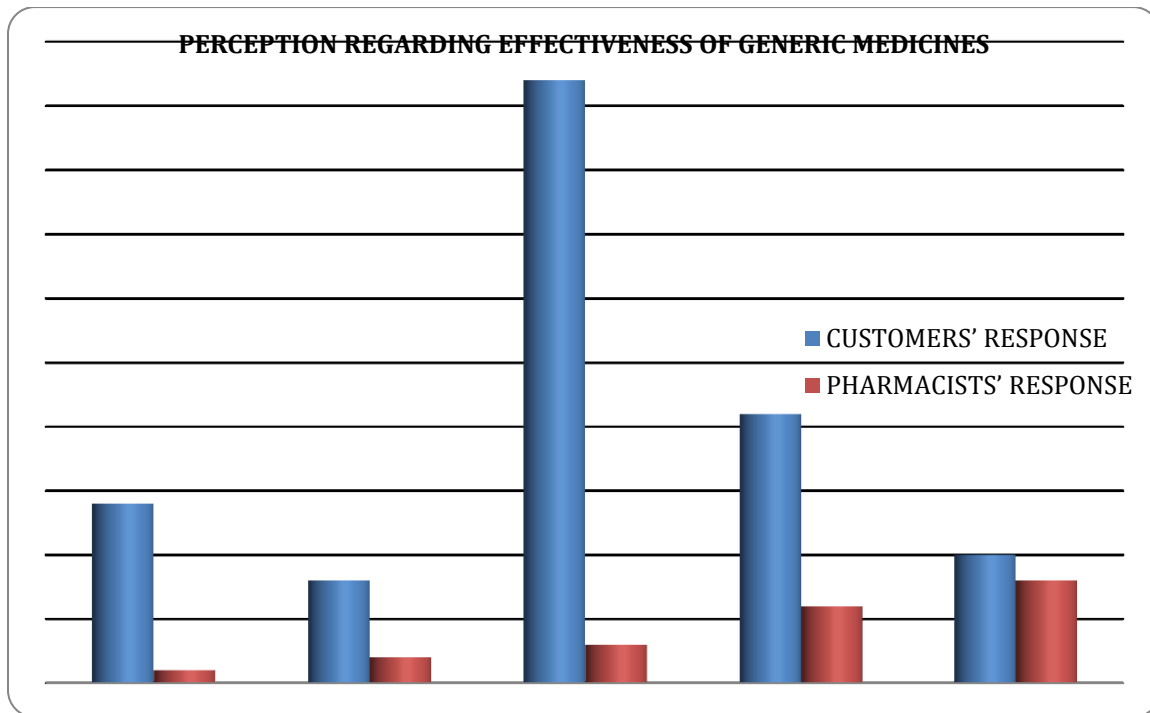
SOURCE: SCHEDULE

4.9 DIAGRAM SHOWING WHETHER THE DOCTOR MENTIONS COMPOSITION ON THE PRESCRIPTION



SOURCE: SCHEDULE

4.10 DIAGRAM SHOWING THE PERCEPTION REGARDING EFFECTIVENESS OF GENERIC MEDICINES AS COMPARED TO BRANDED MEDICINES



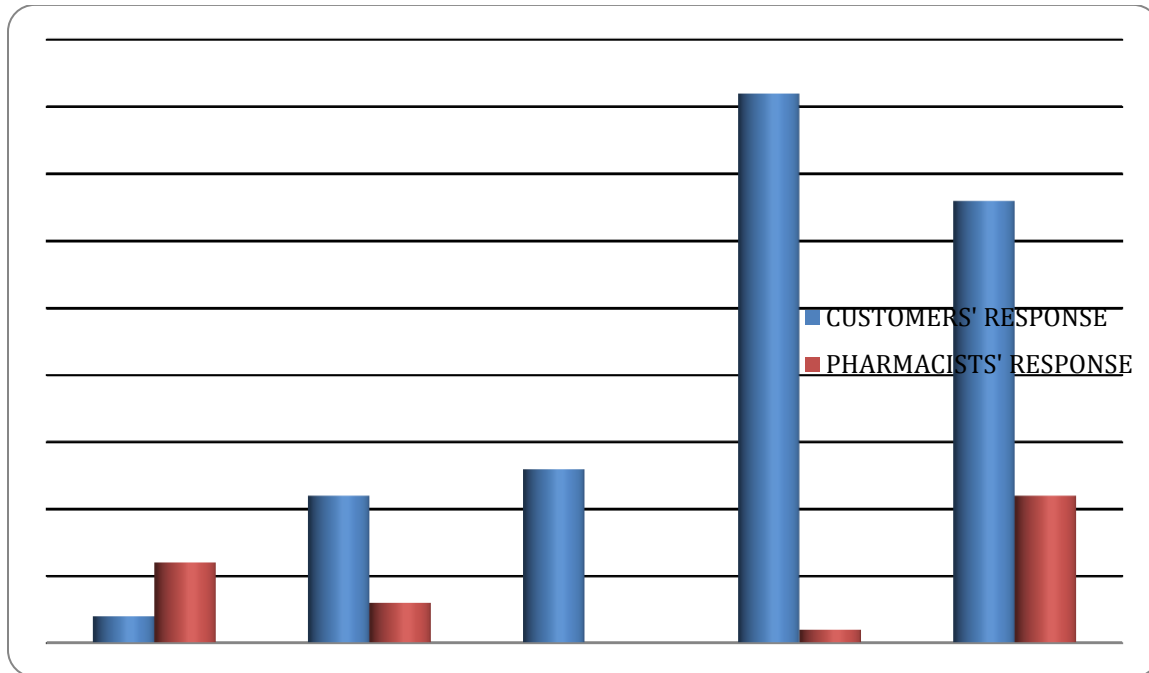
SOURCE: SCHEDULE

4.11 DIAGRAM SHOWING CUSTOMERS' WILLINGNESS TOWARDS BUYING GENERIC MEDICINES



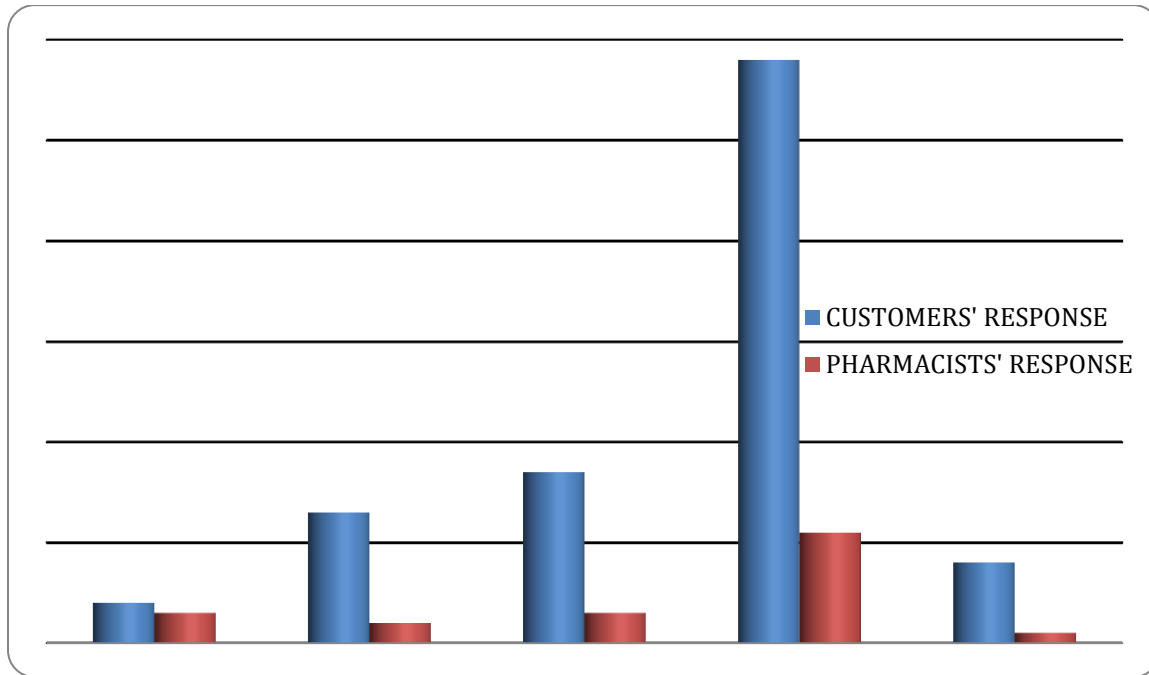
SOURCE: SCHEDULE

4.12 DIAGRAM SHOWING PHARMACISTS' WILLINGNESS TOWARDS SELLING/ REFERING GENERIC MEDICINES



SOURCE: SCHEDULE

4.13 DIAGRAM SHOWING AVAILABILITY OF GENERIC MEDICINES AT PHARMACIES



SOURCE: SCHEDULE

4.14 TABLE SHOWING THE ASSOCIATION BETWEEN AGE AND CUSTOMERS' PERCEPTION REGARDING EFFECTIVENESS OF ENERIC MEDICINES.

Test Statistics

	AGE	PREFERENCE
Chi-Square	4.160 ^a	47.300 ^b
df	5	4
Asymp. Sig.	.527	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 16.7.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

4.15 TABLE SHOWING THE ASSOCIATION BETWEEN INCOME AND CUSTOMERS' PERCEPTION REGARDING EFFECTIVENESS OF ENERIC MEDICINES.

Test Statistics

	INCOME	PREFERENCE
Chi-Square	17.500 ^a	47.300 ^a
df	4	4
Asymp. Sig.	.002	.000

Test Statistics

	INCOME	PREFERENCE
Chi-Square	17.500 ^a	47.300 ^a
df	4	4
Asymp. Sig.	.002	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

4.16 TABLE SHOWING THE ASSOCIATION BETWEEN EDUCATION AND CUSTOMERS' PERCEPTION REGARDING EFFECTIVENESS OF ENERIC MEDICINES.

Test Statistics

	EDUCATION	PREFERENCE
Chi-Square	121.840 ^a	47.300 ^b
df	3	4
Asymp. Sig.	.000	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

FINDINGS:

- 5.1 Most of the consumers were above the age of 50 years.
- 5.2 Most of the customers had income in between 5-8 lakhs per annum
- 5.3 Most of the customers were graduates.
- 5.4 It was found in the study a large number of respondents lacked awareness about generic medicines.
- 5.5 A large number of respondents were not even aware of the Jan Aushadhi scheme of the government.
- 5.6 Customers' as well as Pharmacists have reported generic medicines to be affordable.
- 5.7 Jan Aushadhi scheme has not had much impact on the buying behavior of customers.
- 5.8 The respondents gave preference to the brand prescribed by the doctor instead of the chemical composition.
- 5.9 The preference of branded medicine is due to the widespread practice of the doctors prescribing the brand names instead of formulation of medicines.

- 5.10** The respondents felt that branded medicines were more effective as compared to the generic medicines due to more trust of brands prescribed by doctors.
- 5.11** The customers as well as the pharmacists depicted apprehension towards generic medicines. Customers were apprehensive with regards to their effectiveness.
- 5.12** The pharmacists were apprehensive to sell/refer due to low demand and customers' apprehension.
- 5.13** Availability of generic medicines in retail stores is low as per both the customers as well as the pharmacists. Pharmacists maintain low stock of generic medicines due to customers' apprehension and due to non reference by doctors.
- 5.14** As per the customers who are aware reported that Generic medicines would benefit all if their awareness and efficiency is further improved.
- 5.15** Asymptotic value of 0.527 signifies association between age of consumers' and consumers' perception regarding effectiveness of generic medicines as it implies rejection of null hypotheses and acceptance of alternate hypotheses.
- 5.16** Asymptotic value of 0.002 signifies no significant association between income of consumers' perception regarding effectiveness of generic medicines as it implies acceptance of null hypotheses.
- 5.17** Asymptotic value of 0.000 signifies no significant association between education of consumers' perception regarding effectiveness of generic medicines as it implies acceptance of null hypotheses.

From the study it is thus evident that there is lack of awareness about generic medicines. People are still to realize the benefits of generic medicines as people still perceive branded medicines to be more effective. It can thus be implied that market penetration of generic medicine is very low in Tinsukia, Assam.

RECOMMENDATIONS:

As per the above findings the following recommendations can be put to effect:

- 6.1** There should be creation of increased awareness among people regarding Generic medicines as well as Jan Aushadhi Yojna.
- 6.2** Respondents have reported generic medicines to be less effective as compared to the branded medicines. Thus, steps could be taken to improve the effectiveness of generic medicines by conduction of required researches.

6.3 A mandate regarding writing only the composition of medicines should be issued to all doctors. Failure to follow the mandate should lead to imposing fines or cancellation of license.

6.4 The Jan Aushadhi centres should be increased in number to ensure a wider reach. reach made wider just like distribution of ration though PDS.

CONCLUSION:

Healthcare is the most important measure of a country's well being. It should thus, be ensured that every citizen of the country has access to adequate and quality treatments and medications. This has been taken up as an area of concern by the government as schemes such as Jan Aushadhi has been introduced. However, awareness of the benefit of the scheme should be communicated properly to ensure success of the scheme and thereby achieving the desired objectives. Implementing the various suggestions would aid in ensuring accessible healthcare for all.

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