

Study for the Awareness of Consumers, about e- Pharmacy

By

Amit Kumar Jain

*Dissertation submitted for the partial fulfillment of the
MBA Pharmaceutical Management*

Academic year, 2016-2018



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TO WHOMSOEVER MAY CONCERN

This is to certify that **Amit Kumar Jain** student of MBA Pharmaceutical Management from The IIHMR University, Jaipur has undergone Dissertation training at **IIHMR University**, Jaipur from 7th February to 7th May 2018

The Candidate has successfully carried out the study designated to him during internship training and his approach to the study has been sincere, scientific and analytical.

The Internship is in fulfillment of the course requirements.

I wish him all success in all his future endeavors.



Dr.(Col) Ashok Kaushik

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CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled **Study for the awareness of consumers, about e-pharmacy** and submitted by (Name) **Mr. Amit Kumar Jain**, Enrollment No.-0059, under the supervision of **Mr. Rahul Sharma** for award of MBA in Pharmaceutical Management of the University carried out during the period from ...**Febriary07,2018** to **May07, 2018**embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.



Signature

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1.Introduction

INTRODUCTION-

The process of buying goods and services directly from the seller without an intermediary in between by the use of internet technology is called online shopping. Online stores give advantage to the consumers that they can choose the product on the computer or mobile with internet facility at ease and their own convenience. online shopping is a form of e-commerce and in many countries, they are contributing in the economy of the nation. online shops, e-shops, e-store, web store, internet shop, web shop etc. this concept was firstly used by pizza hut and by banks for online banking facility in the year 1994 after the development of world wide web browser and server by Tim burners – lee in 1990. This process is called Business -2-Business – consumers online shopping. With the growth of technology only shopping has shown a marked growth, which resulted in entry of many new firms in the sector. It has been found from a research that in general higher the level of education, income, and occupation of head of the household, the perception towards nonstore shopping is more. in US only, online retail industry will be worth \$279billion in 2015 . Major products which consumers look, and purchase online includes clothes and apparels. In India the concept of online stores and online represented about 13% of the domestic market. The population having internet access is growing in India, from 0% in 1994 it has grown to about 5.3% in 2009 . According to annual report of just today “India online 2011” India has 65million active internet users. It expected to reach 237 million users by 2015 according to a report of economic times. The India has enormous growth opportunities for online stores and online retail pharmacy stores .

Now – a-days we witness a phase transition of buying pattern of any goods, clothes, electronics, furniture etc. with the advent of technology, offline shopping switches to online mode. Buying anything online is in fashion . Then how could be our field of pharma stay untouched of this? Buying drugs/medicine online is the latest trend amongst the Indian patients and consumers. With this increase trend of buying medicine online, number of online pharmacy also increase. but there is lack of proper regulatory checks and balance for exercising regulatory control over e-pharmacy .

The modern era has seen the influence of globalization which has turned the world onto a global village, with limitless boundaries. This has provided us with opportunities to enhance our living standards by opening up the resources round the globe for utilization of making as everything has a price to be paid for similarly human race has sacrificed its time, the most precious of all .

E_ pharmacies have been a preferred channel of purchasing medicines in most European countries, but India is still slow in this mode. However, it comes as no surprise that o E-pharmacy players are looking to expand their presence in the Indian market.

Though e-pharmacies are not that abundant in India, e-pharmacies based overseas have been showing keen interest in India to buy much cheaper generic medicine available here.

Challenges to e- pharmacy in India –

- To operate legally e-pharmacies must be licensed in every state in which sales occur. Although e- pharmacies benefits to consumers compare with traditional pharmacies.
- Purchasing prescription drug E-pharmacy may pose aa risk to consumers because they cannot tell whether the site is offering the drugs of the same quality offered by retail pharmacy.
- In community pharmacies or local pharmacies shops physical interaction with pharmacist is common with verification and clarification taking place, this is not the case with e- pharmacies.
- Due to widespread anonymous and ever-changing nature of internet it is difficult to regulate the content of internet. in India also, the regulation on internet is not such which may curb the opening of illegal or unapproved.

convenience

Convenience is the time saving and effort saving. including physical and mental effort. Convenience is an attribute for consumers when shopping online. Shopping online makes it easy for consumers to locate merchants, find items and procure offering wolfinbarger and gilly (2001). Mentioned that internet shopping provides a more comfortable and convenience environment.

Consumers do not have to leave their home and they can also browse for items by category or online store. Schaffer (2000) argued that a convenient internet shopping provides a short response time and minimizes customer effort.

Cost saving -

Miller 2000 indicate that the virtual online stores allow vendors to save expenditure that e-tailors enable consumers to purchase at a lower price. Moreover, it is relatively facile for internet buyers to make price comparisons via internet any time. Richness refers to the quality of the information available to shoppers, whereas, reach refers to the number of shops.

2. Literature review

Utilitarian shoppers are interested in e-tailing because of four specific attributes: convenience and accessibility, selection, availability of information and “lack of sociality (Weinberger and Gilly, 2001) moreover, previous research views cost-saving” as an important factor for consumers to take advantage of internet shopping (Keeney, 1999) thus, this study categorizes utilitarian value into convenience, choice, availability of information, lack of sociality, and cost saving.

Dr R B Smarta managing director interlink marketing consultancy said that wherever access to doctors specifically general practitioners (GP'S) is relatively economic and internet is still not the viable option for all.

According to a survey carried out by mark monitor (2008) more than 2,986 online pharmacies exist of which, 50 percent of online pharmacies were hosted in us, 14 percent in U.K. nine percent in Germany, seven, percent in Netherlands and the balance in countries like Canada. Mexico, china, India, south Africa and Thailand. In addition, there were approximately 400 b-2 -b listing online, out of which 31 percent were located in china, 26 percent in us and 19 percent in India. Many of these listings in India fulfill the order received from other e- pharmacies located in Canada or U.S.

After thorough analysis we found that utilitarian value is defined as critical as goal oriented (Hirschman and Holbrook, 1982, Batra and Athol, 1991). Defined utilitarian shopping motivation as acquiring the benefit of the product needed or acquiring the product more efficiently during the shopping process. Therefore. Utilitarian shoppers are transaction-oriented and desire to purchase what they want, efficiently and without distraction (Weinberger and Gilly, 2001). Utilitarian value is an overall assessment of functional benefits, such as economic value, convenience, time savings (Jarena and Todd, 1997, teo, 2001) previous researchers believe that, utilitarian values are the fundamental factors for people shopping online.

Muralitharan Nair partner, advisory services Ernst & young quotes that Indian consumers prefer to stick to the drugs prescribed by the doctor “unless they full in the dispensing pharmacist this limit the capability of e- pharmacy to substitute the ordered drugs with low cost generics.

Jumna managerial head healthcare consulting diammonium, India said that online pharmacies have changed the global pharmaceutical distribution chain quite significantly .

The era of e- pharmacies began more than a decade ago with the launch of drug distributing websites in Canada in the late 1990s.

3.Rational

Rational-

e-pharmacy of drugs would provide information of the product line, product mix and services delivered by the company. It would help to generate data for the customer's regarding appropriate information of products. many a times it is not necessary that the physician or the chemist may provide information of the product. thus, this can be made available by online retailing.

We have reviewed a large number of research papers on this and many parameters were already covered which call for the various aspects of consumers buying intentions, relating from age to socio-economic status and feasibility round the globe.

Topic where comfort of the consumers is to be evaluated with the cost thus incurred remains a topic for research. Therefore, this paper would evaluate the impact on consumers perception of these advertisements on social networking.

Any type off duplication of the available product in the market could also be ruled out comparison between two brands of the same company and of those of the competitors could also be possible. Any new development could be easily reported and can readily be made available to the customers. Most of the times the chemist for gaining profits substitutes the product, online retailing would reduce these malpractices, least malpractice can be assured through online retailing. product required for a.p.i. (active pharmaceutical ingredient) for other companies could be directly ordered from the companies site so as to reduce the unethical practices in supply chain. Also, drug would be made readily available in the required quantity. online retailing thus can satisfy the expectations in terms of time, quality of services and at the appropriate cost could be made available to the customer.

e- pharmacies are not as detrimental to pharma companies as some reports seem to indicate. In fact if regulators are vigilant and if adequate checks are in place, legal full services online pharmacies that operate within domestic markets can help ensure that patients refill their prescriptions and hence improve compliance rates e- pharmacies are no different from other business categories that seek to lower their costs and increase their market size by taking advantage of the efficiencies offered by e-commerce in the right sense, it can become a part of healthcare information care systems.

4.Objective and research methodology

Objectives-

- To assess the acceptability of concept of online retail pharmacy in India.
- To study consumers perception about online- retailing.

Research Methodology-

Study Type - Descriptive study

Study duration - feb.2018- May 2018 (3-month)

Analysis used tool – semi structured questionnaire (consisting of standard demography and awareness indicator)

Data collection - questionnaire tool (qualitative and quantitatively)

Sample method - convenient sampling

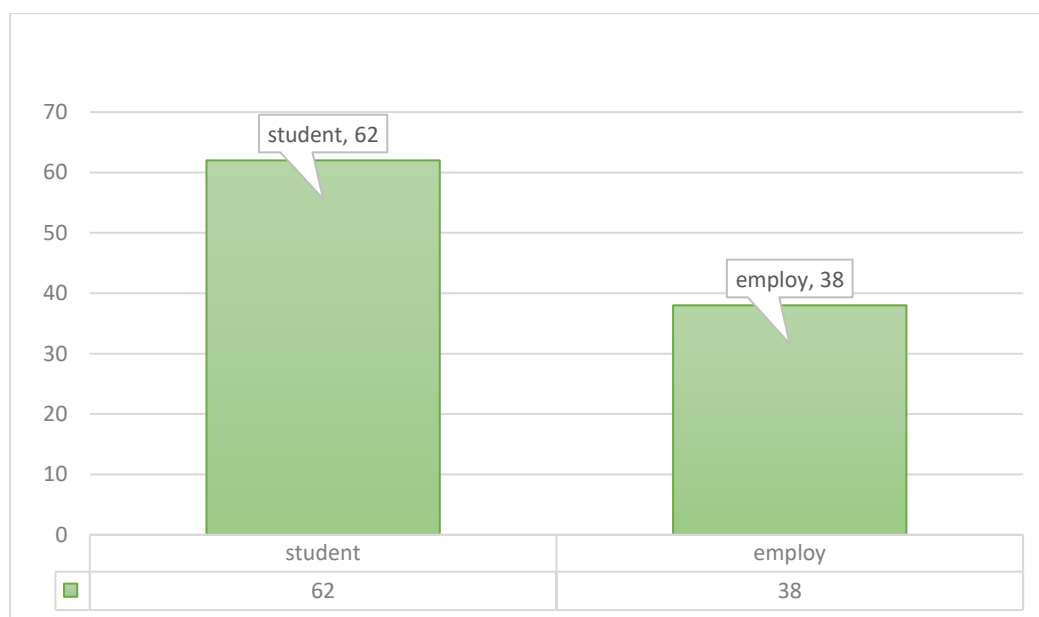
Sample size - 100 with people from various defined group.

Data collection method- Data collection was done from a period extending from Feb. 2018 to May 2018 from respondents in Jaipur, India. Interview schedule using semi-structured questionnaire was used for data collection.

5. Research findings and analysis

Fig.1 Profile of respondents- occupational status -

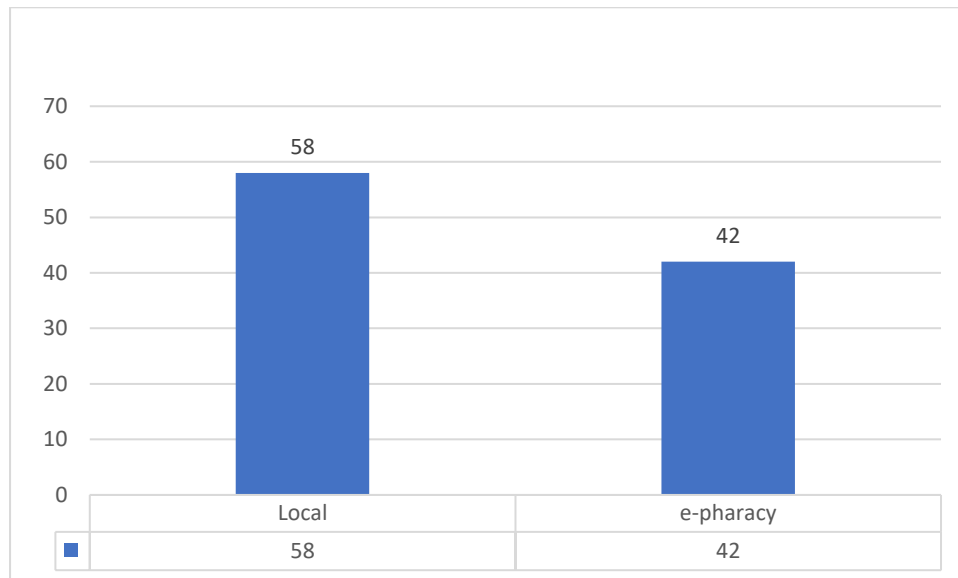
Occupational status determines the monetary decisions that an individual take. The products and the mode of purchase depend on the financial capacity of an individual. Following result was found after analysis.



After analysis it was found that sample drawn from student and employed people. The study also showed that 62 percent student respondent and 38 percent employed respondent for purchasing e-pharmacy drug.

Fig.2- Pharmacy preference

Individuals may differ in their perception towards local pharmacy and online pharmacy.



From the analysis of the data collected it was found that out of 100 respondents, 42 percent persons preferred e-pharmacy and 58 percent preferred local Pharmacy.

Fig.3 - Online purchase respondent-

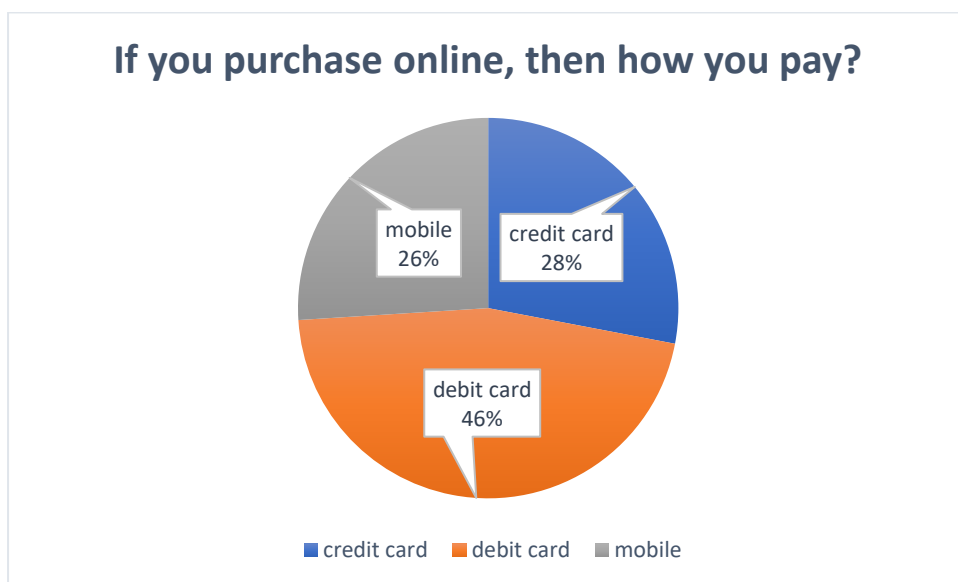
Online pharmacy is an online store from where the consumers can purchase drugs and other items through internet. research study tried to find that purchase history of online purchase drugs.



The study reflected that respondents out of 100 people 42 percent purchase online drugs.

Fig.4- Payment method preference -

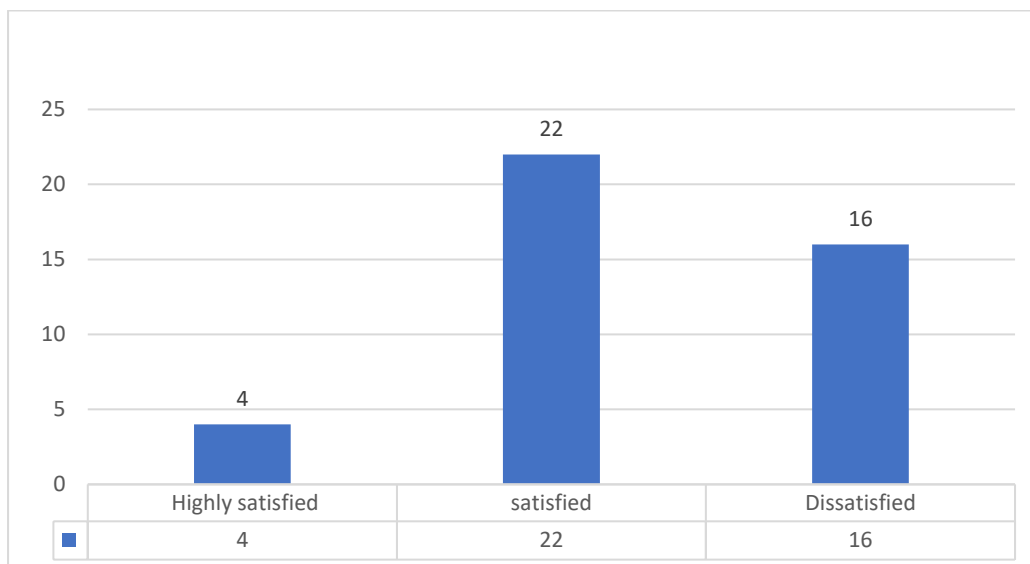
Online pharmacy is an online store from where the consumers can purchase drugs and other items through internet. the study tried to find that payment method of online purchase drug.



The data clearly show that out of 100 respondent 26 percent use mobile (Payten) 46 percent use debit card, 28 percent credit card for payment of online drugs purchase. After find that Cleary data show that people mostly, preferred debit card method.

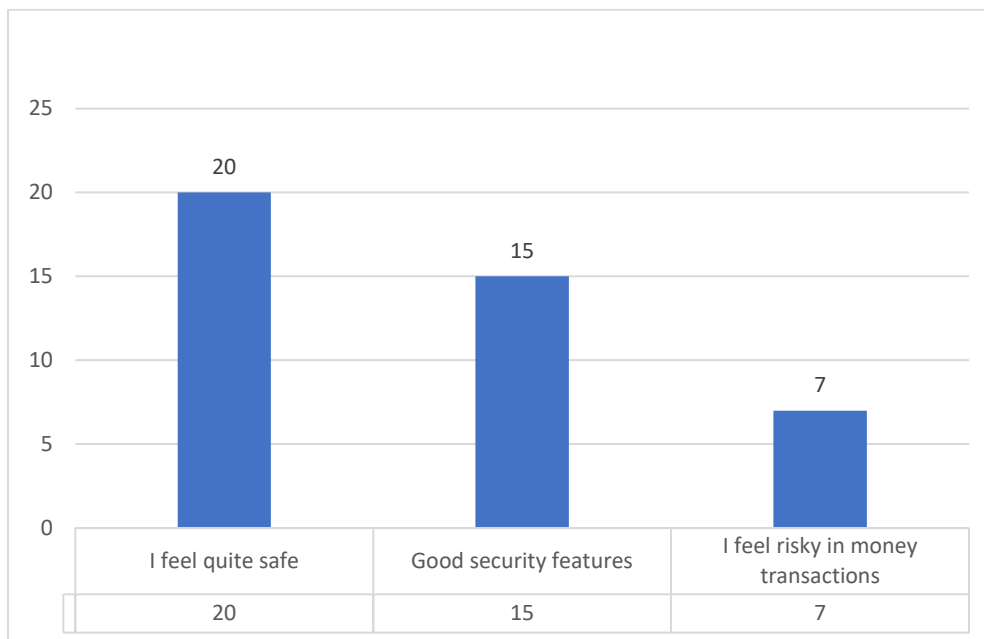
Fig.5- Satisfaction level e- pharmacy

Online pharmacy is an online store from where the consumers can purchase drugs and other items through the use of internet. the satisfaction is important factor to purchase online drugs.



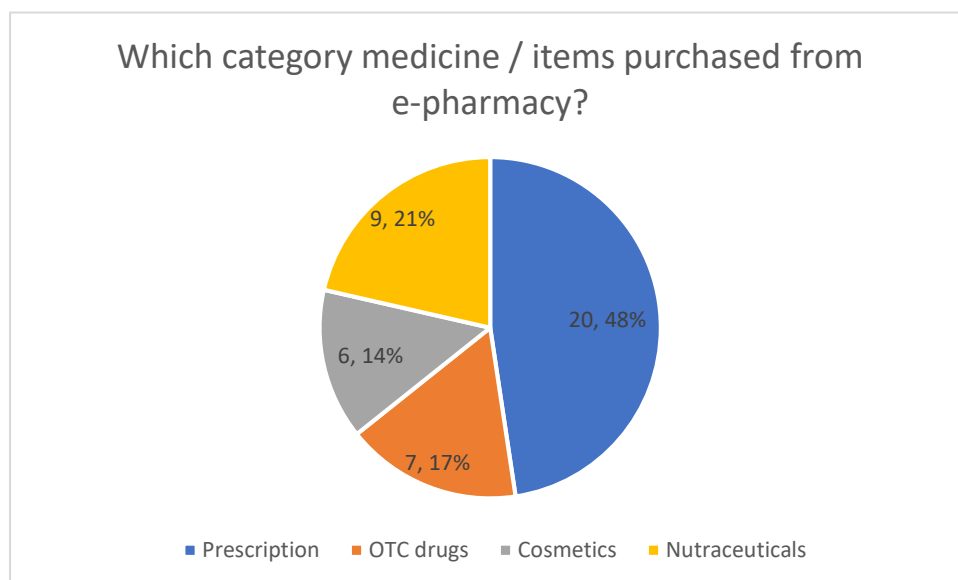
The data clearly show that out of 42 respondents, 4 persons highly satisfied, 22 persons satisfied, 16 persons dissatisfied in online shopping.

Fig.6- Security and privacy in online purchasing



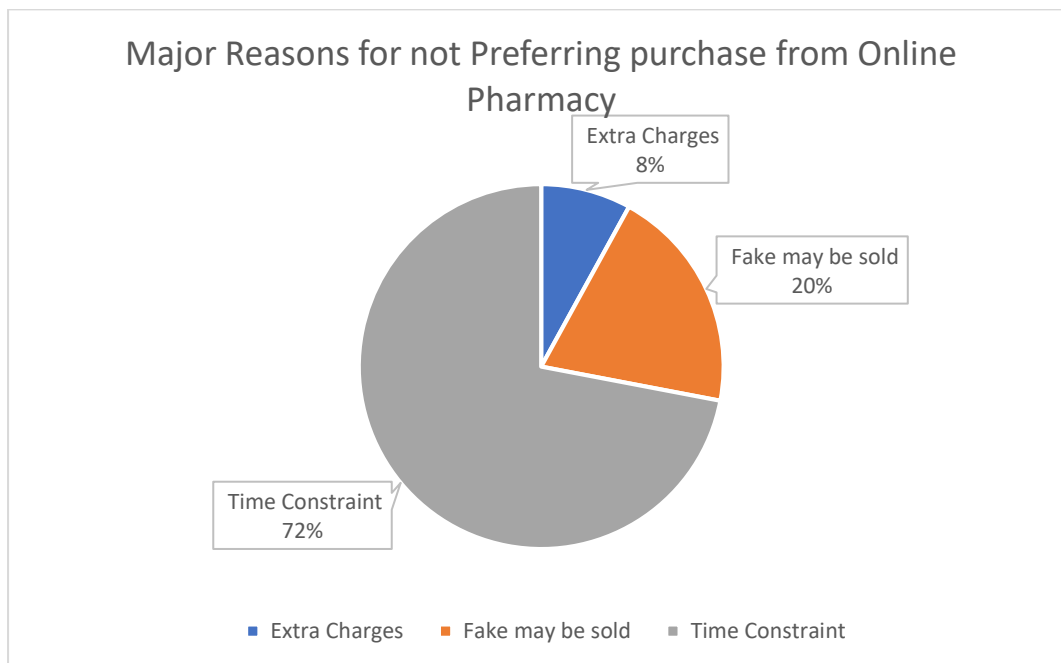
The data clearly show that out of 42 respondents 20 persons are feel quite safe while they purchase online, and 15 persons are happy with the security and privacy features, but 7 persons are not feel secure with the transactions.

Fig.7- Preferential categories of medicine for purchase of drugs online



The graph clearly shows that the respondents were agreeable to purchase of all kinds of medicine online whether they are prescription and OTC, cosmetics, nutraceuticals products. This shows prescription products shall dominate the market and sales from online retail pharmacy. The graph clearly shows out of 42 respondents 48%percent purchase prescription. 14 percent purchase cosmetics, 21 percent purchase nutraceutical, 7 percent purchase OTC drugs.

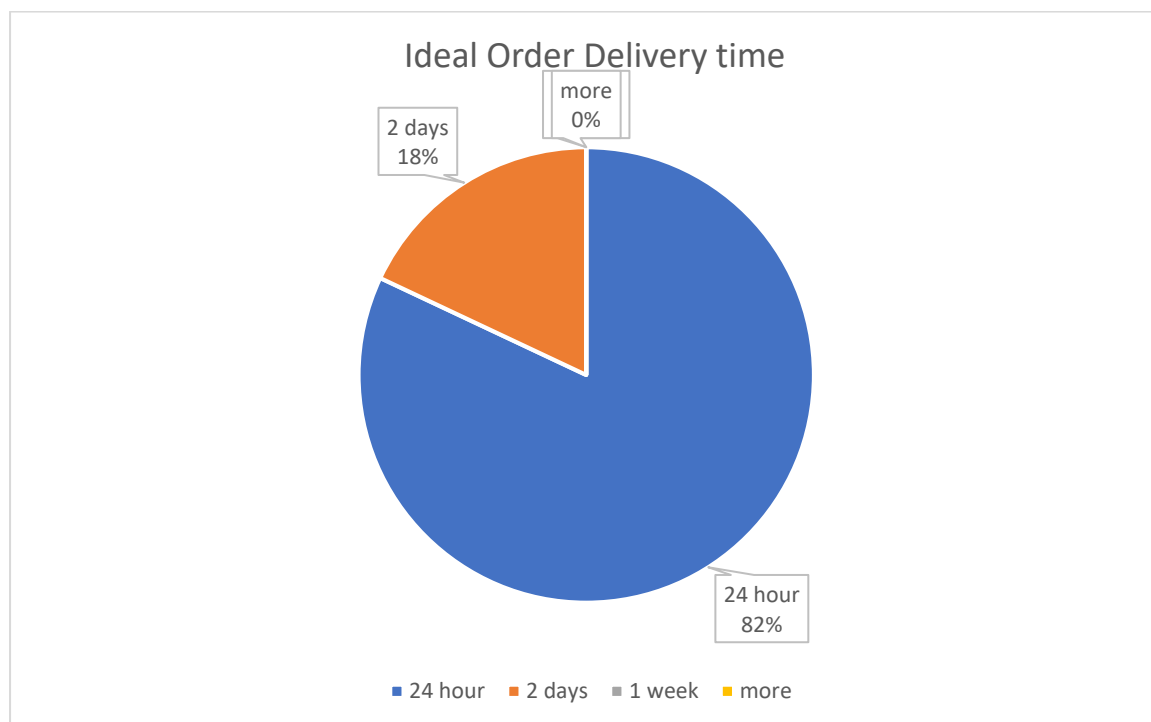
Fig .8- Factors for not purchasing drugs online



The study reflected that people respondents had given some major responses for considering online purchasing of drugs being not safe. The study showed that out of 100 people 72 percent said online purchasing not safe because time constraint. 20 percent said online purchasing not safe because fake may be sold. 8 percent said online purchasing drugs not safe because extra charges.

Fig.9- Ideal order Delivery time of an online pharmacy

Individuals want the products ordered through online portal within their desired delivery time. Delivery time depend on number of factors.



The data clearly show that 82 percent of consumer want the delivery of medicine at the same day. Because medicine is play a significant role in life.

6.Conclusion-

- Most of the respondents want the delivery time of online pharmacy should be within 24 hours.
- Convenience of product delivery is getting more value as compared to cost and people are ready to pay extra amount as compared to getting in retailer store.
- After analysis Students and employees are more purchase online drugs.
- Extra charge, time constraint, fake may be sold were the factors for considering online purchase of drug being not safe.
- A huge number of respondents accepted the online payment system and cashless system.
- After analysis found that more people preferred local pharmacy as compare to e-pharmacy.

7.Suggestions-

1. Strong supply chain network to be maintained smoothly.
2. Awareness among the customers in terms of maintaining confidential data.
3. Discounts and other offers are to be given to avoid objections from chemist associations / retailer unions.
4. Satisfaction level of consumers should be measured time to time.
5. In case of wrong delivery and other cases which include refund to consumer, proper refund rules should be site for consumer interest.

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