

Consumer's Perception of Generic Medicines in Ankleshwar town

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**Under the Guidance of
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**Post Graduate Diploma in Pharmaceutical Management
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To whomsoever it may concern

This is to certify that Mr. Sanjay Limbani, student of Post Graduate Diploma in Pharmaceutical Management (PGDPM) from Institute of Health Management Research, Jaipur has undergone internship training from 1st February 2014 to 30 April 2014. 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.



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Original Literally Work Declaration

**INDIAN INSTITUTE OF HEALTH MANAGEMENT RESEARCH,
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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.



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Abstract

India is a crucial player in the global drug supply chain. It produces 40% of the generics and over-the-counter drugs that U.S. consumers turn to, and the U.S. is the world's largest market. India is today one of the top emerging markets in the global pharmaceutical scene. The sector is highly knowledge based and its steady growth is positively affecting the Indian economy. One of the most common concerns about purchasing Generic Drugs from is the safety of the drugs, and the safety of the patients ordering them. In most cases, generic drugs are considered safe.

This online survey is conducted for mapping of the perception of the consumers towards the generic medicines. Perceptions do change with the developments in the surroundings. It's the same in case of the perception for generic medicines. Recently USFDA has taken tough stance for the regulatory obligations to Indian drug manufacturer.

But the results of the survey shown favour for generic prescription drugs in the targeted population. The large proportions of consumers are familiar with generic drugs due to low cost, availability & most importantly quality of the medicines. The study is done in Ankleshwar town in Gujarat state. Response rate is 72.4 %. Sample size for the study is 250 out of which 181 responded.

INDEX		
Sr. No	Title	Page No.
1.	Introduction	6
2.	Rationale	10
3.	Research question	10
4.	Objective	10
5.	Methodology	10
6.	Findings	11
7.	Results & conclusions	14
8.	Recommendations	15
9.	Reference	16

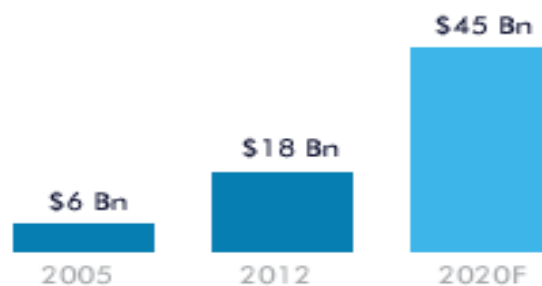
Introduction:

A generic pharmaceutical drug is identical to a brand name drug in safety, strength and quality. Even though generics are identical to brand name drugs, they are typically sold at substantial discounts from the branded price. Typically, savings of at 50 to 70 per cent can be saved for the average consumer. It has been estimated that generic drugs save consumers an estimated \$8 to \$10 billion a year at retail pharmacies. Even more when hospitals use generics

Revenue of Indian pharmaceutical industry

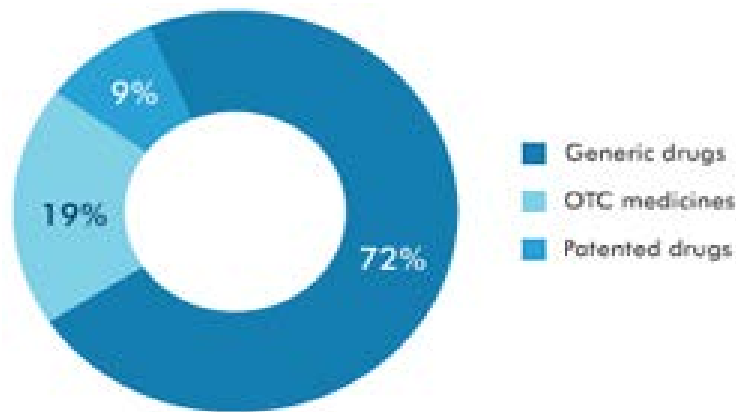
The Indian pharmaceuticals market is expected to grow at a CAGR of 12.1 per cent to reach US\$ 45 billion in 2020.

PHARMA REVENUES (US\$ Bn)



Revenue share of Indian pharmaceutical sub-segments

With 72 per cent of market share (in terms of revenues), generic drugs form the largest segment of the Indian pharmaceutical sector.



The rise of pharmaceutical outsourcing and investments by multinational companies (MNCs), allied with the country's growing economy, committed health insurance segment and improved healthcare facilities, is expected to drive the market's growth.

The Hatch-Waxman Act shook up the generic drugs business in 1984, and almost 30 years later, it's safe to say the law had its desired effect. About 84% of the 4 billion prescriptions written each year are for generic drugs, saving patients and government programs billions of dollars a year. In other words, generic drugs are big business. And with a slew of blockbuster brands now off patent, it's a big business with growing pains.

India is a crucial player in the global drug supply chain. It produces 40% of the generics and over-the-counter drugs that U.S. consumers turn to, and the U.S. is the world's largest market. But there is a growing perception among doctors that Indian-made meds fall short on quality, leading some drug makers to cry conspiracy and others to wonder how best to respond.

Among those doctors whose perception about Indian-made drugs has changed is Dr. Steven Nissen, head of cardiology at the Cleveland Clinic. "I'm just beginning to realize the gravity of the problem," he told *Reuters*. "It's terrible and it is starting to get a lot of traction among physicians."

Doctors really have no control over whether their patients get a drug made in India or somewhere else. That depends on what is on the pharmacy shelves.

And even then, many facilities in the U.S. and Europe have also been cited by the FDA for failures.

Some defenders see a conspiracy against Indian manufacturers. "We have heard doctors making generalized statements, without being specific on any product or company," D.G. Shah, secretary general of the Indian Pharmaceutical Alliance, told *Reuters*. "This is a deliberate and serious campaign to malign the Indian generic industry."

There has been an effort recently by a group of U.S. researchers and others, led by American Enterprise Institute drug authority Roger Bate, to convince lawmakers that Indian-made meds are something they should be concerned about. One of the doctors working on that effort is Dr. Harry Lever, a cardiologist at the Cleveland Clinic. "We are losing control over what people are swallowing," he told *Reuters*. He said he often suggests that patients see if they can avoid buying generics made in India.

There has also been no lack of publicity about the failings at Indian drug plants. The issue received lots of press when FDA Commissioner Margaret Hamburg made a trip there to meet with Indian regulators and industry bigwigs. The FDA recently added a Sun Pharmaceuticals plant to the list of facilities in India that have been banned. That list includes four plants operated by India's largest generics drug maker, Ranbaxy Laboratories, as well as two plants operated by Wockhardt.

But the FDA has also taken actions against any number of U.S. facilities, as well as plants in Europe operated by the largest of Big Pharma companies. German drug maker Boehringer Ingelheim even shut down a sterile injectable drug plant in the U.S. last year after years of trying to fix problems pointed out by the FDA.

Some Indian drug makers are pondering how to respond. According to *Reuters*, Jefferies India analyst Piyush Nahar said in a recent report that Indian drug makers told him that they have boosted their investments in compliance. But some are also considering investing in U.S. or European

facilities "to overcome challenges relating to both regulations and perceptions."

But some U.S. drug makers say there is spillover for the entire industry when questions of quality arise. Tony Mauro, the North American president of Mylan, recently told *Bloomberg*: "The industry as a whole always suffers when there are challenges from a quality perspective because this whole industry's foundation is about sameness of the brand."

India is today one of the top emerging markets in the global pharmaceutical scene. The sector is highly knowledge based and its steady growth is positively affecting the Indian economy. The organized nature of the Indian pharmaceutical industry is attracting several companies that are finding it viable to increase their operations in the country.

One of the most common concerns about purchasing Generic Drugs from is the safety of the drugs, and the safety of the patients ordering them. In most cases, generic drugs are considered safe due to the testing process used by the Food and Drug Administration and must meet or exceed all strict quality control standards, in compliance with WHO international guidelines.

Ankleshwar is a city and a municipality in the Bharuch district of the state of Gujarat, India. The city is located ten kilometers from Bharuch. The town is known for its industrial township called GIDC (Gujarat Industrial Development Corporation). Ankleshwar has an office of the ONGC (Oil and Natural Gas Corporation Limited). Ankleshwar has over 1000 chemical plants, producing products such as pesticides, pharmaceuticals, chemicals, and paints.

Ankleshwar is an educated city. It has an average literacy rate of 79%, higher than the national average of 59.5%; with 56% of the males and 44% of females literate.

Rationale: One of the most common concerns about purchasing Generic Drugs from is the safety of the drugs, and the safety of the patients ordering them. In most cases, generic drugs are considered safe.

Research Question: What is the perception of the generic drugs in Ankleshwar area?

Objective: To identify consumer's perception of generic prescription drugs used to treat different types of medical conditions

Methodology:

Study type: Cross-sectional mail survey

Study area: Ankleshwar

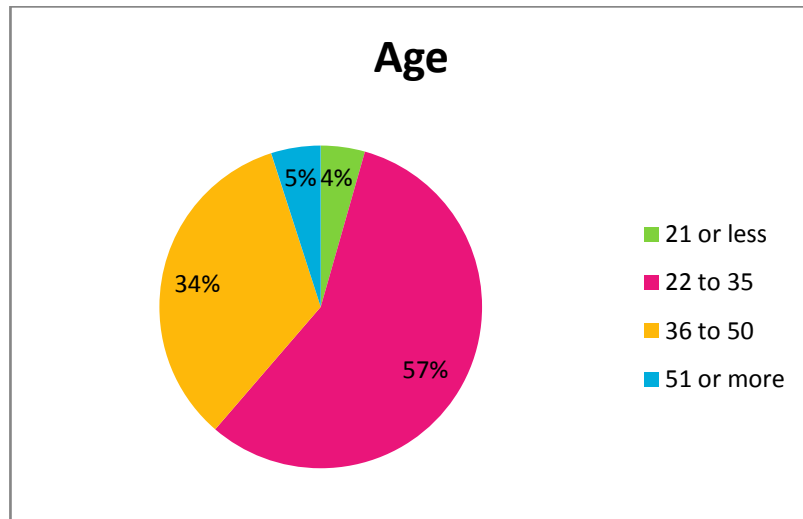
Sample size: 250

Sampling technique: simple random

Findings:

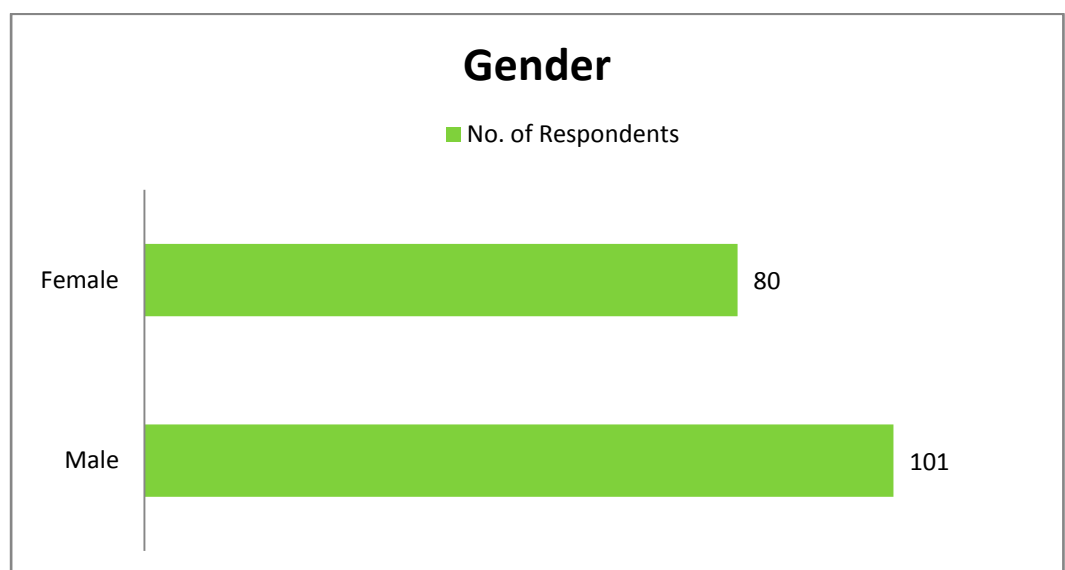
Distribution of Respondents by Age group:

Out of the total respondents (181), 57% were of age 22 to 35, whereas age group 36-50 came second at 34%. Also there were some minority respondents from the age group 21 or less (4%) & 51 or more (5%).

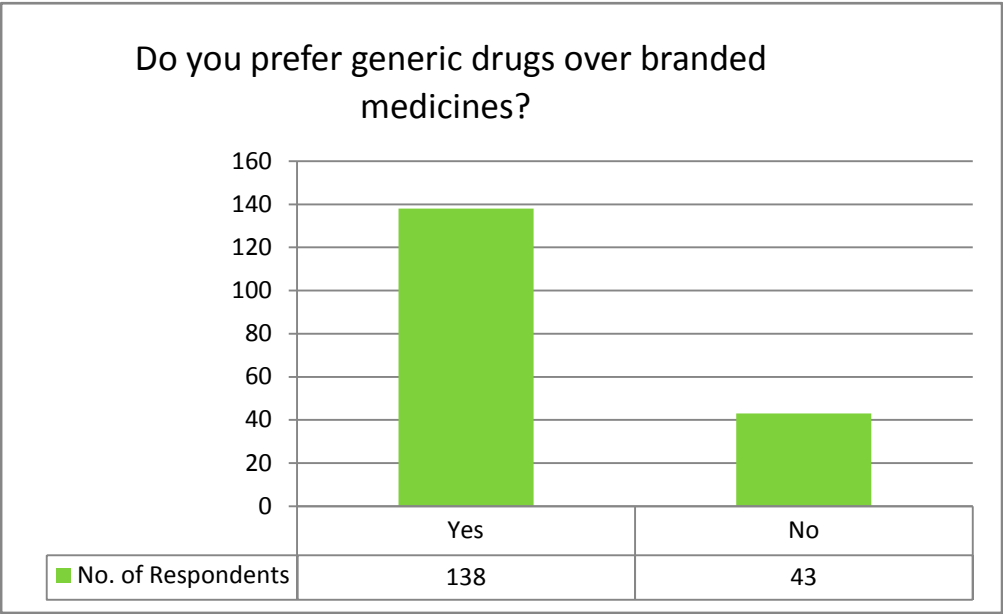


Respondents by gender:

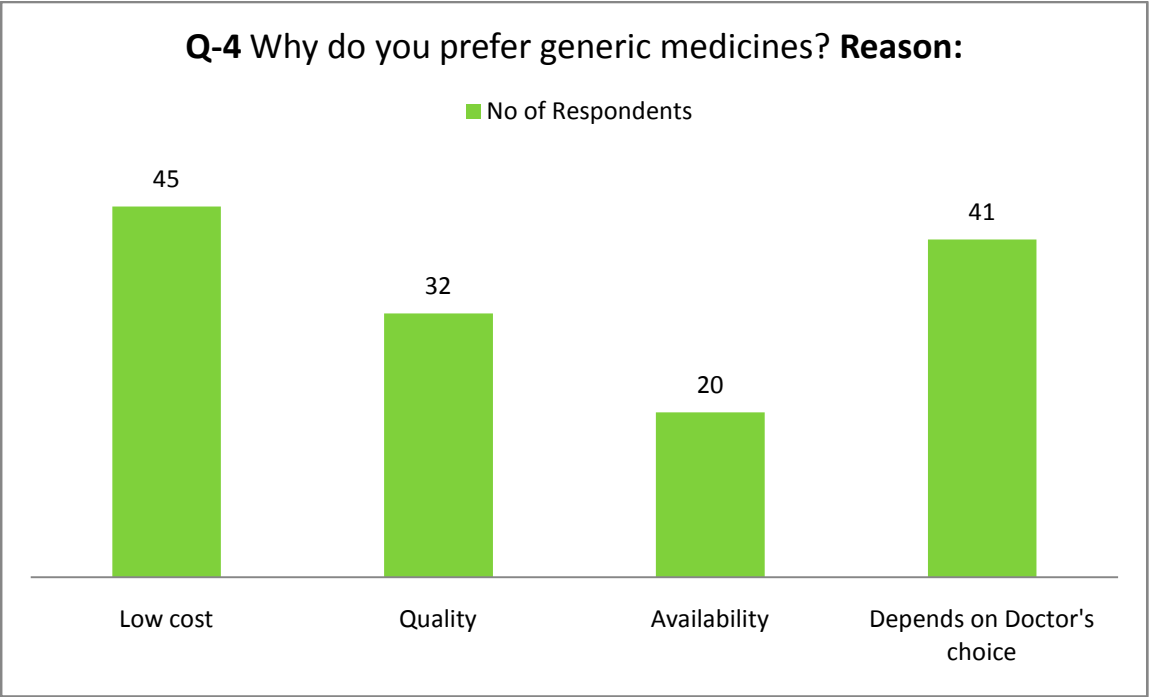
There were 101 male respondents and 80 female respondents.



Preference for generic drugs over branded drugs amongst respondents?

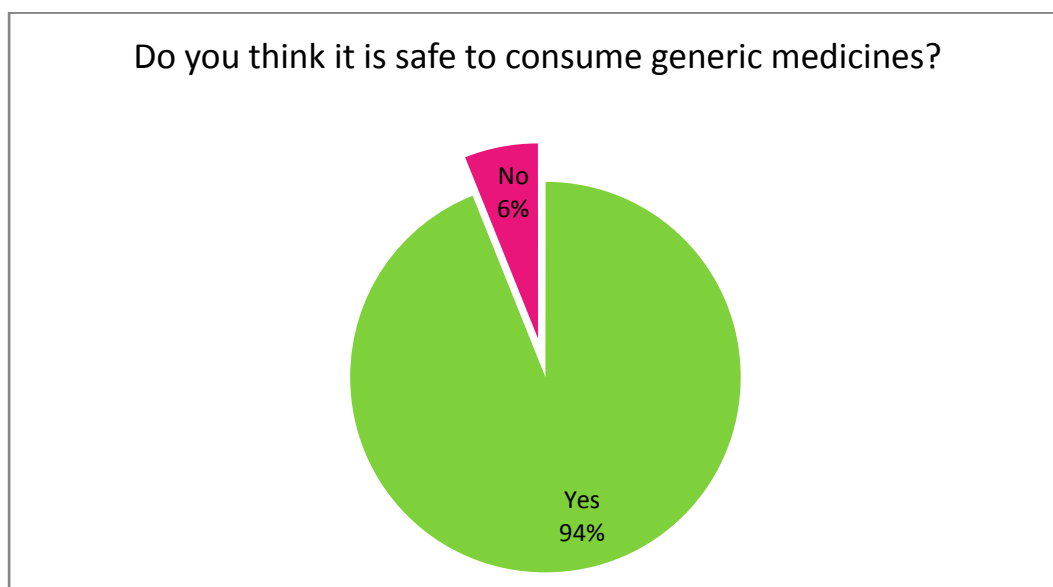


Reason behind the preference for branded or generic drugs



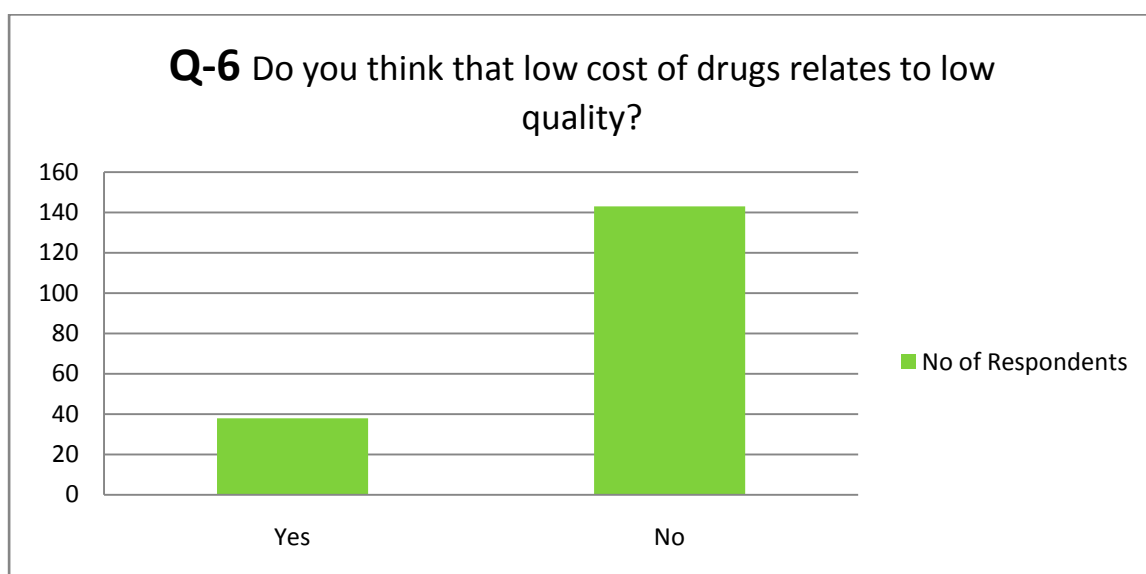
Perception regarding safety of generic drugs

Majority respondents (94%) think it is safe to consume generic medicines



Perception for “Cost vs. Quality” relationship

Majority 143 out of 181 respondents did not think that cheap drugs are always spurious or substandard whereas 34 respondents were of opposite opinion



Results and Conclusion:

The overall response rate was 72.4 % (181/250). Majority of the respondents in target population put their faith in generic prescription drugs. Most of the generic prescription drugs were economical and safe to consume. On the other hand significant portion of the population were concerned about safety of generic drugs due to presence of substandard medicines.

Recommendation:

In an era of rapidly rising health care costs, generic prescription drugs provide a less expensive alternative to brand name prescription drugs. Financial incentives to use generic prescription drugs may be successful, even for consumers who perceive generic drugs to be riskier than brand name prescription drugs.

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