

## A STUDY ON SELF-MEDICATION & FACTORS INFLUENCING CONSUMPTION OF OTC MEDICINES IN INDIA

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**Abstract:** *Urban India is catching up with the self-medication concept, thanks to the advent of technology, improving literacy levels, increasing health awareness and high work stress levels. In fact, Indian consumers, today, are confident about sharing healthcare responsibility, especially in case of common ailments. This shows that there is huge potential for OTC products in India. According to Nicholas Hall report on OTC Market, 2006, Indian OTC market is ranked 11<sup>th</sup> in the global OTC market in size, with an estimate that it will reach 9<sup>th</sup> position within five years. Several studies globally have addressed the area of self-medication. Very few studies, however, have addressed the self-medication in Indian context. This article presents the findings from an exploratory research carried out to get an insight into the extent of self medication & the key influencers in consumption of OTC medicines.*

**Field:** *Marketing*

### INTRODUCTION

According to the WHO Drug Information, “self-medication products are those not requiring a medical prescription and which are produced, distributed and sold to consumers for use on their own initiative.”

Several studies have addressed the area of self-medication as a form of self-care. Some of the studies examine the issue of self-medication in terms of both Rx (Prescription) and OTC (Over-The-Counter) drug usage (Segall 1990; Verbrugge and Ascione 1987) and others focus solely on OTC usage (e.g. Leibowitz 1989). Pinto and Gehrt (1991) extended the notion of self-care by examining other behaviors related to self health care management. They found that DIY health care consumers have a family doctor, exercise regularly, and perceive themselves to be in good health<sup>1</sup>.

Very few studies, however, have addressed the self-medication in Indian context. In India self-medication is on the rise, especially when it comes to minor ailments like cold, cough, headache, digestive problems, muscle aches, small wounds, anxiety and insomnia<sup>2</sup>.

In 2008, an ASSOCHAM (Associated Chambers of Commerce and industry of India) survey stated that the percentage of OTC drug sale had grown by around 10 per cent. Higher medical professional charges coupled with excessive desire for self-medication and increasing faith in traditional medicines were cited as the reasons behind the rise<sup>3</sup>.

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The study was therefore undertaken to get an insight into the extent of self-medication & the key influencers in consumption of OTC medicines in India.

## **LITERATURE REVIEW**

### **Global OTC Scenario**

Sales of over-the-counter medicines are projected to exceed \$84 billion worldwide in the next five years, according to a recent report from Kalorama Information<sup>4</sup>. According to the report, OTC medicines generated \$68.4 billion worldwide in 2007, having grown 3.9 percent on a compound annual growth rate since 2005. Kalorama Information projected a 43 percent CAGR through 2012.

“Consumers are taking an increasingly active role in self-medication because of rising healthcare costs, a large uninsured population and ever more choices in OTC products,” Kalorama stated. “Purchasing OTC drugs is also more convenient, and money is saved avoiding doctors’ visits<sup>5</sup>.”

Growing confidence in the ability of individual consumers to correctly diagnose and treat medical conditions is encouraging the switch of prescription medicines to over-the-counter (OTC) status. That global trend has been accelerated by the increased availability of healthcare information through the news media and the internet as well as through improved product labeling. A surge of chronic disease in industrial countries is also spurring growth in the non-prescription market as the focus of treatment shifts from professional acute care to preventive self-medication<sup>6</sup>.

### **Indian OTC Market**

Although Indian OTC segment is in nascent stages, urban India is catching up with the concept, thanks to the advent of technology, improving literacy levels, increasing health awareness and high work stress levels. In fact, Indian consumers, today, are confident about sharing healthcare responsibility, especially in case of common ailments. Considering the changing mindset and likely changes in regulatory framework, such as, OTC guidelines and open distribution, it is reasonable to estimate that within the next ten years, India will become a major contributor to the world of OTC market<sup>7</sup>.

India is currently ranked 11<sup>th</sup> in the global OTC market in size, with an estimate that it will reach 9<sup>th</sup> position within five years<sup>8</sup>. The Indian OTC market (2006) is valued at \$ 2.5 billion & according to the research firm, Datamonitor, is slated to cross \$ 3.4 billion by 2011<sup>9</sup>.

### **OTC Drugs**

‘OTC Drugs’ means drugs legally allowed to be sold ‘Over the Counter’, i.e. without the prescription of a Registered Medical Practitioner. In India, though the phrase has no legal recognition, all the drugs that are not included in the list of ‘prescription drugs’ are considered as non-prescription drugs (or OTC drugs). Prescription Drugs are those

that fall under two schedules of the Drug and Cosmetics Rules, 1945: Schedule H and Schedule X. Drugs falling under Schedule G require the mandatory text on the label: “Caution: It is dangerous to take this preparation except under medical supervision” and hence are not advertised to the public voluntarily by the industry<sup>10</sup>.

In India, the import, manufacture, distribution and sale of drugs and cosmetics are regulated by the Drugs and Cosmetics Act (DCA) and its subordinate legislation, the Drugs and Cosmetics Rules (DCR). Nonprescription drugs fall under Schedule K of the Act. Schedule K includes household remedies, contraceptives, ophthalmic ointments of the tetracycline group of drugs, certain oral rehydration salts, medicated dressings and bandages for first aid and certain homeopathic medicines<sup>11</sup>.

The *Drug & Magic Remedies (Objectionable Advertisement) Act* mentions a list of ailments for which no advertising is permitted. It also prohibits misleading advertisements which, directly or indirectly, give false impressions regarding the true character of the drug, make false claims, or are otherwise false or misleading in any particular respect. The DCGI’s (Drugs Controller General of India) office in collaboration with OPPI (Organization of Pharmaceutical Producers of India) has released a Voluntary Code on OTC Advertising, which is being followed by all OPPI member companies<sup>12</sup>.

## STUDY GOALS

1. Determine the extent of self medication & factors influencing self-medication.
2. Identify key influencers in consumption of OTC medicines by consumers.

## METHODOLOGY

1. Secondary data on ‘self-medication’ & ‘Indian OTC Market’ gathered from journals, research articles, conference reports and websites.
2. Survey of Consumers, a structured questionnaire being administered to the respondents.

### (A) Sampling

**1. Sampling unit:** Consumers (males, females above 18 yrs) selected from different parts of Mumbai city.

**2. Sample size:**

<i>Sr. No.</i>	<i>Category</i>	<i>No. of respondents</i>
1.	Self employed/working males	80
2.	Self employed/working females	80
3.	College going males	80
4.	College going females	80
5.	Elderly(above 60 years age)	80
6.	Housewives	80
	Total	480

### **3. Sampling procedure: Convenience Sampling**

#### **(B) Contact Method**

Personal Interview

#### **(C) Data Analysis Tool**

SPSS – Cluster Analysis

#### **(D) Study Limitations**

Study is limited to Mumbai city only, so may not be representative of entire country population

### **DATA ANALYSIS**

Descriptive statistics were generated for all variables with SPSS. Cross tabulations for outcome variables by major demographic categories were generated, using the Chi square t test to compare response rates between categories.

### **FINDINGS/DISCUSSION**

The study was carried out in 480 potential consumers, 80 consumers each from 6 categories as mentioned in the 'Sampling' above. Key findings are as follows:-

- Majority of respondents keep themselves healthy by eating healthy food (76%) and controlling diet (44%) – see chart 1.
- Visiting gym & playing outdoor games are commonly followed methods of keeping oneself healthy amongst younger population (21 – 40 yrs age). Older population (51-60 yrs age) on the other hand keep themselves healthy by doing yoga & exercise – see chart 2.
- 78.6% of the respondents believe in self-medication & 76.7 % of the respondents maintain 'self-medication kit' at home.
- The frequency of self-medication is once a month in 37% of the respondents – see chart 3.
- 50 % of the respondents self-medicate in order to treat the ailment whereas 43.3% of the respondents use self-medication as a preventive measure – see chart 4.
- Cold, Cough, Fever & Headache are the most common ailments in which self-medication is observed – see chart 5.
- 'Chemists' , 'Doctors' , 'Friends' & 'Television advertisements' are the major sources of information of OTC medicines – see chart 6.

The key findings from each category are as follows:

Chart 1

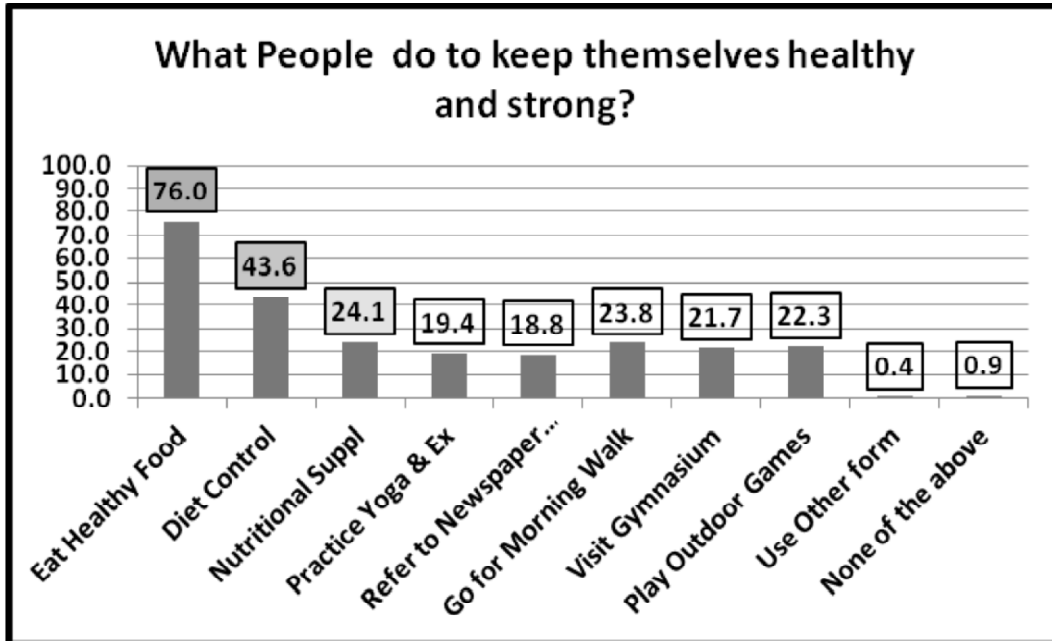


Chart 2

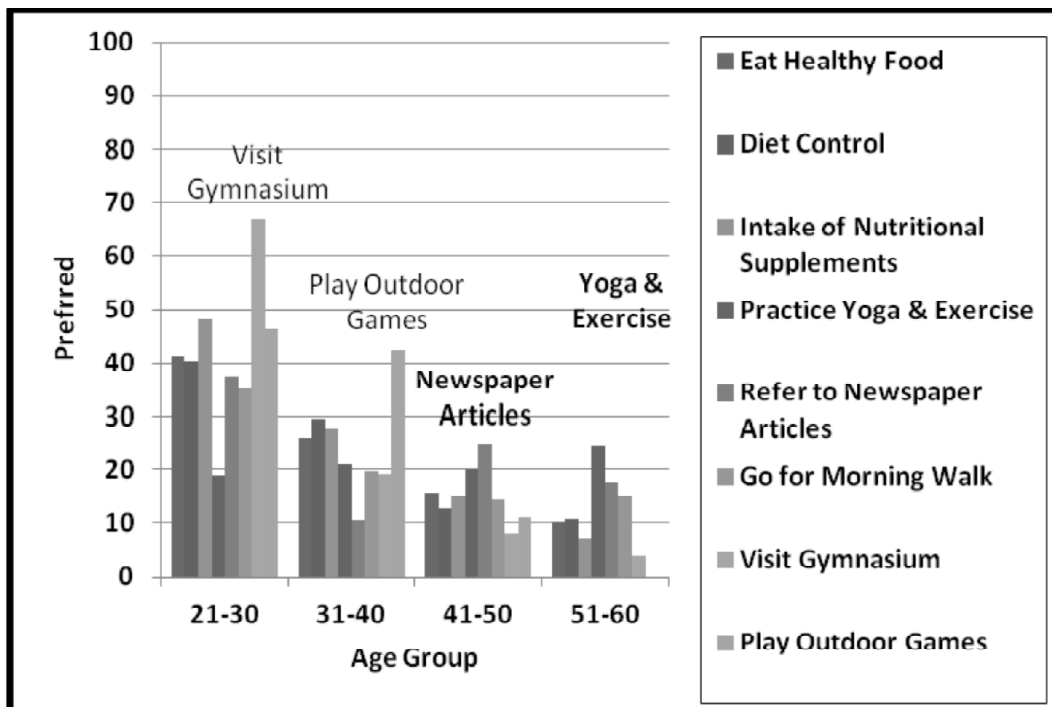


Chart 3

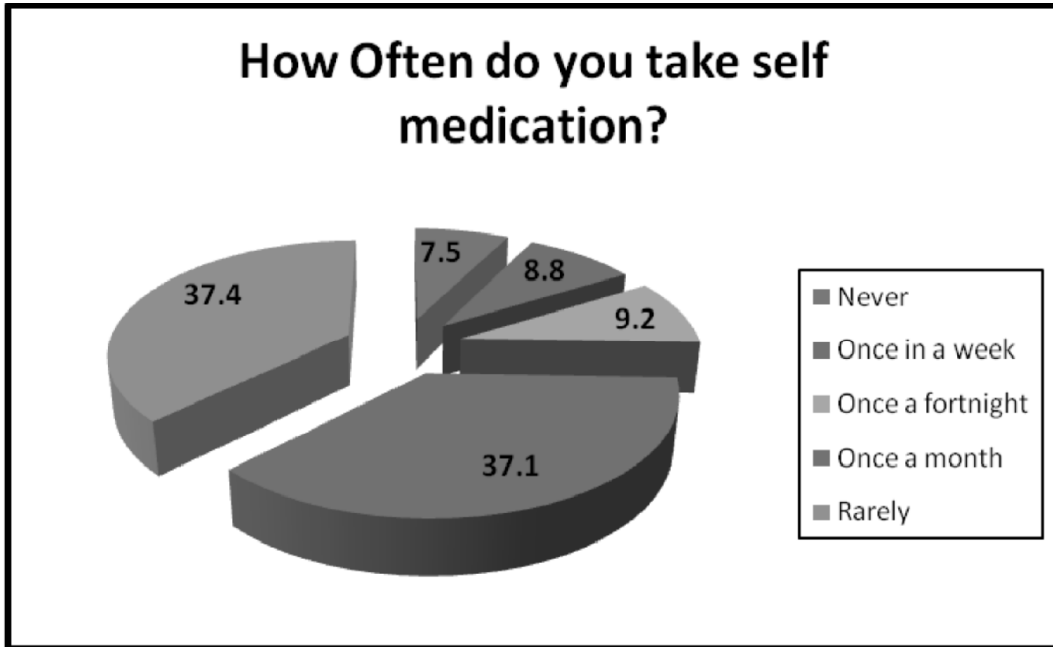


Chart 4

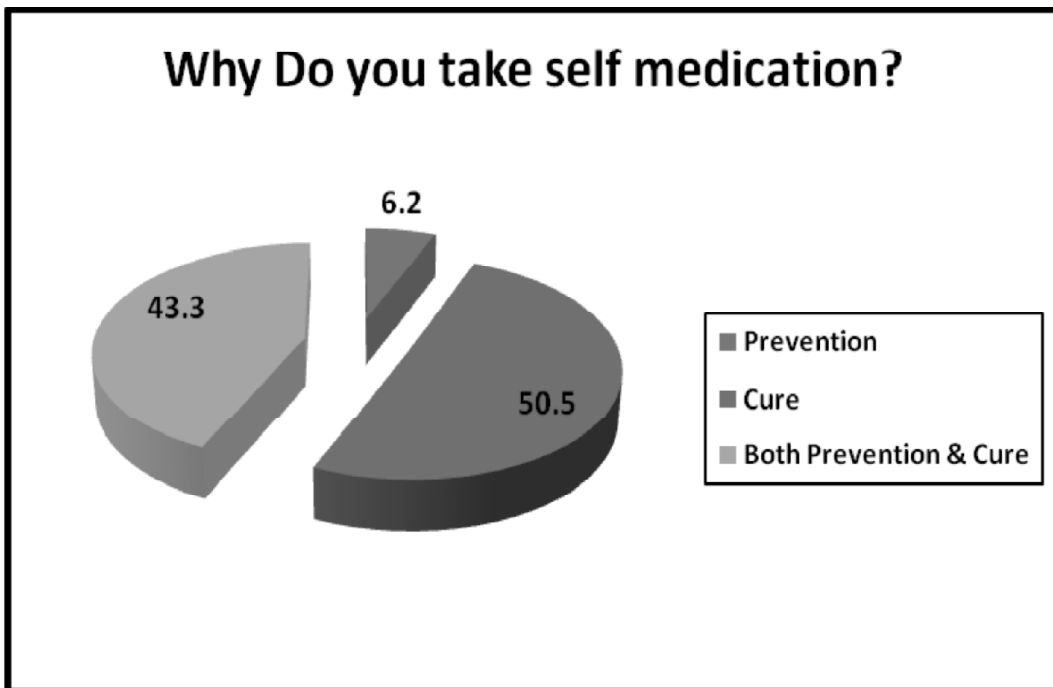


Chart 5

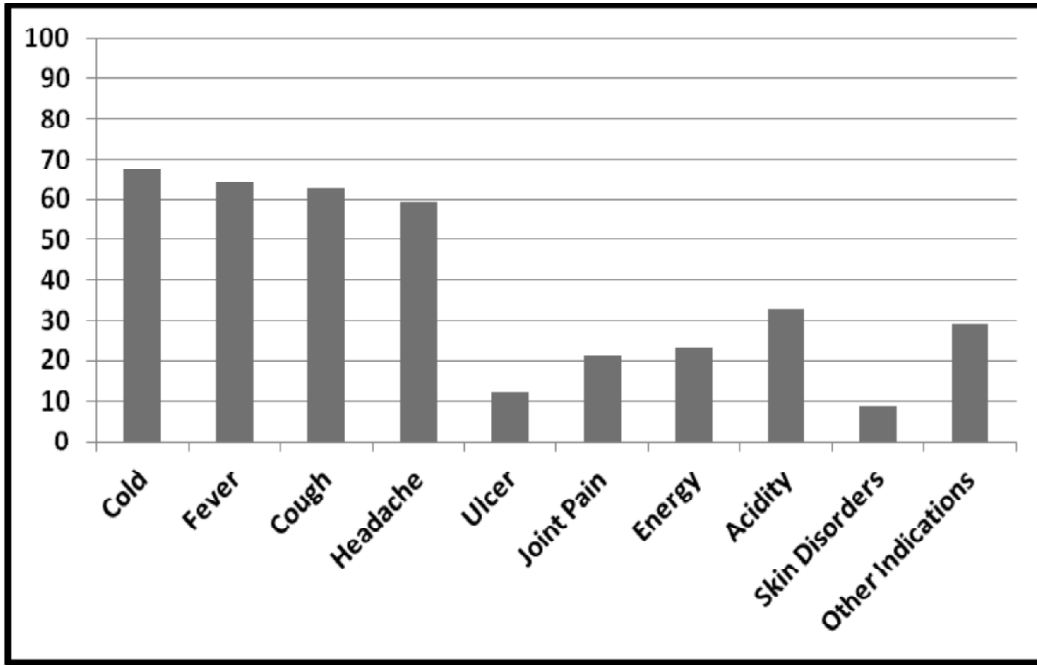
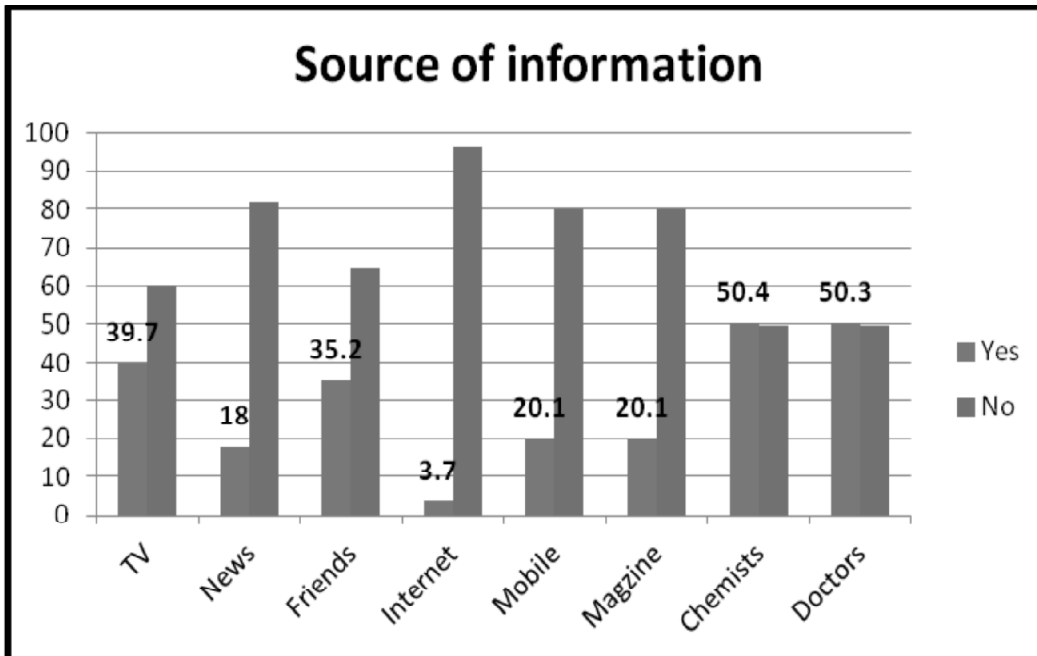


Chart 6



#### Self employed/working males

- 65% of the working males self-medicate once a month.
- 'Cold' is the highest ranked indication for self-medication followed by 'acidity' and 'headache'.
- The major sources of information influencing self-medication are "T.V advertisements" and "Chemists".
- 83.75% of the consumers seek more information post awareness regarding self-medication. Out of them, majority (36.25%) seek information through Chemists.

#### Self employed/Working Women

- 92.50% of working women prefer self-medication for common ailments.
- Most women prefer self-medication in cough & cold, acidity, pain & weakness.
- Among various influencers, "Advertisements on Television" followed by "Chemists" were the strongest.
- 69% customers are brand loyal.
- Cost, taste and information from advertisements are the most important parameters considered by the working women before buying any OTC product.

#### College going males

- 67% of college going males self-medicate once in a week or month.
- Most common ailments are Cough/Cold (46.3%) followed by Fever (20%) and Headache (8.8%).
- "TV advertisement" is the most influential source for consumers (71%).
- Parameters like quality, side-effects, price and advertisements are most valued by the consumers while buying any OTC product.

#### College going females

- 60% of college going females preferred to self-medicate.
- Factors influencing OTC purchases are advertisements, family members and family doctor.
- Medicated dressing is the most used category of self-medication followed by glucose powder and analgesic balm.
- The most important parameters taken into account while buying any OTC product are effectiveness, quality and side effect profile.

#### Elderly

- Nearly 80 % of elderly consumers self-medicate at least once in a month.
- Cough & cold, analgesics and general weakness are categories in which self-medication is commonly observed.
- Most of the consumers believe in herbal products.



- Packaging of the product significantly influences buying behavior of the consumers.
- Chemists & family members are the main influencers.
- Quality, cost, taste and packaging are the most important parameters taken into account while buying any OTC product.

#### Housewives

- Extent of self-medication amongst housewives is 100%
- Approximately 44% of housewives are brand loyal
- Housewives are more inclined towards herbal products.
- 'TV Advertisements' is the major factor influencing OTC purchases.

### **CONCLUSIONS / MARKETING IMPLICATIONS**

Higher extent of self-medication amongst all 6 groups indicates a good potential for OTC products. There is comparatively higher extent of self-medication amongst "working women", "elderly" & "housewives" indicating that these are the key segments to be targeted for OTC marketing.

Elderly & housewives are more inclined towards "herbal" products.

Cold & cough is the most common condition in which self medication is observed. The categories which are most suitable for OTC are 'cough & cold', 'analgesics', 'general weakness', 'acidity' and 'medicated dressings'.

"TV advertisements" & "Chemists" are the major influencers for OTC purchases. Product quality, cost & taste are the parameters that consumers take into account while buying OTC products.

Innovative integrated media strategy that would ensure the efficient coverage of target consumers will be the key success factor in OTC marketing.

Reinforcing strong retail influence and establishing consumer loyalty will be equally important.

### **FUTURE RESEARCH**

This exploratory study focused on extent of self-medication and factors influencing consumption of OTC medicines & was limited only to Mumbai city.

Future research should in-depth investigate the behavior of Consumers, Doctors & Chemists towards OTC medicines covering a larger area & amongst bigger sample size.

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