INTERNSHIP REPORT

MARKET INVESTIGATION OF MOISTANE AND TRAVO-Z

MBA IN PHARMACEUTICAL MANAGEMENT

2016-2018

Under the guidance of:

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INTRODUCTION

The pharmaceutical industry's main markets are under serious pressure. North America, Europe and Japan jointly account for 82% of audited and unaudited drug sales; total sales reached US$773 billion in 2008, According to IMS Health. Annual growth in the European Union (EU) has slowed to 5.8%, and sales are increasing at an even more sluggish rate in Japan (2.1%) and North America (1.4%).1 Impending Policy changes, promoting the use of generics in these key markets are expected to further dent the top- and bottom-line of global pharma majors. The industry is bracing itself for some fundamental changes in the Marketplace and is looking at newer ways to drive growth. Further, higher R&D costs, a relatively dry pipeline for new drugs, increasing pressure from payers and providers for reduced healthcare costs and a host of other factors are putting pressure on the global pharmaceutical companies. Pharma companies are looking for new ways to boost drug discovery potential, reduce time to market and squeeze costs along the whole value chain.

How can industry leader's best face these challenges? Analysis by PricewaterhouseCoopers (PwC) shows That several regions offer considerable promise, either as places with untapped demand for effective drugs or as Suitable areas for conducting research and development (R&D) and/or clinical trials. In this paper we shall examine the opportunities available in India. India's population is growing rapidly, as is its economy – creating a large middle class with the resources to afford Western medicines. Further, India's epidemiological profile is changing, so demand is likely to increase for drugs for cardio-vascular problems, disorders of the central nervous system and other chronic diseases. Together these factors mean that India represents a promising Potential market for global pharmaceutical manufacturers. More than that, India has a growing pharmaceutical industry of its own. It is likely to become a competitor of global pharma in some key areas, and a potential partner in others. India has considerable manufacturing expertise; Indian companies are among the world leaders in the production of generics and vaccines. As both of these areas become more important, Indian producers are likely to take a large role on the world stage – and potentially partner with global pharma companies to market their wares outside of India. Indian companies have also started entering into the realm of R&D; some of the leading local producers have now started conducting original research. India has the world's second biggest pool of English speakers and a strong system of higher education, so it should be well-positioned to serve as a source for research talent. A new patent regime provides better protection of intellectual

Property rights, although some issues remain. Clinical trials can also be conducted here much more cost effectively than in many developed nations, and some local companies are beginning to develop the required expertise. All of these factors add up to a strong case for partnering with Indian

Companies around R&D, including clinical testing. Further, healthcare has become one of the key priorities of the Indian Government and it has launched new policies and programmes to boost local access and affordability to Quality healthcare. Global players in the pharma industry cannot afford to ignore India. The country, many predict, will be the most populous in the world by 2050. India will make its mark as a growing market, potential competitor or partner in manufacturing and R&D, and as a location for clinical trials.

GOALS OF INTERNSHIP:

This summer I took away the importance of setting a set of ambitious but realistic goals and working closely to realize these goals over the course of the internship.

Below are some of the goals I considered for myself. Not only were these goals closely aligned with the my work, but they also represent a good set of experiences that capture a lot of what Market investigation is really about.

1) Mastering Technical Skills

A good set of goals around technical business skills would be:

- Gaining knowledge of Anatomy of eye, instruments used to diagnose eye related problems or diseases and treatment for eye diseases.
- Learning how to build presentations — for Market investigation. This is essential communication skill that is not typically taught in college.
- Learning how to conduct online market research using Google's advanced search capabilities as. Access to good data is essential to any market research project, and I equip myself with valuable skills that can be applied to any high-tech related occupation.
- Learning how to evaluate market sales of products. Marketing is so dominated by data nowadays that learning the in and outs of every drug of same department is an essential step for anyone wanting to understand how some drugs are so successful and some are not.

2) Gaining Essential Background Knowledge

- To understand the context of how the market works.
- Learn how Doctors, Pharmacists and Stockiest play key role in market sales.

3) Perfecting Interpersonal Skills (Soft Skills)

- Honing the ability to connect with people and building trust. The Sales business is ultimately a people's business. Personal connections, trust, and first impressions are very important drivers of deal making and success.
- Learning how to communicate with Doctors, Pharmacists, Stockiest and other participants linked directly or indirectly .

4) Building a Network of Contacts

- Building relationships with people who can serve as advisers or mentors.
- Expanding the network to include other like-minded students.
- Building a network of technical specialists.

These are important networks that will be essential to me. I started building those networks as soon as I had the chance and the connection.

ORGANIZATIONAL PROFILE:

Micro Labs Limited is a multi-faceted healthcare organization with a proficient marketing team, state-of-the-art manufacturing facilities and R&D centers that are at par with international standards. All this, robustly backed by a strong distribution network and path-breaking research work has placed us amongst India's fast growing transnational healthcare organizations.

Ranking 14th among prescriptions (as per SMSRC May 16') and 19th in sales (as per AWACS MAT May'16) , Micro's brand portfolio includes some of the topmost brands in various specialties like Cardiology, Diabetology, Anti-infectives, Ophthalmology, Pain, etc. Amidst our proud achievers is Dolo, an award-winning brand highly prescribed for fever management.

The company is also at the forefront in social contribution, striving to be a model corporate citizen in terms of Environmental Protection & Social Initiatives with significant contributions in the areas of education and health. Micro Labs is poised to achieve unparalleled status in the global pharmaceutical industry. Backed by a profound and resolute vision, we now have our eyes set on attaining the $1 billion mark by 2020.

Micro Labs is built around certain beliefs and ethics that propelled us to the place where we are today – a frontrunner in the pharmaceutical industry. Our four pillars of Business Beliefs are:

Quality: A driving force for the organization across the value chain
Ethics: Manage businesses by imbibing best practices of governance and Ethics
Customer Focus: Seek to understand customer needs and focus on Customer Satisfaction

Respect for People: Their most important belief: Respect people and their contribution.

SERVICES PROVIDED BY MICROLABS:

Formulations

International Formulation Business

The International Formulations Business is organized into 3 segments.

1. Emerging Markets

The Company believes that there are significant growth opportunities in the relevant emerging markets for its exports business. It has finalized geographies in Africa, Asia and CIS countries where it is confident of significant growth opportunities for the next five years and accordingly formulated business plans with own field operations and setting up a strong distribution network for its products.

2. Regulated Markets

The segment primarily includes sales to US, Europe, Canada, New Zealand and Australia. The business in these markets is classified as

3. Institutional Segment

The segment involves sale of Company's products pre-qualified by the WHO or the US President's Emergency Plan for AIDS Relief (“PEPFAR”) to global medical institutions or bodies such as United Nations Children's Emergency Fund (“UNICEF”), IDA, GDF, Global Fund, Clinton Foundation, Gates Foundation, Partnership for Supply Chain Management (“PFSCM”) (USA), DFID, UNAID, etc., which fund various global medical programmes API

Active Pharmaceutical Ingredient

At Micro Labs, we are dedicated in developing top of the line pharmaceutical products while adhering to highest quality norms by well qualified and renowned research team. The continuous strive for perfection has led us to push our standards of manufacturing by building state-of-the-art facilities. Today these state-of-the-art manufacturing facilities and infrastructure facilitate Micro’s Organic Growth in the regulated markets. Our vision to create a Vertically Integrated Organization offering broad spectrum of products with a competitive edge in Global markets has led us to set up of very own API Manufacturing facility.

Micro Labs API Unit is built over an area of 24000 square meters with world class manufacturing facility. GMP-compliant requirements have been strictly followed in the construction of the API manufacturing unit. A total strength of 280 employees ply their trade at the API manufacturing unit including a technical & scientific staff of ~200 employees that comprises of engineers, pharmacists, science graduates and other technical staff.

Business Development

Micro Labs is committed to opportunities and partnerships that drive growth and value.

Ranked among the top 19 pharmaceutical companies in India, Micro Labs has presence in over 40 countries with ground level operations in 15 countries, exporting formulations in every therapeutic segment.

Our global presence is supported by 14 world class manufacturing facilities approved by USFDA, UK-MHRA, Health Canada, WHO, TGA Australia, MCC-South Africa & Med safe New Zealand and 3 R & D centers in Bangalore and Mumbai with over 250 experienced scientists.

Our global growth strategy is focused on the key principles of internal product development; strategic alliances; and select mergers/acquisitions of products, technologies and companies.

As we expand our global pharmaceuticals business, Micro Labs is committed to identifying opportunities that fit our capabilities, enhance our corporate goals and strengthen our competitive position.

Micro Labs is uniquely placed in our industry -We are recognized as one of the leaders in healthcare and as a pioneer in seeking cutting edge technologies and world-class quality. We are a fully integrated pharmaceutical business capable of developing, manufacturing, marketing and distributing products on its own; we also recognize the value of collaboration.

By leveraging our combined assets, expertise and capabilities, we can lower costs, increase productivity and, ultimately, produce a medicine that helps patients.

Micro Labs takes a strategic approach to business development activities, ensuring that the expectations of our partners are aligned with our own. Micro Labs offers its partners strong R & D and commercial resources as well as the experience needed to guide products through the regulatory process.

DEPARTMENTS VISITED:

Product Management team was introduced to us on the first day. They helped me understand the Anatomy of eye, diseases related to eye and its treatment better. The sales team was also introduced to us. My summer training took place under the guidance of Area Manager and Regional Manager. Doctors in Thane and Mulund were approached by me as a Marketing Representative. This took place for two months.

Impediments

- The culture of senior management. These leaders need to encourage, foster, and believe in the training and development of their employees.
- Reactive vs. Proactive. If we’re always striving just to catch up, we’ll never make an impact on our businesses.

STUDY TOPIC

BACKGROUND AND RATIONALE

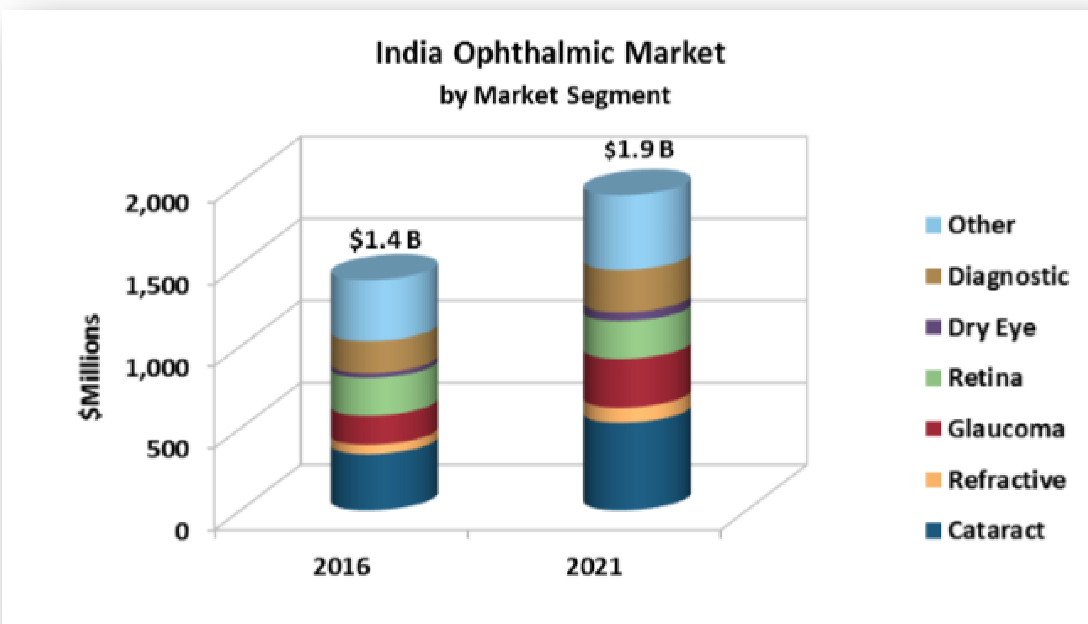
India is the second most populous country in the world and has tremendous unmet need for ophthalmic care. The country is home to 18 percent of the world's population and approximately 30 percent of the world's blind people. Over the past 70 years, India's life expectancy rate has seen exceptional growth from a life expectancy of age 27 in 1947 to age 70 in 2016. By 2021, more than 10 percent of the population—over 140 million people—will be age 60 or over. Additional factors expected to fuel India's ophthalmic market growth include an upsurge in dietary change-related eye diseases, growing incidence of myopia, a growing middle class, and improved access to care. In terms of treatments for diseases or disorders, the largest markets are for cataract surgery, retinal drugs, and glaucoma medications.

Cataract products are the largest ophthalmic surgical submarket in India. Revenues from cataract surgery in India are expected to generate nearly one-fourth of the total ophthalmic market revenues in the country. Market Scope estimates that India's cataract market will total US$533.7 million by 2021, growing at a CAGR of 9.3 percent. Small-incision cataract surgery (SICS) is the dominant surgical procedure used to remove cataracts, accounting for over half of all cataract surgeries, but ultrasonic phacoemulsification is gaining ground. Femtosecond laser-assisted cataract surgery is just beginning to have a presence in the market. Surgeons typically use foldable IOLs and ophthalmic viscoelastic devices with either SICS or phacoemulsification.

Retinal disease is the second-leading cause of blindness in India, fueled in part by a high incidence of myopia. Retinal products are the second-largest ophthalmic revenue market in India due to the importance of anti-VEGFs in treatment. Market Scope expects India's retinal disease market to fluctuate over the next five years as new biosimilar anti-VEGFs enter the market, but we look for revenues to remain relatively flat, totaling US$232 million in 2021.

Glaucoma, the third-largest ophthalmic submarket in India, is mainly a pharmaceutical market, and the main driver of revenue growth will be better access to glaucoma medicines. Market Scope forecasts that India's glaucoma market will increase to US$296.5 million by 2021 at a CAGR of 10.8 percent.

Market Scope estimates that there are more than 180 companies competing in India's ophthalmic market. Twelve companies (Alcon, Carl Zeiss Meditec, Bausch + Lomb, Genentech/Roche, Allergan, Abbott Medical Optics, Bayer Healthcare AG, Santen, Topcon, Nidek, Cipla Limited, and Sun Pharmaceutical Industries Ltd.) make up more than two-thirds of manufacturer revenues, leaving the smaller market players competing for the remaining 30 percent of the ophthalmic market opportunity in India.



The report will explain about the Dry eye and Glaucoma market in Thane and Mulund situated in Mumbai. It will also focus on the leading companies of Ophthalmogy department.

RESEARCH QUESTIONS:

What is the market sale of Moistane and Travo-z?

OBJECTIVES:

To study the sales of Moistane and Travo-z

To study the changes in Moistane and Travo-z demanded by doctors.

METHODOLOGY:

Sample size	:	50
Sampling method	:	Probability sampling
Technique used	:	Interview was conducted
Type of Data	:	Primary data was referred
Type of study	:	Quantitative study was done
Study Area	:	Thane and Mulund
Data Analyzer	:	The data was analyzed by Priyanka .K. Shinde
Study duration	:	3rd April to 15th June.

ANALYSIS:

Nature of sample:

This section deals with an analysis of customer’s awareness and prescribing preferences during the study period.

Sample size: 50

Total Respondents: 42

Market Investigation of MOISTANE eye drop:

Lubricating eye drops were found to be prescribed in a high frequency per week. The most popular lubricating eye drops were the Carboxymethycellulose eye drops. The CMC eye drops were prescribed by every ophthalmologist but the newly introduced PEG eye drops were not trusted much.

Drug characteristics include price, and quality indicators like extended or delayed release feature which may differentiate the quality of the drug from the others and the length of time the drug has been in the market. This study tests the hypothesis that an increase in price will decrease the likelihood that a drug is prescribed. This study also hypothesizes that the increase in the length of time the drug has been in the market increases the likelihood that a drug is prescribed. Theory on physician prescribing behavior suggests that physicians tend to prescribe established drugs thus creating a positive relationship between length of time in the market and likelihood of prescribing older drugs.

CMC or PEG:

Doctors may be affected by the Patients' financial situation and there is a possibility that price-sensitive patients may switch to health Care providers who prescribe lower-cost pharmaceuticals. Patients are not directly sensitive to the price of prescription drugs because of insurance Coverage on prescription drugs. 30.9% doctors were very conscious about the price factor. These 30.9% doctors never prescribed PEG products due to their cost. The most popular CMC eye drop prescribed is Refresh tears which cost Rs 124 only. The cost of Moistane is Rs 318 and that of Systane Ultra is Rs 345.The cost factor was found to be the leading factor affecting market growth of PEG eye drops.

COMPETITORS OF MOISTANE :

SYSTANE ULTRA

COMPANY NAME: ALCON LABORATORIES (INDIA) PVT LTD

PRESERVATIVE: BENZALKONIUM CHLORIDE

PACKAGING: 10 ml

MRP: Rs 376

NORMO TEARS

COMPANY NAME: SUN

PRESERVATIVE:

PACKAGING: 10 ml

MRP: Rs 299

MOISTANE

COMPANY NAME: MICRO LABS LIMITED

PRESERVATIVE:

PACKAGING: 10 ml

MRP: Rs 318

PEG TEARS

COMPANY NAME: ALEMBIC PHARMACEUTICALS LTD

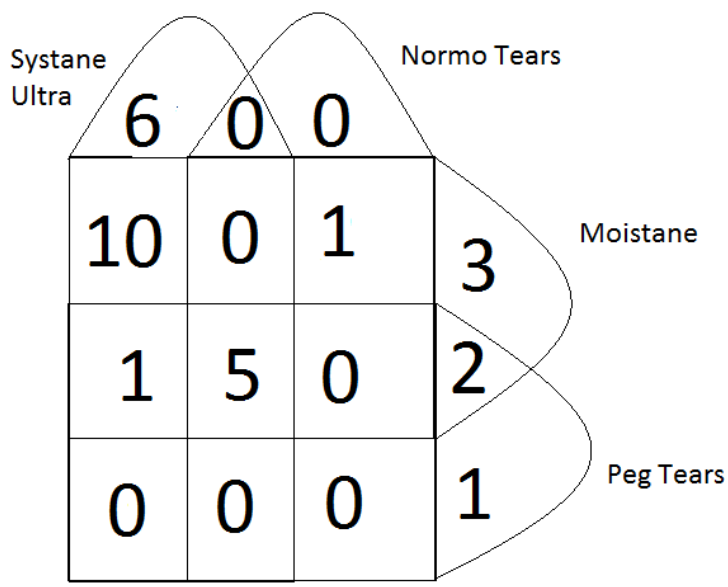
PRESERVATIVE:

PACKAGING: 10 ml

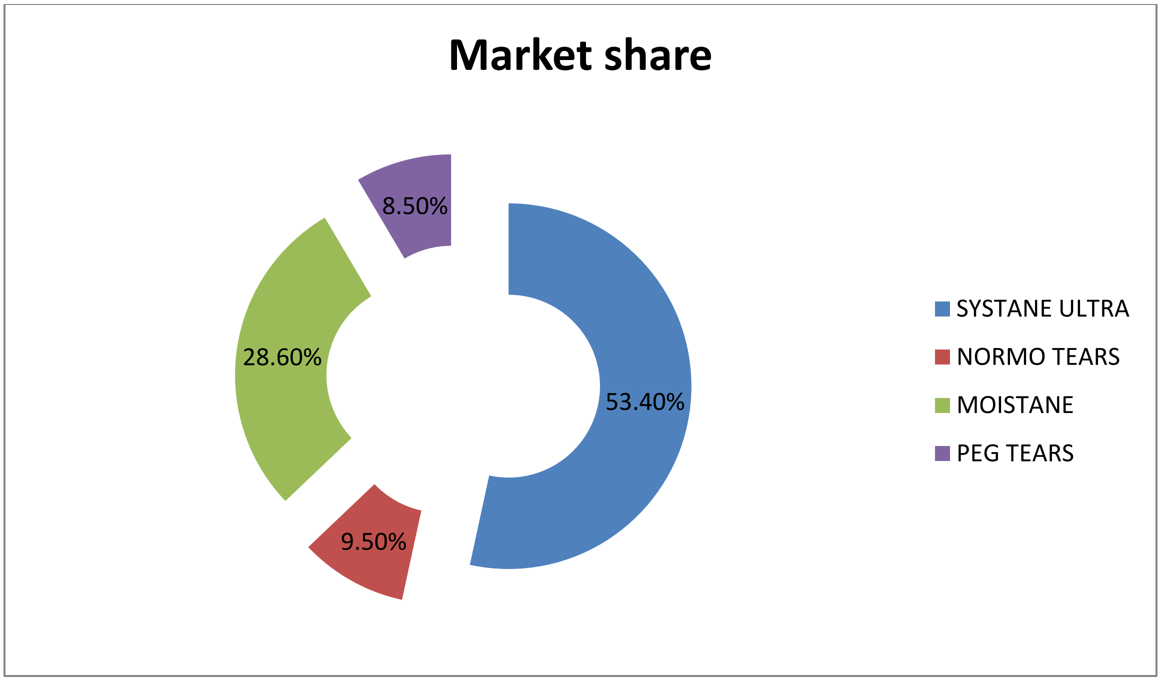
MRP: Rs 301

PRESCRIBING BEHAVIOUR OF DOCTORS

The prescribing behavior of doctors was checked by the nearby pharmacy of the clinic. It was found that out of 42 doctors, 13 doctors only prescribed CMC eye drops. The sample size has now changed to 29.



From the above figure, 6 doctors prescribed only Systane Ultra and 3 doctors prescribed only Moistane eye drops. There were 5 doctors who prescribed all four eye drops. Systane Ultra and Moistane were prescribed by 10 doctors. Moistane and Peg tears were prescribed by 2 doctors.



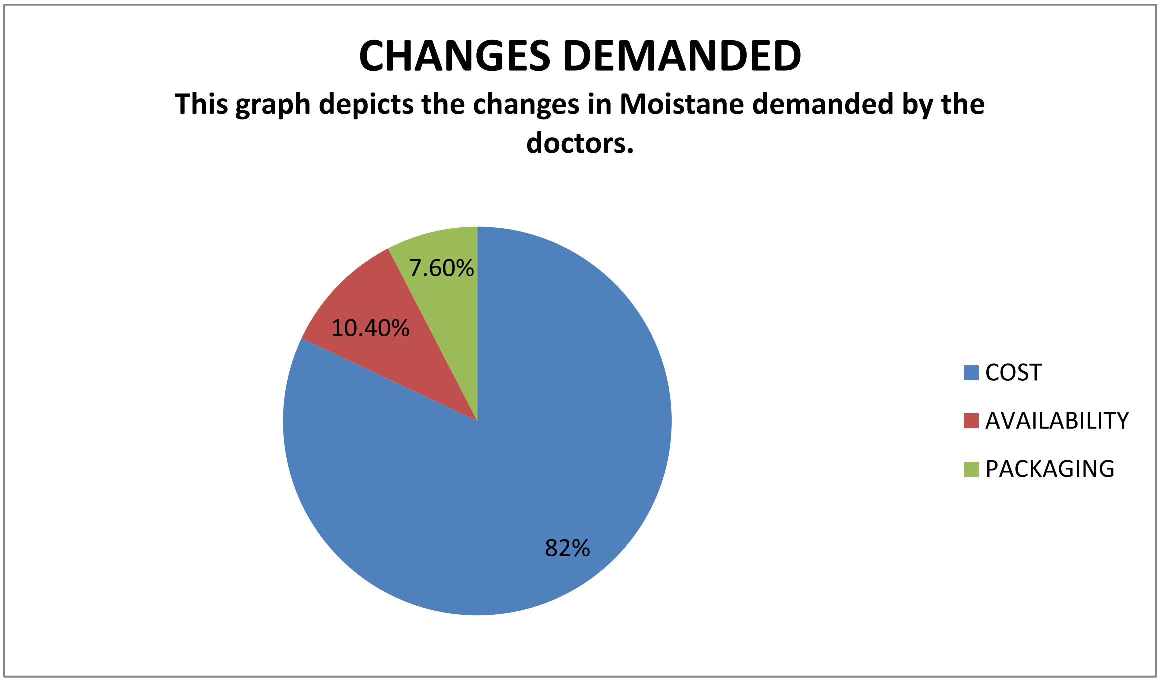
The Market share of Systane Ultra prescriptions per week was found to be the highest. It leaded Moistane by 24.8%. The share of Peg tears prescription was the least.

Systane Ultra has found to be a tough competitor of Moistane.

Systane Ultra, an Alcon product takes initiatives like monetary payment and an in-kind contribution. Equipment, trip sponsorships, lavish conferences, posters for clinic etc. are the most common practices adopted by the competitor pharmaceutical.

CHANGES DEMANDED IN MOISTANE:

It was found that the doctors were strongly disappointed with the cost of the product.



82% doctors reported their strong disappointment towards the cost.10.40% of doctors showed much of their interest in the products effectiveness than its cost. They showed their concern towards the availability of product. The others showed their interest in packaging.

Market Investigation of TRAVO-Z

Glaucoma cases were found to be more than that of dry eye cases An increase in pressure within our eye can lead to damage to the optic nerve at the back of our eye. When this occurs, it is called glaucoma. Glaucoma can lead to a loss of vision if it is not treated. If one has an increased pressure within ones' eye but without any damage to the optic nerve, this is called ocular hypertension. People with ocular hypertension have an increased risk of later developing glaucoma. Treatment with Travoprost eye drops helped to reduce eye pressure in people with ocular hypertension, and to prevent further eye damage in people with open-angle glaucoma.

Travo-z is the first preservative free Glaucoma Therapy. It contains Travoprost which lowers the IOP up to 31%. In the matter of Glaucoma, doctors are not flexible with their prescribing behaviour. They prescribe the most trusted drug for their first line treatment. Out of 50 doctors, 16 doctors trusted Travoprost for their first line therapy. Travo –z being the first preservative free glaucoma therapy in market had won the trust of many doctors. But later on irritation in eyes was reported by many doctors. This reason lost trust of most of the doctors over Travo-z.

COMPETITORS:

TRAVATAN

COMPANY NAME: ALCON LABORATORIES INDIA PVT LTD

PACKAGING: 2.5 ml

MRP: Rs 673

XOVATRA

COMPANY NAME: CIPLA

PACKAGING: 2.5 ml

MRP: Rs 450

TRAVO-Z

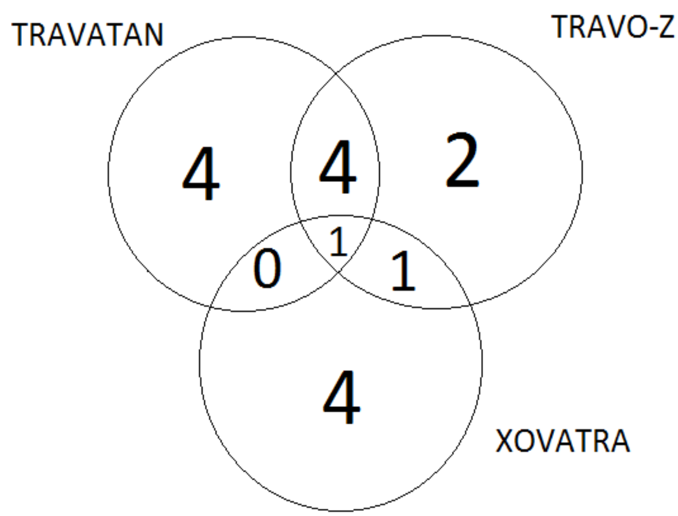
COMPANY NAME: MICRO LABS LIMITED

PACKAGING: 3 ml

MRP: Rs 495

Prescribing behavior of doctors

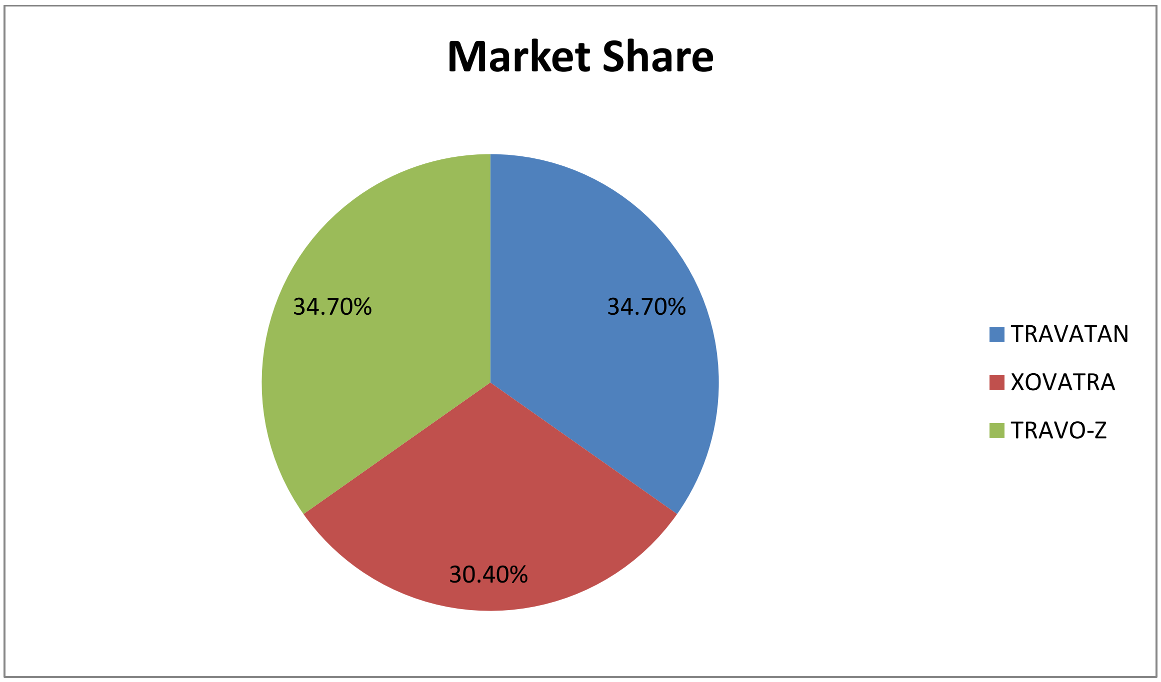
The below figure explains well about the way doctors prescribe drugs. Out of 50 doctors, only 16 doctors prescribed Travoprost.



Out of 16 doctors, 4 of them prescribed only Travatan whereas two prescribed Travo-z only. There was only one doctor who prescribed all three drugs. There was no doctor who prescribed Travatan and Xovatra both.There was one doctor who prescribed Travo-z and Xovatra.

Market Sales

The figure mentioned below represents the percentage of market's sales that is earned by three companies in a week.



Travatan was found to be tough competitors of Travo-z. Travatan contains BAK preservative, still preferred equally as Travo-z.The cost of Travatan is more as compared to Travo z , which hereby states that when Glaucoma is taken into consideration, doctors go by effectiveness and not by cost.

CHANGES DEMANDED:

The cost and Availability of drugs has got a lot of attention. Many patients were unable to afford the prescription drugs that could improve their health or even save their lives. Due to which the doctors demanded for a decrease in price.

The doctors also complained about the irritation caused by Travo-z even after being a preservative free product.

Conclusion and Recommendation:

Customers’ perception towards a brand is built largely on the satisfactory value the user receives after paying for the product and the benefits the user looks for. In the above study, the market sales of Travo Z are better than Moistane. It might be because of reasonable price of Travo-z. The doctors who were unaware of the advantages of Moistane over Systane Ultra were converted after supplying its free samples.

The marketing of Moistane should be done well by taking atleast 10 minutes in explaining the product’s activity. The irritability caused by Travo z should be reported and taken care of.

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