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# PHARMACY ECOSYSTEM PROFILING IN LOW- AND MIDDLE-INCOME COUNTRIES

Profiling of pharmacies and other players supporting pharmacies – 2023

# 1

# OBJECTIVES, SCOPE & CONTENT OVERVIEW

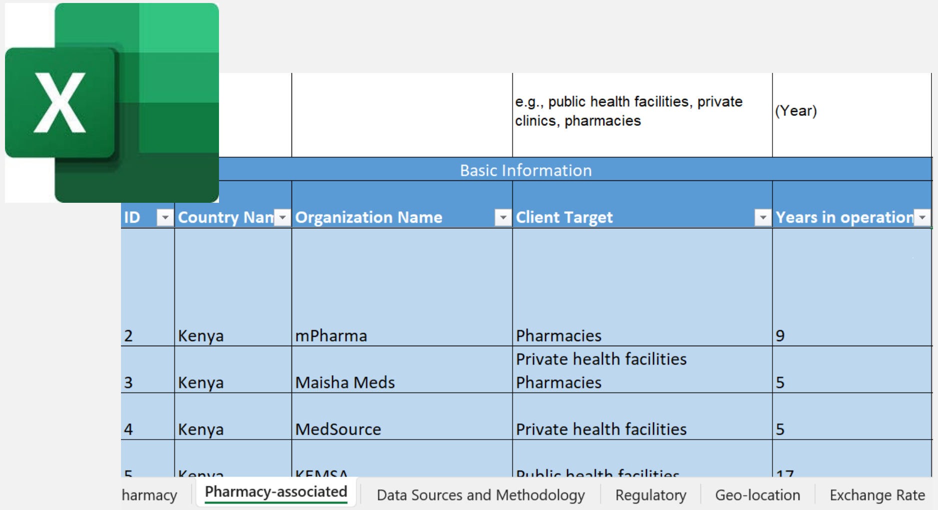
# OBJECTIVES AND SCOPE

| | |
|---|---|
| VISION | Improve access to diagnostics by engaging with and optimizing the private sector as a key distribution channel |
| OBJECTIVE | • Understanding of different partner types and their profiles<br>• Build a database of potential partners<br>• Establish criteria for comparing partners |
| FOCUS | TYPES OF ORGANIZATIONS<br>• Pharmacy players<br>    • Brick and mortar pharmacy chains<br>    • Online pharmacy<br>    • Hybrid pharmacy<br>• Pharmacy associated players<br>    • Pharmacy networks<br>    • Pharmacy support service organizations<br>    • Healthcare service delivery organizations<br><br>Brazil, Colombia, India, Indonesia, Kenya, Nigeria, The Philippines, Peru, South Africa, Viet Nam |

# AVAILABLE INFORMATION


A deck per country summarizing :

- Key information on healthcare context and private sector
- Assessment of major pharmacies and pharmacies' partners using FIND's typology and framework

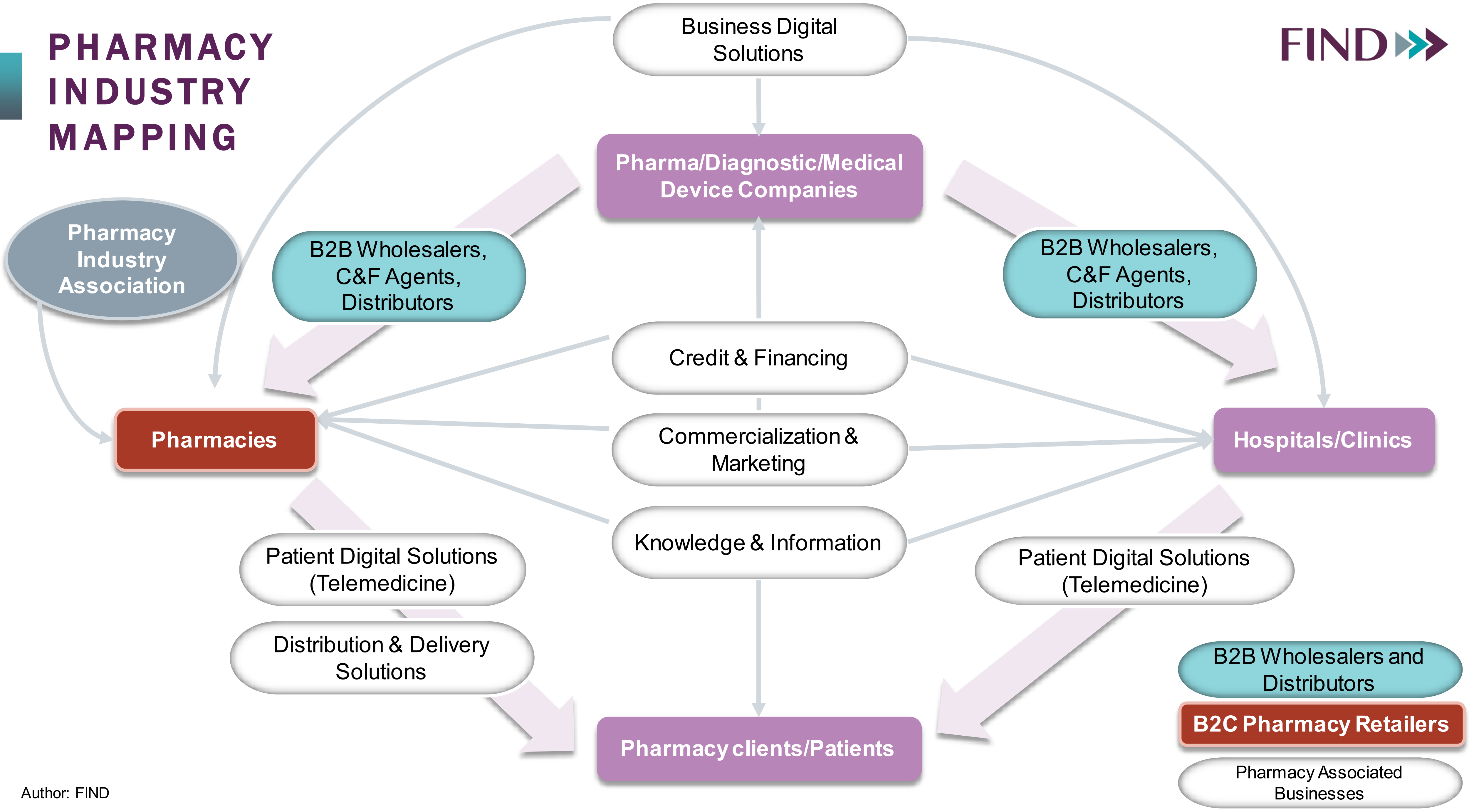



A long list of major pharmacies and pharmacies' partner

# 2

# TYPOLOGY

# PHARMACY INDUSTRY MAPPING

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# DEFINING PHARMACEUTICAL DISTRIBUTION BUSINESS PLAYERS

## Pharmaceutical Supply Chain Distribution Players

### Wholesalers & Distributors (B2B)

They are supply chain actors who deal in supplying **products** to retailers, pharmacies, chemists, hospitals, institutions, dispensaries medical, education and research institutions or related dealers[2].

Target pharmacies and other healthcare facilities, providing **B2B** sourcing, distribution & merchandizing services

### Pharmacy (B2C Retailers)

Pharmacy means a drug store in which drugs and medicines are exposed for sale and **sold at retail,** or in which prescriptions of licensed physicians and surgeons, dentists, prescribing psychologists, or veterinarians are compounded and sold by a registered pharmacist[2]. They work on a retail basis.[3]

Known as **Chemists, Druggists, Drug Stores, or Pharmacies**

**Pharmacies and Drug Stores** targeting patients and/or health care seekers with[1]:

- Minor health concerns
- Medications/other health products demand
- Diagnostic testing demand
- Vaccination demand

….

## Pharmacy Business Support Players

### B2B Pharmacy Associated Businesses

Business targeting Pharmacies and Healthcare Facilities (B2B)

Providing online and/or offline **services** related to:

- Credit & Financing
- B2B Delivery of Products
- Training and education
- Consultation
- Networks
- Sourcing and merchandizing

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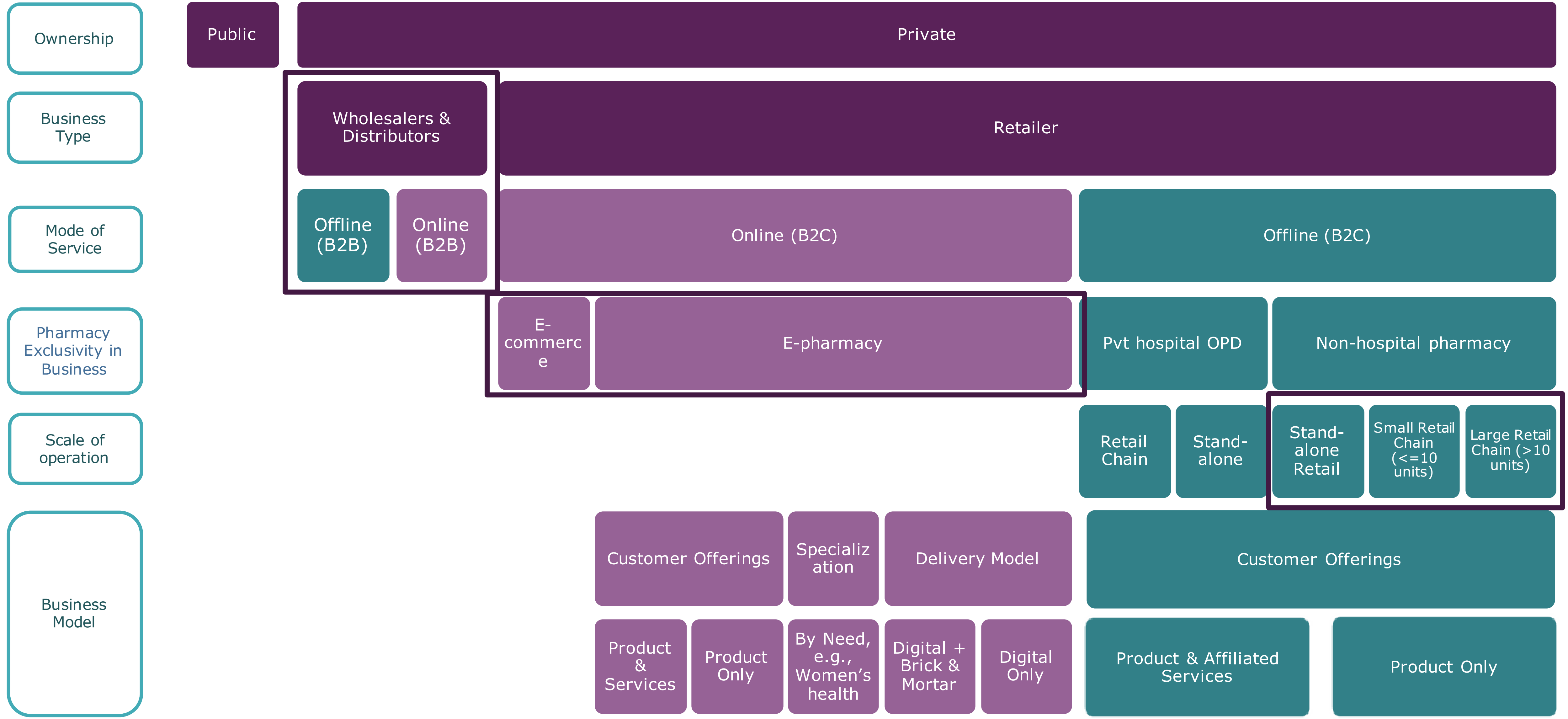
Data Source: 1. NHS; 2. Law Insider; 3. Pharma Franchise Help

# FIND'S TYPOLOGY OF PHARMACEUTICAL DISTRIBUTION PLAYERS

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# FIND'S TYPOLOGY OF PLAYERS THAT SUPPORT PHARMACIES

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## Players that serve Pharmacies

### Integrated Platforms for Patient Healthcare Services Delivery that partner with pharmacies

- Home sample collection for diagnostic tests (E.g., Halodoc, LifePack)
- Telemedicine (E.g., LifePack, Halodoc, SehatQ)
- Homecare (E.g., Halodoc)

### Credit and Financial Support

- Investment (E.g., KOICA*)
- Donation/Aid ( E.g., Bill & Melinda Gates Foundation)

### Delivery Logistics

- Distribution and Delivery (E.g., Go-Med)

### Knowledge and Education

- To professionals (E.g., EndPoints, Lybrate)
- To pharmacy clients/patients (E.g., Kimia Farma, MedPlus)

### Consultancy Services to Pharmacies

- Clinical practice and decision-making support (E.g., MIMS)
- Commercialization and marketing (E.g., APL)

### Professional Network

- Interprofessional network (E.g., mClinica)
- Professional recruitment portal (E.g., MIMS)

Offline and/or Digital Solutions

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# ASSESSMENT FRAMEWORK

# SEVEN CHARACTERISTICS TO PROFILE POTENTIAL PARTNERS

### Business Need Served

- Pharmacy product selling
- Distribution & Delivery
- Financing & Credit
- Sales
- Supply Chain
- Knowledge and Education
- Others

### Target Client(s)

- Pharmacy clients or patients
- Pharmacy (in case of a pharmacy business support partner)
- Medical professionals or health institutions
- Pharma/Diagnostics/ Medical Device companies

### Scale of Impact

- Pharmacy: Market share, Number of stores, geographic coverage (local and/or cross-country
- Others: # of registered users/ professionals, geographic coverage

## How Are We Profiling Potential Partners?

### Mode of Services

- Online/ digital
- Offline, in-person
    - Within institution
    - Home service
- Hybrid

### Product Offerings

- Diagnostics and other medical devices
- Medications (OTC and/or prescription medications)
- Targeted Products by gender, disease, etc.
- Nutrition & Supplements
- Personal care products
- Others

### Service Offerings

- On-site diagnostic testing
- Home collection for diagnostic tests
- Consultation (Online and/or in-institution)
- Home delivery of products
- Others

### Experience

- Existing/past experiences in diagnostics and/or pharmacy segments
- Years of experience/operation
- Existing/past project with NGOs for health access improvement

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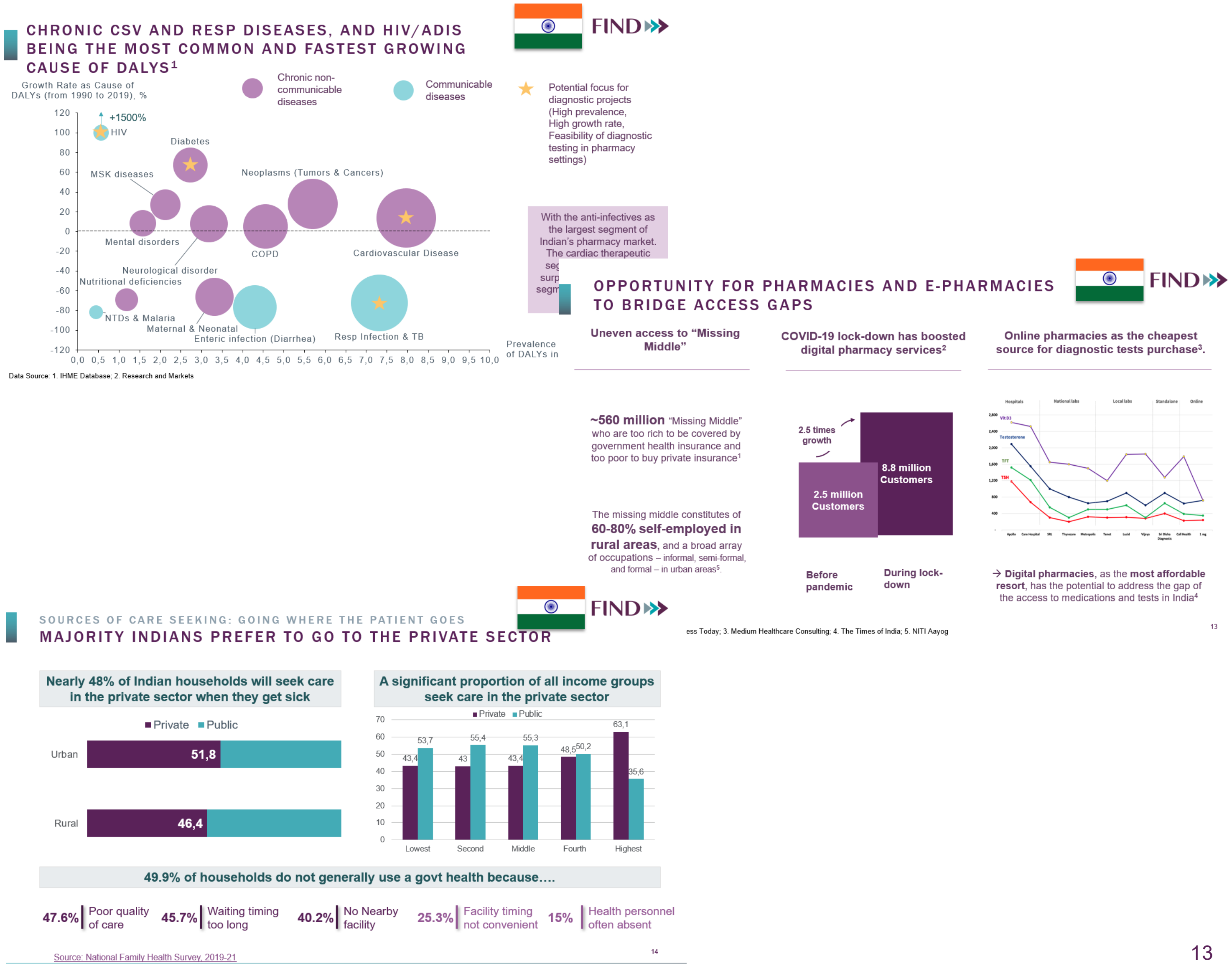
# COUNTRY PARTNER PROFILING: INDIA

# INDIA'S HEALTHCARE CONTEXT AND PRIVATE SECTOR AT A GLANCE

Analysis include:

- Health expenditure
- Disease prevalence
- Access gap
- Private sector's importance for the healthcare system
- Pharmacy industry in a glance



# TYPOLOGY OF PHARMACEUTICAL DISTRIBUTION PLAYERS

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| | | |
|---|---|---|
| Ownership | Public | Private |
| Business Type | Wholesalers & Distributors | 800,000 Retailer |
| Medium Type | Offline (B2B); Online (B2B) | Online (B2C); Offline (B2C) |
| Mode of Service | | E-commerce; E-pharmacy; Pvt hospital OPD; Non-hospital pharmacy |
| Pharmacy Exclusivity in Business | | Retail Chain; Stand-alone; Stand-alone Retail |
| Scale of operation | | Small Retail Chain (<=10 units); 10,000 Large Retail Chain (>10 units) |

BIDDANO
DXKART India's diagnostic online supply store...
MEDIKABAZAAR
pharmarack

PharmEasy
TATA 1mg
netmeds.com India Ki Pharmacy
practo
lybrate
Flipkart Health+

Apollo PHARMACY
MedPlus Mart
Wellness Forever CHEMISTS Life. Unlimited.
MAX @Home by MAX Hospitals
medkart SAVING MONEY, SAVING LIFE
Fortis
THULASI PHARMACIES INDIA (PVT) LTD.
zenoHealth

# LEGEND FOR VARIETY OF DIAGNOSTIC PRODUCTS

**Includes**

**Highest Variety of Diagnostic tests** → TB, HPV, HIV, Dengue, Malaria, Troponin, Hgb, Cholesterol test, UTI kits, etc

**Medium Variety of Diagnostic tests** → Oximeter, COVID-19 self-test kit, Vagina infection screening kit

**Basic Variety of Diagnostic Tests** → Glucometer, blood pressure monitor, thermometer, pregnancy test kit

# HYBRID PHARMACY PLAYERS ASSESSMENT

Less Desirable — More Desirable

| Name | Scale of Business | OTC diagnostic products[7] | In-store diagnostic testing | Home sample collection for diagnostics | Years of experience | News and Future Outlook[6] |
|---|---|---|---|---|---|---|
| Apollo | 5000+ outlets<br>1000 cities | ✓✓✓ | ✓ | ✓ | 35 years | Targeting 10k outlets in India[1]; Have previous connection with FIND |
| Max @ Home | 17 outlets<br>9 cities | Unknown | ✓ | ✓ | 5 years | |
| Fortis | 36 outlets<br>10 cities | ✓ | ✓ | | 26 years | Targeting medical tourism market[2] |
| MedPlus Kart | 1500+ outlets<br>300 cities | ✓✓✓ | ✓ | ✓ | 16 years | |
| Wellness Forever | 350+ outlets<br>23 cities | ✓✓✓ | Unknown | | 14 years | Deferred its IPO due to profit loss in 2021[3] |
| Frank Ross | 200+ outlets<br>4 states (West Bengal, Odhisha, Karnataka and Gujarat) | ✓✓✓ | Unknown | ✓ | 116 years | |
| Thulasi | 69 outlets | ✓ | ✓ | | 21 years | Targeting supply chain building and delivery capacity improvement[4] |
| MedKart | 100+ outlets | ✓✓ | ✓ | ✓ | 8 years | |
| Zeno Health | 100 outlets | Unknown | ✓ | | 5 years | Targeting 100k outlets in India[5] |

Data Source: 1. The Hindu Business Line; 2. Laing Business on News; 3. Deccan Herald; 4. The Hindu Business Line; 5. Business Standard

Note: 6. requires more detailed information from primary research with specific players

# DIGITAL PHARMACY PLAYERS ASSESSMENT

Less Desirable → More Desirable

| Name | Scale of Business | OTC diagnostic products | Home sample collection for diagnostics | Years of experience | News and Future Outlook |
|---|---|---|---|---|---|
| PharmEasy (MedLife)[5] | 90k partners 2500+ cities | ✅✅ | ✅ | 16 years | Deferred IPO due to valuation mismatch and market volatility[1]; May have large scale lay-off for cost saving[2] |
| Tata 1mg | 600+ partners 1000 cities | ✅✅✅ | ✅ | 7 years | Expanding the catalogue of tests; Open for collaboration[3] |
| NetMeds | 670+ cities | ✅✅ | ✅ | 7 years | |
| Practo | 70k partners 200+ cities | ✅✅ | ✅ | 14 years | |
| Lybrate | 4 cities | | ✅ | 9 years | |
| Flipkart Health+ | 500+ partners 200k pin codes | ✅✅ | ✅ | 9 years | Targeting pan-india expansion[4] |

Data Source: 1. Inc42; 2. B2B Connect; 3. EY Strategy Slides; 4. The Economic Times
Note: . 5. PharmEasy acquired Medlife in 2021

# TYPOLOGY OF PLAYERS THAT SUPPORT PHARMACIES

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## Players that serve Pharmacies

| Integrated Platforms for Patient Healthcare Services Delivery that partner with pharmacies | Credit and Financial Support | Delivery Logistics | Knowledge and Education | Consultancy and Marketing Services to Pharmacies | Professional Network |
|---|---|---|---|---|---|
| PharmEasy, TATA 1mg, practo, netmeds.com India Ki Pharmacy, lybrate, Flipkart Health+ | MEDIKABAZAAR, pharmarack | BIDDANO, MEDIKABAZAAR, DXKART India's diagnostic online supply store... | | practo, MEDIKABAZAAR, pharmarack | |

Offline and/or Digital Solutions

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# B2B WHOLESALERS AND PHARMACY BUSINESS SUPPORT PARTNERS ASSESSMENT

Less Desirable — More Desirable

| Name | Scale of Business | Business Focus | B2B Diagnostic tests supply | B2B diagnostic delivery | Years of experience |
|---|---|---|---|---|---|
| Practo-Ray | 10k health partners/customers | B2B Digital solution | | | 13 years |
| Biddano | 15k pharmacy partners/customers | B2B Wholesalers | ✅ | ✅ | 6 years |
| Medika Bazaar | 1000+ towns | B2B Digital solution and B2B Wholesalers | ✅✅✅ | ✅ | 7 years |
| DxKart | 1000+ cities | Diagnostic B2B Wholesalers | ✅✅✅ | ✅ | 9 years |
| Pharmarack | 200k pharmacy partners/customers | B2B Digital solution and B2B Wholesalers | ✅ | ✅ | 7 years |

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if you would like additional
information