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INTRODUCTION

1.1 INTRODUCTION

Among major systems of medicine in India that have official recognition and support allopathic treatment dominates and in minor ailments OTC allopathic Products dominates, though ayurveda, unani, siddha, and homeopathy are also used by a few. This is because of the speed with which chemical drugs used in OTC allopathic alleviate symptoms and enable the patient to resume work. Employment for the urban and rural poor is mainly casual and on daily wages. Quick fixes prevent loss of even a day’s work and income due to illness. Hence in cases of minor ailments OTC products are the only source as low cost treatment and avoid long treatment of Doctors for majority of patients in the research study area.

There is a gap in medical care. Unqualified private practitioners fill it. What can be done to improve the quality of health care for the poor and especially in rural India? One suggestion is to give these “quacks” six months of training in dealing with common illnesses that account for 75% of ambulatory illness. The Medical Council of India does not agree since it implies some recognition to such people. Meanwhile the poor suffer from a lack of adequate medical care.

What is worse is that there is a huge fake drug manufacturing industry in India, producing between Rs. 1500 corers to Rs. 3900 crores in a year, and accounting for up to 30% of the total industry production. These fakes look like the genuine articles except that they do not have enough of the active ingredients (many times not at all), to make the drugs effective. The customers for these are mostly the poor, who are looking for low costs. Hence the need of the hour to bring such kind of research was to know the awareness of OTC drugs among the consumers and to study the expectations of the consumers for OTC producing Pharmaceutical Companies like GSK Consumer healthcare division and Ranbaxy Consumer Health care division

Indian pharmaceutical companies need to look beyond the pharmaceutical industry in their quest of talent. Specifically in marketing and strategic planning segment. Globally there is a paradigm shift in trends with an increasing aging population, concern towards preventive self-medication & appearance. The key issue in marketing of OTC product is safety in using household medicine. As these products are to be taken without any medical advice, label comprehension with regard to disease, symptoms, direction for use, warnings etc. are all extremely important tendency to take higher application of cosmetic or cough syrups could turn out to be dangerous, higher medical professional fees and excessive desire for self medication ,faith in traditional medicines , wider availability OTC Drugs with low cost, the demands for OTC products in India is expected to show significant growth over a period of time, moreover in rural India where primary health care system is of question mark. Currently non-pharmacy stores can sell a few drugs on the counter in villages whose population is below 1000.Indian pharmaceutical industry has huge opportunity to design customer centric strategy. Offering OTC drugs without educating the customers of effective use would be detrimental. so the need of the hour is to design marketing strategies which is consumer centric. It will be a strategic plan of
OTC drug marketing where the role of FMCG Firms, Advertising and media firms, pharmacists and doctors should be taken into consideration. Strategies for OTC drug marketing are to be framed. Marketing plays an indispensable role in business operations. Media and marketing processes intimate relationships, in OTC drugs marketing, the consumer and customer being one and the same, companies have to provide information on non-ending basis, the affordability and acceptability of OTC Drugs will increase with the accessibility and awareness is increased, present marketing strategies are incomplete without powering of general public on its rational use through a well planned marketing strategy revolving the ailment, the knowledge to diagnose and treat the same, the objective should be creating a holistic approach leading to health and wellbeing than just offering a product with half knowledge through advertising and other marketing tools.

Any developing nation’s health can be viewed with the health system of the nation. Hence it’s the moral duty of the government to pay huge attention in tune of infrastructure development, investment, primary healthcare system and the conducive environment or the companies to operate and market OTC products for the betterment of the society and nation at large. The call for the day is to organize pharmaceutical industry, and those specially manufacturing over-the-counter drugs or non-prescription drugs companies as they are reaching the masses through their effective and efficient marketing programmes to the masses where the average, timely medical facility is not possible. The over-the-counter product marketer play a vital role in supplying drugs for the common ailments at far lesser cost to the masses. Hence the importance of the over the counter producing and marketing companies importance in maintain the health of the major section of society cannot be ignored.

Therefore any study related to over the counter drugs or non-prescriptive drugs is of tremendous importance.

The OTC Market in India face some challenges

1. Poor and inadequate infrastructure
2. Shortage of qualified pharmacists to give advice/guide patients
3. Literacy rate in rural area is very low.
4. Pharmacist ethical practices are under scanner.

The excessive switch of prescriptive drugs to OTC status has raised different behavioral patterns among consumers, hence the marketing process of OTC drugs had to be reengineered. Health preferences of the consumers are changing with the environment and lifestyle. Consumers are switching to OTC product from one to the other instead of visiting the doctor. More and more prescriptive drugs whose patent expires, the drugs which were available only on doctor’s prescription are now sold as OTC that is without prescription. One market observation of consumer buying behavior is, ready to pay more for the core combination of the OTC brand and the USP it has. Hence the study of marketing strategies of OTC pharmaceutical becomes a necessity or the marketers of this kind of drugs which has a great role to play in providing health, safety in using at an affordable price for the masses, for whom visiting the doctor is a big question as the cost of consultation is high and availability of the doctor in remote rural areas of Sangli and Kolhapur district is a matter of concern and lastly there is market for every thing and everyone on this virgin land.
1.2 **INTRODUCTION TO WORLD PHARMACEUTICAL MARKET**

There is a paradigm shift in the pharmaceutical sector worldwide. Pharmaceutical giants are more apprehesive costs, limited new product line. Changing relationships in pharmacy supply chain. This dynamic even will change the pharmacy environment and new business modern will be required to play safe. It is the evergreen marketing the end users and then generating revenue for the growth and development of the sector.

The global pharmaceutical market will be more than denser in value to $1.3 trillion by 2020 (Pricewatrehouse coopers report). The increase is because of worldwide demand for medicines and a treatment as population grows ages becomes more obese and more prosperous. Britain China, India, Indonesia Mexico,Russia,turkey for as much as one fifth global pharmacy sales\(^3\). The current pharmaceuticals industry business models both economically unsustainable and operationally incapable of acting quickly enough to produce the types of innovative treatments are demanded by markets. There are 3 largest markets in the world of drugs: USA, Europe and Japan. Global pharmaceuticals market grew to US$ 643 Billions in 2006(Forecasted $ 897 Billions in 2011). The pharmaceutical therefore categorized as: 1) Allopathic 2) Ayurvedic 5) Herbal, Homeopathic and Unani.

The world pharmacy market stands around at a whopping 43 billion US Dollars, at a rate of 15%.

**TABLE.1.1**

<table>
<thead>
<tr>
<th>Japan</th>
<th>Europe-</th>
<th>North America:</th>
<th>Latin America:</th>
<th>Tiger states:</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>31%</td>
<td>31%</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Tiger states: Korea, India, china, Thailand, Pakistan, Bhutan& Sri-lanka.

Domestic revenue is generated through sales and promotion of various drug categories. These include:

- Ethical drugs
  (Available only with written instructions from a doctor to a pharmacist)
- Over - the-Counter (OTC) drugs
- Active Pharmaceutical Ingredients (APIs).

The Indian pharmacy industry is one of the developing worlds largest and mode developed, ranking 4\(^{th}\) in the world in terms of production volume and 13\(^{th}\) in domestic consumption volume. Indian’s industry is valued at $9.3 Billion in 2005 with projection of 15 to 20% growth during 2005-2010\(^4\). Which represents less than one percent of the global pharmaceutical industry ($550 billion) and official OTC market currently stands at over $130 million.
### TABLE: 1.2

**INDIAN PHARMACEUTICAL INDUSTRY**

<table>
<thead>
<tr>
<th>Share of global sales:</th>
<th>Value 1%, Volume 8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global ranking:</td>
<td>4\textsuperscript{th} in volume, 13\textsuperscript{th} in value</td>
</tr>
<tr>
<td>Domestic market:</td>
<td>$5.3 billion</td>
</tr>
<tr>
<td>Exports:</td>
<td>$3.7 billion</td>
</tr>
<tr>
<td>Imports:</td>
<td>$985 million</td>
</tr>
<tr>
<td>Bulk drug production:</td>
<td>$2.1 billion</td>
</tr>
<tr>
<td>Employment:</td>
<td>5 million direct, 24 million Indirect.</td>
</tr>
<tr>
<td>Capital investment:</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Production costs:</td>
<td>Among the lowest in the world, estimated to be 70% Less than the West.</td>
</tr>
</tbody>
</table>

Source: OPPI.

Over the last 30 years, India's pharmaceutical industry has evolved from almost nonexistent to a world leader in the production of high quality generic drugs, India has garnered a worldwide reputation for producing high quality, low cost generic drugs.

The industry currently meets India's demand for bulk drugs and nearly all its demand for formulations, with the remainder supplied by foreign multinational corporations (MNCs), India's pharmaceutical industry is one of the fastest growing segments of the Indian economy with an average annual growth rate of 14 percent during 2002-2005. Overall, the Indian market for pharmaceuticals is projected to grow at an average annual rate of between 15 and 20 percent during 2005 - 2010. The surge in production has been driven by legislative reforms, the growth in contract manufacturing and outsourcing, value added foreign acquisitions and joint ventures, India's mastery of reverse engineering of patented drug molecules, and India's efforts to comply with its World Trade Organization (WTO) Trade Related Intellectual Property Agreement (TRIPs) obligations. When India joined the WTO in 1995, its pharmaceutical exports were valued at less than $600 million. By 2005, its exports had grown to $3.7 billion and accounted for more than 61 percent of industry turnover. Currently, Indian pharmaceutical companies produce between 20 and 22 percent of the world's generic drugs (in value terms) and offer 60,000 finished medicines and nearly 400 bulk drugs used in formulations.

With changes in India's patent laws in the early 1970s, Indian drug producers became experts in 'reverse engineering' and increased its supply of less expensive copies of the world's best-selling patent-protected drugs. India's pharmaceutical industry grew and prospered in a highly regulated environment with government price controls on a significant number of formulations and bulk drugs. In January 2005, India amended its patent laws governing pharmaceuticals, bringing them into conformance with the WTO TRIPs agreement. Under the new patent law, Indian drug markers can no longer manufacture and market reverse-engineered versions of drugs patented by foreign drug
producers. To replace sales lost to TR IPs compliance, many of India's leading pharmaceutical producers have increased their exports of generic drugs to the United States and Western Europe and entered into research and development agreements, mergers and acquisitions, and other alliances with foreign pharmaceutical firms.

1.3 INDIA'S PHARMACEUTICAL INDUSTRY

In 1947, India's pharmaceutical market was controlled by MNCs and 80 and 85 percent of the market importation. Around 99 percent of all pharmaceutical products under patent in India at the time were held by foreign companies and domestic Indian drug prices were among the highest in the world. The Indian pharmaceutical market remained import-dependent through the 1960s until the government initiated policies stressing self-reliance through local production. At that time, 8 of India's top 10 pharmaceutical firms, based on sales, were subsidiaries of MNCs. To facilitate an independent supply of pharmaceutical products in the domestic market, the government of India founded 5 state-owned pharmaceutical companies today; India is the world's fifth largest producer of bulk drugs.

Government policy culminated in various actions including: the abolition of product patents on food, chemicals, and drugs; the institution of process patents; the limitation of multinational equity share in India pharmaceutical companies, and the imposition of price controls on certain formulations and bulk drugs. Subsequently, most foreign pharmaceutical manufacturers abandoned the Indian market due to the absence of legal mechanisms to protect their patented products. Accordingly, the share of the domestic Indian market held by foreign drug manufacturers declined to less than 20 percent in 2005. As the MNCs abandoned the Indian market, local firms rushed in to fill the void, and by 1990, India was self-sufficient in the production of formulations and nearly self-sufficient in the production of bulk drugs.

Patient regime and Regulations in Indian environment

Indian government enacted a series of policies designed to foster self-sufficiency in the production of basic drugs. Because these measures lowered barriers to entry, thousands of medium and small Indian pharmaceutical companies entered the market challenging the MNCs for control. These actions laid the foundation for today's highly competitive domestic industry that is capable of offering some of the lowest drug prices in the world. These policies ended India's dependence on expensive foreign drugs, fostered the development of a competitive pharmaceutical industry, and guaranteed the Indian public access to inexpensive drugs. Nonetheless, the Indian pharmaceutical industry also became one of the countries most heavily regulated. The industry currently faces restrictions on imports, high tariff rates, ration requirements, and equity ceilings for foreign participation.

The Patent Act, 1970: The Act's stated objective was to foster the development of an indigenous Indian pharmaceutical industry and to guarantee that the Indian public had access to low-cost drugs. The Act replaced intellectual property rights laws left over from the British colonial era and ended India's recognition of Western-style "product" patent protection for pharmaceuticals, agricultural products, and atomic energy. Product-specific patents were disregarded in favor of manufacturing "process" patents that allowed Indian companies to reverse engineer or copy foreign patented drugs without paying a licensing fee. This allowed the domestic industry build up considerable competencies and offers a large number of cheaper generic versions legally in India at a fraction of the cost of the drug in the West, as long as they employed a production
process that differed from that used by the patent owner. The Act protected process patents for 7 years instead of the usual 15 years needed to develop and test new drugs.

“To meet its TRIPs obligations, India amended its patent law on March 22, 2005, abolishing its "process" patents law and reintroduced Western style "product" patents for pharmaceuticals, food, and chemicals. This action effectively ended 36 years of protection for Indian pharmaceutical companies and stipulated that Indian companies selling copycat drugs must pay foreign patent holders a "reasonable" royalty for copies sold in the Indian market. The amendment made reverse engineering or copying of patented drugs illegal after January 1, 1995. The Act allowed for only two types of generic drugs in the Indian market: off-patent generic drugs and generic versions of drugs patented before 1995. At present, nearly 97 percent of all drugs manufactured in India are off patent and therefore will not be affected by this Act. It also introduced a provision establishing compulsory licenses for exports to least developed countries with insufficient pharmaceutical manufacturing capacities.

The Amendment grants new patent holders a 20-year monopoly starting on the date the patent was filed and, without a compulsory license, no generic copies can be sold during the duration of the patent. The WTO also required India to establish a "mailbox" where patent applications could be filed between January 1, 1995 and 2005. The Act encouraged significant numbers of foreign pharmaceutical.

Drug Price Control Order, 1970 (DPCO): The order was introduced when most of India's drugs were under strict price controls. Since its introduction, the number of bulk drugs under price controls gradually declined from 347 in 1987 to 163 in 1994 to 74 in 1995. In 2005, the government capped prices on 74 bulk drugs and 260 formulations that account for approximately 25 percent of India's retail pharmaceutical market (attachment).

Trade margins for these drugs were capped at 8% for retailers and 16 percent for wholesalers. The National Pharmaceutical Pricing Authority, founded in 1997, is responsible for monitoring prices using the DPCO to fix ceiling prices on drugs and ensure that no Indian company in a monopoly position takes advantages of its monopolistic position by profiteering. In June 2006, the National Pharmaceutical Policy 2006 (Part A) proposed to add price controls on 354 specific drugs listed as essential medicines.

The new policy will cap margins on generic drugs at 15 percent for wholesalers and 35 percent for retailers. It will also enforce a 5 percent price cut on more than 75 commonly-used medicines resulting from import duty reductions of 5 to 7.5 percent on certain active pharmaceutical ingredients (APIs). The NPPA controls ceiling prices for controlled bulk drugs in all intra-industry transactions as well as the retail ceiling prices for controlled formulations.
### TABLE 1.3

**INDIA'S PHARMACEUTICAL FIRMS**

<table>
<thead>
<tr>
<th>Grouping</th>
<th>Number of firms</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type A</td>
<td>100</td>
<td>Largest firms, includes both wholly-owned Indian firms and subsidiaries of MNCs; have annual revenues of at least $650,000; have brand recognition and responsible for recent wave of cross-border acquisitions and alliances; export to regulated, semi-regulated, and unregulated markets.</td>
</tr>
<tr>
<td>TYPE.B</td>
<td>200</td>
<td>Mid-size firms with annual revenues between $210,410 and $650,000; (primarily bulk drugs and APIs); also includes niche players specializing in contract research (CRAMS)</td>
</tr>
<tr>
<td>TYPE-3</td>
<td>5,700</td>
<td>Smallest firms with annual revenues of less than $210,410; primarily perform contract manufacturing services for MNCs or domestic firms.</td>
</tr>
</tbody>
</table>

*Source: Padmashree Gehl Sampath, Indian Pharma Within Global Reach United Nations University, 2006-031.*

The vast majority of India's pharmaceutical firms are small by global standards with annual revenues of less than $5 million. The Confederation of India Industries (CII) estimates that approximately 80 percent of them are engaging in some type of contract manufacturing or outsourcing. The largest 250 companies control nearly 70 percent of the domestic market with the top 10 controlling approximately 40 percent. The domestic Indian pharmaceutical industry consists of both domestic companies and subsidiaries of MNCs. In the 1970s, the vast majority of foreign pharmaceutical companies abandoned the Indian market during the "process" patent era due to inadequate product protection, government price controls, growing domestic competition, and declining prices and profitability. Consequently, the share of India's market controlled by multinationals dropped to less than 20 percent by 2005. In the absence of government protection, India's leading drug producers are moving toward new drug discovery rather continuing to rely solely on copying patented foreign drugs. Industry experts project that by 2010, Indian firms will produce 6 of the top 10 drugs scheduled to lose their patent protection in developing countries.

Indian pharmaceutical companies now supply nearly all the country's demand for formulations and nearly 70 percent of its demand for bulk drugs. Indian firms produce nearly 60,000 generic brands in 60 therapeutic categories and between 350 and 400 bulk drugs. Approximately 80 percent of domestic production consists of formulations, and
more than 85 percent of those formulations are sold in the domestic market, whereas at least 60 percent of bulk drug production is exported. Nearly 97 percent of India's drug market consists of second-and-third generation drugs no longer subject to patent protection in the developed world. Some under-patent, lifesaving drugs continue to be imported, primarily from developed countries, especially the United States, Germany, the United Kingdom, and France.

India has the world's third-largest API manufacturing industry valued at nearly $2 billion in 2005. Currently, India's drug industry produces more than 400 different APIs and is among the world's top 5 API producers accounting for approximately 6.5 percent of the world's API production. Italy's Chemical Pharmaceutical Generic Association (CPA) projects that India's share of the world API market will grow to 10.5 percent by 2010 as patented blockbuster drugs lose their patent protection. The CPA also expects that the domestic Indian market for APIs, both generic and branded, will rise from $755 million in 2005 to $1.9 billion in 2010. According to the Assocham, the leading APIs were anti-infective, and gastrointestinal, cardiovascular, and respiratory drugs. In terms of volume of sales, the gastrointestinal and cardiac segments saw the highest rates of growth and accounted for the largest number of new drug launches.

The Indian pharmaceutical industry addresses the needs of two broad categories of market domestic and global. In the world of ethical drugs the doctors still remain the first choice of treatment however the new marketing efforts by pharmaceutical companies targeted on the customers. peak hours television advertisements, whole page print ad in newspapers was not seen ten years back but today it’s the reality.

OTC pharmaceuticals or consumer health care divisions of the situation is different, the role of physicians, patient have changed a lot.

To show the willingness among the doctors, patients and pharmacists to accept and endorse more OTC Drugs hence this research study will be of special importance.

There is a worldwide trend for people to take charge of their health going beyond that WHO guidelines for development of drug policies in its chapter on self medication stated that "It is desirable to encourage self medications and every attempt should be made to ensure its appropriate use".

All people around the world take some medicines by self medication and in many countries, the differentiation between prescription medicines and non prescription are not clear. The responsible self medication industry insists on distinguishing between products that one designed tested, labeled evaluated and approved for self medication and those medicines that should be used under medical supervision but sometimes without prescription, or under the counter medicines and should not be confused with the OTC medicines. The number of medicines being switched from prescription only sale to non prescription sale has increased heavily over the last few years. In this whole process the access of medicines which do not require a prescription or medical supervision to large section of society. A part from expanding the access of the modern medicine such a more is also expected to bring down the medical cost to some extent.
1.4 GLOBAL OTC DRUGS MARKET

OTC drugs means legally allowed to sold “over the counter” i.e. without the prescription of a registered medical practitioner. Consumers are changing world wide. They are more informed using more gadgets lead a fast life and thereby face higher stress. Environment full of pollution heavy road jams, target oriented, jobs, pressure, to adopt and adjust changing life style and technology resulting into less exercise, taking, junk, food, consuming addictive product to stays awake for long hours puts more stress on the body which get expressed in the form of psychometric disorders like headache allergy, cold, constipation acidity chronic fatigue etc. which the large section of society try to manage it with OTC drugs. This has increase in self medication for past many years Most of the drugs are safe effective economical and since it is available without a prescription. The value received for common ailments

However, the big issue in OTC marketing is not the switch climate as currently even drugs which do not require prescription are promoted via the doctor because

1) Marketing through medical representative is less expensive than mans media Marketing.

2) All prescription drugs can be purchased without prescription.

3) Patients are highly influenced by doctors.

4) Distributors of OTC medicines are limited to drug licensed stores. (Pharmacist)

<table>
<thead>
<tr>
<th>Table: 1.4</th>
<th>MERITS AND DEMERITS OF SELF MEDICATION BY USING OTC DRUGS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Merits</strong></td>
<td><strong>Demerits</strong></td>
</tr>
<tr>
<td>1 Increased access.</td>
<td>Less accurate and diagnoses is question mark</td>
</tr>
<tr>
<td>2 Less number of visits to doctors, lowering health care cost</td>
<td>Delay may result in severe serious complications</td>
</tr>
<tr>
<td>3 Education for consumer</td>
<td>Drug resistance.</td>
</tr>
<tr>
<td>4 Self reliant of patients</td>
<td>Cost more in long run</td>
</tr>
<tr>
<td>5 No third party involvement</td>
<td>Failure to follow instruction and side effects.</td>
</tr>
</tbody>
</table>

The consumers are becoming more demanding raising the expectations for the health care services. The rapid growth of the non prescription or (OTC) market in went years after
common ailments and self medication is an evidence of the low level of services of in health care sector. The consumers are trying to reduce prescription cost, doctor visits, time, and cost travel. The global over the counter (OTC) pharmaceutical market (including 39 countries & region) which OTC drugs. (Analgesics, cough- cold, Hair-treatment, medicated skin care and digestive) vitamins, minerals & supplements. Global OTC pharmaceuticals grew with CAGR 5.1% for the 5 years period (2002-06) to reach $ 88.7 Billion. The US OTC Pharmaceutical market generated total revenues of $21.2 billion in 2006. Chinese and Japanese OTC Pharmaceuticals grew over the same period to $11.9 bn & $ 14.8 billion respectively. On One hand Europe & US rates slow growth and mature market on the other hand the OTC pharmaceutical market in Asia-Pacific is growing at a rapid pace and is set to represent. Longest region in 2008. The US is single longest in world, most competitive. Approval of over the counter status for a drug requires an assessment by FDA (Food and Drug Administration) that the drug is safe and effective. Under current regulations, a new drug can be exempted from prescriptions only status by FDA approval of a new drug appreciation.

**TABLE: 1.5**

**UNITED STATES OTC PHARMACEUTICAL MARKET SEGMENTATION PERCENTAGE BY VALUE IN 2006**

<table>
<thead>
<tr>
<th>Country</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Medicines</td>
<td>5.30%</td>
</tr>
<tr>
<td>Medicated skin products</td>
<td>12.60%</td>
</tr>
<tr>
<td>Vitamins</td>
<td>9.25%</td>
</tr>
<tr>
<td>Minerals</td>
<td>9.45%</td>
</tr>
<tr>
<td>Analgesics</td>
<td>15.20%</td>
</tr>
<tr>
<td>Other</td>
<td>25.90%</td>
</tr>
<tr>
<td>Cold of cough</td>
<td>22.30%</td>
</tr>
</tbody>
</table>

The trend in US market is convert prescription drug OTC at the end of patient prosecution. So that the revenue is continued from the product. Since many companies are aware of using mass, media and network on compared to FMCG giants mass marketing. Successful launch of OTC (ameprazole of Astrazeneca for frequent heart burns by Procter and Gamble 2003 is a classic example.

**TABLE: 1.6**

**EUROPEAN OTC PHARMA MARKET**

<table>
<thead>
<tr>
<th>Country</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold and Cough</td>
<td>18.70%</td>
</tr>
<tr>
<td>International Medicines</td>
<td>16.70%</td>
</tr>
<tr>
<td>Vitamins</td>
<td>8.00%</td>
</tr>
<tr>
<td>Minerals</td>
<td>8.00%</td>
</tr>
<tr>
<td>Analgesics</td>
<td>15.00</td>
</tr>
<tr>
<td>Med / Skin pr6dts</td>
<td>9.10</td>
</tr>
<tr>
<td>Other</td>
<td>24.50</td>
</tr>
</tbody>
</table>
The European market generated $23.6 billion in 2006 with 2.5 corers. Which is much larger than Indian market? With the opinioning of markets more and more European pharmaceutical companies are targeting Indian land to market the OTC drugs as the size of market is large. Indian market has always been a market for foreign companies. Indian pharmaceuticals companies need to frame a strategy for marketing OTC products in this large untapped market, which will be more competitive and India centric rather than a single strategy for all, which will not work as the taste, choice of consumer is different and rules and regulation are not as free as in European and American countries.

## 1.5.1 INDIAN OTC PHARMACEUTICAL MARKET

Indian Economy with an average Annual growth at 14% during 2002-2005 overall the Indian market for pharmacy is projects to grow at a 14% to 20% during 2005-2010. The value of the pharmaceutical market in India in 2007 was USD 10 billion (euro 7.296 billion), representing a growth of 13.4% over 2006. India ranks 4^{th} in volume and 14^{th} in value terms. The exports of bulk drugs and formulations represented USD6 billion (euro 4.378 billion) in 2007. Currently the Indian OTC market (i.e. advertised non-prescription medicines) is estimated to represent approximately USD 1,793 million (euro 1 310 million).

**TABLE: 1.7**

**MAIN SELF-MEDICATION PRODUCT GROUPS**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>USD millions at manufacturer price level</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cough, cold and allergy</td>
<td>305.2</td>
<td>333.6</td>
<td>437</td>
</tr>
<tr>
<td>2</td>
<td>Analgesics</td>
<td>150.6</td>
<td>162.1</td>
<td>190</td>
</tr>
<tr>
<td>3</td>
<td>Digestives and intestinal remedies</td>
<td>245.5</td>
<td>267.8</td>
<td>329</td>
</tr>
<tr>
<td>4</td>
<td>Skin treatment</td>
<td>117</td>
<td>126.9</td>
<td>163</td>
</tr>
<tr>
<td>5</td>
<td>Vitamins and minerals</td>
<td>496.6</td>
<td>546.7</td>
<td>653</td>
</tr>
<tr>
<td>6</td>
<td>Others</td>
<td>15.6</td>
<td>17.3</td>
<td>21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In euro millions at manufacturer price level</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Cough and cold</td>
<td>245.3</td>
<td>265.7</td>
<td>319</td>
</tr>
<tr>
<td>8 Analgesics</td>
<td>121.1</td>
<td>129.1</td>
<td>139</td>
</tr>
<tr>
<td>9 Digestives and intestinal remedies</td>
<td>197.3</td>
<td>213.3</td>
<td>240</td>
</tr>
<tr>
<td>10 Skin treatment</td>
<td>94.5</td>
<td>101.1</td>
<td>119</td>
</tr>
<tr>
<td>11 Vitamins and minerals</td>
<td>399.2</td>
<td>425.4</td>
<td>477</td>
</tr>
<tr>
<td>12 Others</td>
<td>12.5</td>
<td>13.8</td>
<td>16</td>
</tr>
</tbody>
</table>

*Source Nicholas Hall & Company, India, DB6 2007 (Assocham/http://www.livemint.com/articles.3may2008)*

Higher medical professional charges coupled with excessive desire for self-medication and increasing faith in traditional ayurvedic medicines, India’s over the counter drug sale has grown around 10% in the last 2 years, leaving USA and China much behind, where OTC drug sale is estimated at 4% to 5% respectively. The above findings are arrived at ASSOCHAM on Latest OTC Drug Sale Pattern, highlighting that the share of sale of OTC traditional drug in India has gone up to 30% as against of cold and cough medicines, 12% of vitamins and about 7% of Analgesics.
TABLE: 1.8

INDIAN OTC PHARMACEUTICALS MARKET SEGMENTATION:

<table>
<thead>
<tr>
<th>Category</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional</td>
<td>27.30</td>
</tr>
<tr>
<td>Cough and Cold Preparations</td>
<td>19.80</td>
</tr>
<tr>
<td>Vitamins and minerals</td>
<td>11.60</td>
</tr>
<tr>
<td>Analgesics</td>
<td>11.40</td>
</tr>
<tr>
<td>Medicated skin products</td>
<td>2.60</td>
</tr>
<tr>
<td>Other</td>
<td>27.30</td>
</tr>
</tbody>
</table>

Urban lifestyles: increased the number of consumers prepared to self medicate for everyday problems. This, in connection with increasingly stressful and hectic lifestyles in urban areas, underpinned the performance of the OTC healthcare market. Work pressures resulted in consumers becoming increasingly reluctant to take time off for illness, leading to growth in demand for products such as analgesics and cough, cold and allergy remedies. Products such as vitamins and dietary supplements benefited from consumers seeking preventative measures. Changing dietary patterns impact consumers. Accelerating lifestyles also had an impact on demand for digestive remedies. Firstly, consumers increased consumption of fast food, which is often high in fat. This often results in constipation, increasing the need for laxatives. However, demand for diarrheal remedies saw a slight decline as consumers became more aware of hygiene issues, and were consequently more wary of the establishments from which they purchased fast food. Increased on-the-go consumption, often hurried, led to increased demand for antacids.

Indian pharmaceutical companies produce 20 to 22% of world generic drugs 60,000 finished medicines and 400 bulk drugs used in formulations. [ref 19] The Indian OTC pharmaceuticals generated total revenue of $2.5 billion in 2006 Indian Market faces the problem of pseudo OTC market where Ethical drugs are also sold without prescription due to poor monitoring by FDA. Self medication tendency is traditionally very high due to high availability of traditional ayurvedic medicines, awareness and acceptance and affordable among large public.

People trust chemists who prescribe and dispense drugs based on the symptoms of the customers. This saves time and money and is considered to be more convenient than consulting a doctor. There is a very thin line of demarcation between OTC drugs in the strictest sense of the term and the availability of drugs in India. Drugs that fall under Schedule K of the Drugs and Cosmetics Act of 1940 and which do not fall under any other restrictive schedules, although there is no legal recognition for the term over the counter in India, nonprescription drugs are commonly referred to as OTC drugs.

For any drug to be switched from the prescription1, In India, a 'switch' is not permitted unless the Government notifies the molecule as permissible for sale as an OTC drug. The process of switching a Schedule H drug to Schedule K follows is the same as anywhere in the world with lobby groups of drug manufacturers, doctors, Medical Council of India and the Food and Drug Control Administration participating in the decision making process. Shifting drugs from Rx to OTC status does not occur as rampantly as it does in
other countries. Most of the prescription drugs are not allowed to be shifted and non-prescription drugs are manufactured to be sold over the counter.

Schedule H to non-prescription status, it must be effective and generally recognized as safe (GRAS) and also generally recognized as effective (GRAE). Most of the OTC drugs are nonprescription drugs that are either imported or manufactured in India. Very few prescription drugs are shifted to OTC status in India. According to Section 2 (i) of the Pharmacy Act a "registered pharmacist" means a person whose name is for the time being entered in the register of the State in which he is for the time being residing or carrying on his profession or business of pharmacy. And under Section 2 (h) "register" means a register of pharmacists prepared and maintained under Chapter IV of the Act.

A drug can be marketed on OTC its ingredients are included in previously. Published regulation defining the requirement for OTC status and the labeling of the product with there regulations the standards also apply to drugs that lone been approved for over prescription only and that are being considered for a switch to over the counter status.

The drug price competition and patient term restoration Act 1984 potentially provides 3 additional years of marketing for marketing drugs. Switched from presentations to over the counter station if the FDA has approved a prescription drug for OTC marketing i.e. the drug still overall by prescription for OTC marketing the drug still available by prescription for certain indication or for use at for doses not approved by for OTC marketing. The required demonstration of safety and efficacy for an OTC drug include components distinct from there prescription drugs.

1) Can the patient recognize and diagnose by himself the condition specified in the proposed indication.
2) When reading a product label can be patient extract the key information necessary to use the drug property.
3) Will the OTC drug be effective when used on recommended.
4) Is the drug safe when used as instructed?
5) Are patients ready to handle the allergy related complications?

These are the above few questions arise when self medication is considered on a larger canvass even though these kind of drugs are meant for treating minor ailments and a first line of defense, safety and efficacy is of prime concern as these drugs will be readily available without prescription.

OTC drug in order to be sold over the counter must fulfill the following criteria:

A) Safety  
B) Effectiveness’)

Labeled for a condition wherein a patient can administer the drug without supervision of a licensed healthcare professional.

Promotion of OTC drugs in India is regulated by national legislation such as the Code of Ethics for Advertisement of Drugs published in the Indian Drug Manufacturer’s Association in 1999. The object of this Code is to ensure responsible advertising in the promotion and sale of medicines which may be purchased by public without a prescription. The Drugs and Magic Remedies (Objectionable Advertisement) Act of 1954 mentioned above.

1.5.2  CURRENT CATEGORIES OF OTC

Over-the-counter (OTC) drugs are medicines that may be sold without a prescription, in contrast to prescription drugs. These items can be found on the shelves of grocery/cosmetic stores and bought like any other packaged product in some countries or in
others may be bought "over the counter" from the pharmacy, while prescription drugs are sold at a pharmacy counter. In 2005 the Indian OTC segment was Rs 4500 crore it could be considered as Rest 17000 crores if cosmeceuticals & neutraceuticals are also included. The CAGR for Indian OTC markets is currently hovering between 12 and 15% and this is much faster than OTC market growth of most development countries. The OTC Market in India in 2007 will be around Rs. 6000 & 20000 crores. As per Euro RSCG India, OTC market is hovering around Rs. 2800 crores. The global OTC market is projected to be USD 75 billion with a cumulative annual growth rate (CAGR) of 4.5%, which will make it 82 BS in 2007. There are different categories under OTC, out of which here is a list of categories which have spent maximum in brand building through on TV as follows:

1. Rubs/ Balm - Moov, Iodex, Himani Fast Relief, Emami Mentho Plus, Amrugarjan
   Joint Ache Cream
2. Analgesic/ Cold Tablet - Dcold, Stopache, Crocin, Disprin
3. Digestives - Eno, Hajmola, Pudin Hara, Dabur Hingoli
4. Medicated Skin Treatment - Itch Guard, Krack, Ringguard, Clearasil
5. Cough Lozenges - Strepsils, Halls
7. Antiseptic Cream/ Liquids - Borosoft, Boroplus, Dettol

Ranbaxy’s Revital brand was the most advertised brand on TV during January-September 2008-09. 12% growth was observed in the advertising volumes of OTC (Over the Counter) sector on TV during January - September 2007 over January-September 2006 (AdEx - division of TAM Media Research).
‘Rubs/Balms’ had the largest share of overall OTC advertising pie.
Potential categories: Arthritis, Asthma, (mild asthma, pill form) Glaucoma, Hypercholesterolemia, Hypertension, Obesity and Osteoporosis.

1.5.3 OTC MARKET IN INDIA:

The changing environment of pharmacy industry and resulting into a new and nascent staged OTC Sector with a huge market and resulting into more and more companies brings aggressively their products under OTC umbrella, the reasons for booming OTC sector. Since these drugs do not require a prescription, they are more affordable and accessible for a common man. “By placing widely used painkillers, balms and cough syrups under OTC, they can be sold at the counters of grocery stores and other shops without a drug license.” One of the most beneficial situations for the consumer is the availability of good quality drugs at lowest possible cost, due to competition. From the producer’s point, the switch protects their molecule even after patent expiry. OTC drugs are comparable to fast moving consumer goods (FMCG). Most FMCG companies, like Hindustan Unlived, Procter and Gamble are entering the OTC sector and expanding their market over areas that have remained inaccessible. One of the main obstacles for pharmacy companies is their reach to the remote areas of the country. The only way of reaching these areas is through FMCG companies, but this represents a threat to the pharmacy companies. Grocery stores and post offices are better in terms of reaching the remotest areas. It is estimated that as the chemists reach is about 4% while that of a general store is 14%, a grocer is 52% and others 22%. If OTC drugs are distributed through these types of stores then sales can increase exorbitantly. India had less than 12 drug molecules in the OTC drug market and the OPPI in 2005 requested the government to revise the OTC drug list. In its letter to the Drug Controller General of India, OPPI said that self-medication “allows informed and rational choice by consumers and
recognizes the individual’s right to make decisions or choices about his or her own health currently there are around 33 classes of OTC drugs available over the counter.

**Health awareness mixed in India:**

While in the western world an increasing number of consumers are seeking to give up smoking as they become aware of its adverse impact on health, and look for measures to ease the withdrawal process, this is not the case in India. Awareness of the impact of smoking is relatively low in India, and although the review period saw some government anti-smoking measures, such as the requirement to print warnings on cigarette packets, these are relatively mild, and strong measures such as a public smoking ban are unlikely, and would in any case be unenforceable. Indian OTC healthcare market fragmented. The Indian OTC healthcare market is relatively fragmented, with no single player holding a double-digit value share in 2007. The end of the review period saw share gains for players which invested in advertising and promotional support for their products. New launches and the introduction of new packaging formats, such as digestive remedies in single-use sachets, also stimulated consumer interest. Smaller players continue to hold a notable combined value share due to their low prices, greater reach in rural areas and the popularity of traditional products in India. Chemists/pharmacies remain important, direct sales gain share Chemists/pharmacies accounted for the bulk of OTC healthcare sales value in 2007, benefiting from UTC purchases of products initially acquired via a doctor’s prescription. However, grocery outlets saw an increase in share due to the increasing offer of products such as acetaminophen. Direct selling also continued to gain share due to the convenience offered by this channel, and the ability of direct sales companies to reach rural consumers. Continued urbanization to underpin future performance the forecast period is expected to see continued urbanization and increasingly hectic lifestyles for consumers in India. This will lead to growth in demand for fast-acting products that reduce the impact of illness. Products with minimal risk of side effects will continue to appeal, particularly in analgesics and cough, cold and allergy remedies. Future growth will likely be boosted by new product launches, particularly new flavors of products such as powder digestive remedies or chewable products, while the vitamins and dietary supplements environment is likely to benefit from the consumers’ growing desire to take preventative measures to avoid illness. To market all these kind of self medication products called OTC products companies need to have marketing strategies. the researcher had undergone the different aspects of strategies, marketing and marketing strategies which makes a platform for the further research of the investigator.

The researcher had studied the different books on Business policy and strategic management, marketing management, strategic marketing management, sales management .this topic is based on different concepts of marketing strategies. This will act like theoretical support in the further research.

**1.5.4 CHALLENGES FOR OTC MARKETING:**

1. The Indians always prefer home remedies to a prescription drug - Dadi Maa Recipes
2. Invest in branding also has a fear of getting alienated by the community of doctors. Most brands consider the prescription route to be much safer
3. There is no clear definition of what constitutes an OTC pharmacy product. The healthcare segment in India has to mature enough for OTC expansion.
The Drugs Technical Advisory Board has resisted approval of shift of molecules from prescription to OTC. So, that is the real challenge, not that OTC companies have not invested enough in brand building.

4. There are a number of drugs such as Ranitidine (a digestive drug) which are sold in supermarkets in the West under various brand names. But the regulatory authority in India allows Ranitidine to be sold only through the prescription route.

As per the regulations, one cannot sample OTC products directly to consumers. It has to be at the pharmacy shop level.

5. Huge expense a brand may incur to advertise. The brands' turnovers are not large; many brands wonder whether spending 5-6 per cent of their turnover would give them enough returns.

6. Consistent brand building is required over a period of time - Brands such as Coldarin have collapsed due to lack of consistency not only in spends but also positioning.

The challenge for the pharmacy industry is to reach the fragmented target population of end-users while maintaining their traditional relationship with doctors.

Traditional medication proved the most lucrative for Indian OTC pharmaceuticals and consumer health divisions of the pharmacy companies. Market in 2006 generating $679.3 million companies sales of cough and cold generated $492.6 million in 2006.

**TABLE: 1.9**

<table>
<thead>
<tr>
<th>INDIAN OTC PHARMACEUTICALS MARKET SEGMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional market</td>
</tr>
<tr>
<td>Cold &amp; cough</td>
</tr>
<tr>
<td>Vitamins and minerals</td>
</tr>
<tr>
<td>Analgesics</td>
</tr>
<tr>
<td>Skin product</td>
</tr>
<tr>
<td>Others</td>
</tr>
</tbody>
</table>

Where access to medical practitioners is limited & beyond reach. OTC products will allow the pharmaceutical companies to tap the vast potential demand for pharmaceutical in those Markets. Sales of Over the Counter healthcare products grew by more than 7% in current value terms. Overall growth was driven by cold, cough, allergy and analgesics and with small categories such as eye care and wounds treatment. supplements in diet, vitamins, minerals also seen a considerable growth as the Indian consumer is getting more stressed and busy. He is more concerned about the health and easy remedy to maintain the health and remain fit in short time with ailing to understand the use of over the counter medicines may result into allergy, side effects.

Indian and multinational pharmaceuticals companies are entering more in to consumer and healthcare division understanding the strategy of marketing the products in a large market is difficult but not impossible.

More and more companies are spending huge amounts on marketing and promotion of the OTC Products, so as to retain and gain the untapped market of rural and urban India. Companies like GlaxoSmithKline & Ranbaxy have already entered into the OTC Market with divisions consumer healthcare, taking into the consideration of one billion plus potential consumer accounts enormous market for OTC products to be marketed as there is a huge gap between the healthcare system and limited accesses to health care facilities.
the consumers buy medicines without prescription as price becomes a conclusive determinant of which product to choose. Products carrying out a niche for itself in this segment with a huge domestic & export expansion potential in future.

Hence the study of marketing strategies of OTC pharmaceutical becomes a necessity for the marketers of this kind of drugs which has a great role to play in providing affordable, easily available, accessible OTC drugs by creating a general awareness among the consumers and the potential market at large.

1.6 STATEMENT OF PROBLEM

Despite of having 5 to 8 Lakh retail chemists in the country, even commonly used medicine are not available to a large section of the rural population of India today. As retail chemists are hesitant to move into the rural areas, dependence of the retail outlets is only option left with the people & Government. Marketing of household Medicine is going to be a huge business opportunity. Entry of Glaxo-SmithKline & Ranbaxy Pharmaceuticals some time ago is a clear indication of things to come.

For the present study, the researcher has decided to make the study of marketing strategies of OTC products in Sangli & Kolhapur district. There are various problems in Marketing of OTC products viz.

1. Expectation of Consumers
2. Pricing policies of the products.
3. Limited number of Chemists in the research area.
4. OTC products that are sold outside Medical shops.
5. Marketing of OTC products through General Stores.
6. Problems arise in distribution network & brand awareness.

It is true that many leading players are eyeing OTC Pharmaceuticals Market in a big way.

1.7 OBJECTIVES OF STUDY

The main objective of the study is to make in depth analysis of consumers expectations from OTC products potency, safety and availability and the present marketing strategies of OTC products in general & in Sangli & Kolhapur district in particular. It would then attempt to identify various strategies that would fit-in GlaxoSmithKline & Ranbaxy pharmaceuticals to market their OTC product in Sangli & Kolhapur district.

The main objective is to be achieved by accomplishing the focusing sub-objectives.

1. To analyze the expectations of consumers from OTC marketing consumer health care companies
2. To determine the key influencers in purchase of OTC medicines.
3. To study the marketing strategies of GlaxoSmithKline & Ranbaxy consumer health care companies
4. To study the pricing policies, sale promotion & distributing channels for OTC Product.
5. To study government policies with regard to OTC Product sales.
6. To give important suggestion for developing the marketing of OTC products in Pharmaceutical Industry

1.8. SCOPE OF STUDY

At present Pharmaceuticals majors are betting big revenues from local grocer and Paan stores in India, who are emerging as the fastest growing channel of OTC products. The growth of OTC medicines segment are witnessing by many companies

OTC drugs in urban and rural parts of the demographic area had shown positive response for self medication using OTC products as the first line of defense. There are various factors which enhance the growth of this sector like increasing health wareness, changing dietary patterns impact consumers, and OTC healthcare market is fragmented and continued urbanization to underpin future Role of Chemists/pharmacies remain important as they take these products to consumers The researcher had tried to study the expectation of consumers and analyze the growth trends of OTC medicines this present study includes study of marketing strategies specifically advertising and promotional strategy of pharmaceuticals giants. i.e. GlaxoSmithKline and Ranbaxy India Ltd in this sector

The researcher is of the opinion that, it is necessary to identify the growing areas in OTC sector using various marketing strategies which will open new growth avenues and secondly lower the burden of medical fraternity as minor ailments can be treated using OTC drugs as first line of defense. Pharmaceutical companies also end up paying higher margin of 30% to traditional business channels and chemist. This is a comparative and analytical study of marketing strategies for OTC products in Sangli and Kolhapur districts with reference to there

1. Distribution Network.
2. Pricing Policies
3. Promotional and Advertising.

So the researcher has decided to carry out the study to understand the problems faces by the distribution networks marketing and sales force, chemists and FMCG counters. The researcher has decided make study of marketing strategies in two districts of Western Maharashtra i.e. Sangli and Kolhapur Districts. This study also includes government policies and promotional activities in country like India where literacy is a major problem.

The researcher has decided to carry out the research with primary and secondary data, which will be collected through separate questionnaires, personal discussions and spot observations.

1. Consumer
2. Chemists
3. Doctors
4. Company representatives

This study is confined only to Sangli and Kolhapur district.
1.9. HYPOTHESIS OF THE STUDY

Since the study is related to marketing strategies of OTC products in the area.

The following hypotheses have been put to test in the study:

1. The sales of OTC product have seen a mammoth growth in recent times hence
   There is bright future for Sample pharmacy companies in this category
2. There is no difference in public expectations of OTC products in Sangli and
   Kolhapur districts.
3. Effective advertising and marketing of OTC products will encourage consumers to
   be more involved in their health.
4. Chemists and general stores face different problems while marketing OTC products.

1.10 RESEARCH METHODOLOGY

The study on Marketing of OTC products is unique in many aspects. With an attempt to
achieve the specified objectives the researcher had used the following methodology
which was followed by hypotheses testing.

Area of study: The study was restricted to Sangli and Kolhapur districts

Period of Study: The period of study covers from the year 2004 to 2009, i.e. 5years is
considered for the present research study.

The study on “A Comparative Study of Marketing Strategies of Over- The -Counter
(OTC) Products of Glaxo-SmithKline & Ranbaxy Pharmaceuticals in Sangli & Kolhapur
District.” is unique in many aspects ,so far not ,much work has been done on this aspect
of marketing .The OTC sector itself is in introductory stage but self medication is an
ancient phenomenon using ayurved and herbals. Secondly the area is not explored .this
research is an effort to study the marketing challenges faced by companies and finally
provide some suggestions to the best o my knowledge this is the first study of its kind

In this study survey method will be used to collect the primary data.

RATIONALITY OF SAMPLING

Numerous market research studies are conducted with small samples of data. Many of
these data are described as ‘qualitative’. Researchers do not always appropriately take
into account the size of the sample when drawing inferences about populations from
small samples of data. The researcher had made some rules of thumb that may be
employed when attempting to draw inferences from small samples, such as those
typically used in qualitative research. The vast majority of research involving small
samples is commonly referred to as qualitative research.

Researchers have long been mindful of the role of sample size when presenting the results
of quantitative research. Even when quantitative studies have sample sizes in the
thousands it is commonplace to indicate where there is limited ‘confidence’ in the results,
such as through the provision of p-values and confidence intervals. When the sample size
for a subgroup of interest is small — typically less than 20, 30, 50 depending upon the
researcher — it is common practice either not to present the data or to present it with
appropriate caveats. Researcher had identified four types of conclusion that may be
drawn from small samples without the need to place caveats on the findings... A blanket
caveat, such as ‘of course, these results are qualitative’, is not sufficient, as there are numerous findings that can be confidently made using small samples.

The **sample size** of a statistical sample is the number of observations that constitute it. It is typically denoted $n$, a positive integer (natural number). Typically, a larger sample size leads to increased precision in estimates of various properties of the population, though the results will become more accurate, large number of observations are time consuming and costly for the researcher.

So it is up to the Researcher that how much samples has to be taken from whole population so that it will give the **reliable and accurate results**. Here the researcher had used the sampling tests (eg: t test chi square tests...) to test the hypothesis. Generally to use the sampling tests the sample size would be <100 for getting the appropriate results in accurate manner, but here in our study the population **size of Consumers is too big** (around 1500000-2000000). So according to population size the researcher had taken the sample size of consumers as 400 and the same logic behind selecting the sample size of doctors as 200 and chemists as 300.

The list of Chemists list was available with the Chemists Bhavan and Doctors directory was obtained for reference from Indian Medical Association.

**PRIMARY DATA**

**Sample size:** - For this present study primary data was collected through the questionnaire and interviews conducted by the researcher. Primary data will be collected from

1. Consumers
2. Doctors
3. Chemists.
4. Sample Company Marketing Representatives

<table>
<thead>
<tr>
<th></th>
<th>Area</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sangli</td>
<td>Kolhapur</td>
</tr>
<tr>
<td>1.Consumers</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>2.Doctor</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>3.Chemists</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td>5. Marketing Representatives</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>452</strong></td>
<td><strong>452</strong></td>
</tr>
</tbody>
</table>
Methodology of Data Collection:

Following table is the basis on which the researcher had collected the primary data

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Quantitative research</th>
<th>Justification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Techniques uses</td>
<td>1. Informal interviews</td>
<td>To collect ideas, views, and understand practical aspects of the interviewee</td>
</tr>
<tr>
<td></td>
<td>2. On spot Observation</td>
<td></td>
</tr>
<tr>
<td>Tools used</td>
<td>Questionnaires interviews</td>
<td>To collect specific opinion and views</td>
</tr>
<tr>
<td>Sampling technique</td>
<td>SRSWOR</td>
<td>Data from Consumers, chemists, general stores was collected as per availability and willingness</td>
</tr>
<tr>
<td></td>
<td>Simple random sampling without replacement</td>
<td></td>
</tr>
</tbody>
</table>

SECONDARY DATA:
Even though the study is almost exclusively based on primary data, it was also important to collect the secondary data from published and unpublished literature using various recourses. Data relating to statistical information, review of literature and other required data OTC products and marketing strategy was collected from the sources like government publications, Indian Drug Manufacturing Association (IDMA), FDA, Publications, Journals, libraries and Management research institutes, pharmaceutical colleges and company websites as and when required by the researcher.

DATA PROCESSING:
After the field work was over, the data collected was through questionnaires was quantitative and qualitative which was processes using computer. The detail minute information of the observations and interviews was also analyzed, the perception, expectation and the decisions of the samples were incorporated. Some respondents were found to be casual in answer the questions and the data filled in the questionnaire was incorrect. So it was necessary to erase the unwanted data. The data was entered into the and processed by computer operator as per the instructions given by the researcher. The responses to the open ended questions were coded, examined, classified and processed on the computer. The data was presented in the form of simple table’s, pie charts and bar graph was also used data interpretation.

DATA ANALYSIS:
In the present study, the simple statistical tools like frequencies, percentages, averages etc were used as per the requirement of the data. Thus the methodology of the present study consists of some important pharmaceutical and medical terms, area of the study, period of the study, deciding sample size, collection of primary data and secondary through a systematic structured survey. Analysis and interpretation of the data collected was done and important conclusions were drawn and finally important recommendations are made.

Using appropriate statistical tool - Graphical, regression analysis and chi-square test, the set hypotheses were tested to prove the set hypotheses.
1.11 **LIMITATIONS OF THE STUDY:**

The researcher is aware about the limitations of research and this research is not an exception. The first limitation is the study is confined to Sangli and Kolhapur district only. Secondly as it is survey based, the study is entirely based on consumers, Chemists, doctors and other participant’s responses which may vary and change the outcomes. The researcher is well convinced that this is a beginning of study on OTC products marketing and stepping stone for many researches on Self-medication, marketing of health care products etc. The authentic and updated list from chemist bhavans and list of doctors from Indian medical association, Sangli and Kolhapur districts and list of marketing executives working for the sample companies was without census. There were constraints of time and money which resulted in limiting scope of the study.

The researcher believes that the study presents a clear and authentic picture concerning OTC products expectations, self-medication and marketing strategies used by Sample companies in only Sangli and Kolhapur district with reference to only sample companies. So it will not be proper to state that the conclusions drawn would be useful in case of all companies and all parts of the country. The researcher and the study will not claim that it is the final word in the study on Marketing of OTC Products. This study will open new avenues of research in strategic marketing, marketing management, consumer behavior and pharmacology as it was neglected till now. There is scope for further research with emphasis on various aspects of marketing and sales management, consumer behavior and pharmacology in Sangli and Kolhapur districts.

Lastly this study is of prime importance as a new revolution of self medication using over the products is ensuing the burden on the medical fraternity and government will come down in minor ailments cases and will lead to taking charge of health in hands through self medication using particularly over the counter products.

Market research Measure the past not the future. A report finding does not make decisions. Market research provides information upon which decisions are made. Address accurately certain topics and issues. There are a range of techniques that market researchers can use but sometimes the techniques are inadequate for the tasks that have been set. Another limitation of marketing research is the paucity of the trained research personnel.
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