Interview: Amit Mookim – General Manager, South Asia



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Amit Mookim, IQVIA's general manager for South Asia, discusses the major trends impacting the Indian pharmaceutical market and how

Indian companies are rethinking their commercial strategies and becoming more specialized to reach sophisticated international markets.

Mr. Mookim, could you give our international readers a brief introduction of IQVIA and explain what your drivers of success in the Indian market are?

I have been with IQVIA for the last three years. As you know, IQVIA is the new name for two global organizations (IMS Health and Quintiles), leading the way in healthcare information, clinical research and technology. We call ourselves the Human Data Science company because we think it is now the time to talk about the confluence of data (about people in general not just healthcare records), technology to mine the data, and deep domain expertise to build, configure and drive the technology. India is extremely relevant to the global life sciences market and we firmly believe that it will only increase in relevance as we see many Indian headquartered global generic companies invest heavily in complex formulations and biosimilars.

Our driver of success will be their ability to look at it from two lenses, both commercial and clinical, and this is where IQVIA is very uniquely positioned to provide both of these angles given the combined capability of both organizations. In addition to this, global generic companies are distinguishing their brands by taking real world analytics and insights to highlight their clinical differentiation. Furthermore, many life sciences companies in India are looking beyond pure

pharma into consumer health, which is made up of OTC and OTX, as well as medtech and we see increasing incidence in partnerships.

How has the Indian pharmaceutical market developed over the years?

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There are three phases in the development of the Indian pharmaceutical market. The first phase which lasted from 1990 to the early 2000s was the phase of building up of the industry and the product mindset, where the plants came up, the portfolio came up and the TRIPS landscape was defined. The next stage was hardcore commercialization where companies had about 150 brands. Today, large pharma companies have between 700 and 800 brands. Now, we are entering the third stage, which is in the area of the patients where we think there are a few things that are going to happen and which, in turn, will shift the way pharmaceutical companies are shaping the market in India.

In the last year alone there have been a few big disruptions that have impacted the development of both the country and the industry. Firstly, 90 percent of people have an Aadhaar card which is a card with a 12-digit unique number issued by the Unique Identification Authority of India (UIDAI) by taking a person's biometric details such as iris scan and fingerprints as well as demographic information like date of birth and address. This is a great opportunity to capture health data in the future. Demonetization also happened and while there are mixed opinions about the effectiveness of this, electronic transactions tripled due to demonetization. The digital economy was born out of demonetization. The Good and Services Tax (GST) will also change the market. If you look at the market today, we have almost 50 000 distributors and stockists and as the industry consolidates the supply chain will shift a lot of gears bringing the pharma industry much closer to the end consumers and the providers. This will have a very different implication in the way programs for patient awareness and support will come up.

Until the early 70s India was mostly dependent on imports from MNCs. Today India's local generic producers account for 2.5 percent of global generics market and also strongly dominate domestic market. As an industry expert serving a range of different customers, what would you say are the main competitive dynamics driving industry's growth?

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If you look at the top 20 companies, they account for about 60 percent of the market share. Nowadays, we see Indian companies making it to that list. Looking at the growth drivers of these companies, one of them is obviously expansion to international markets, especially the US with some Indian companies rethinking their strategy and becoming more specialized to reach their audiences. Back home, some of these companies have built very strong and consolidated brands and acquired expertise in a few therapeutic areas. We see local Indian companies go neck-to-neck with many MNC players on technology options in the country, so we do think that these companies will have a seat in the global play. At the same time, we also see MNCs becoming more active in India as the average launch period for a drug came down to 17-18 months from the initial 30 to 38 months from the global launch.

When we met with Richie Etwaru, CDO of the erstwhile IMS Health in 2016, he admitted that healthcare and life sciences industry should be willing to embrace digital technology and learn from other industries. What is your take on that?

If we were to break the technology side of the business down and you would realize that the adoption is different at different levels. From a providers' perspective, there is still a lot of scope to come. Only a small proportion of providers have graduated towards AMRs. On the life sciences side, over the last two years, we are seeing a lot of technologies in the hands of the sales representatives. On average 25-30 representatives visit a single KOL in a day meaning that they sometimes have maximum one minute at their disposal, so it is essential to make the most out of this minute. We have seen, for instance, many pharma companies using technology to make their reps more efficient. The other aspect where technology is playing a role and is driven by the market is the proliferation of social media and the usage of internet in searching and transacting for information.

There was a large Indian company that launched a particular campaign, a few months ago, and they got 48 million hits on YouTube in a month which is unprecedented. On the other hand, 60 to 65 percent of doctors are now active on social media. We think that the way information is used by patients to make decisions on choosing and buying healthcare and the awareness of healthcare brands in patient community – not individual brands but corporate brands – is becoming increasingly important combined with the fact that India will see more and more push by the government on genericization. Furthermore, technology is helping consolidate and is also being used to strengthen the supply chain connecting the distributors and the pharmacists, the pharmacists and the manufacturing.

If you look at the situation today, there are 1 million pharmacies in the country and only a percentage of them have well defined OPA and IRP system and to this purpose the value chain breaks down here. The good thing that has happened is the birth of e-pharmacies, there are a few e-pharmacies that are growing significantly. Regulation is also a very critical driver of how the industry will be shaped. We think that the Indian healthcare industry is taking the next level of maturity and it requires more regulatory scrutiny as well as self-regulation.

If you look at what is happening in the healthcare development space, it all revolves around access, cost and quality and the government is taking steps to exert control on pricing. India needs much more disruptive thinking on just bringing more affordable drugs to the local population as most of it still does not have access.

The industry is also becoming much more mature and sharp about their commercial and branding strategy, we see a slowdown in a number of brands being launched and there is more focus on building bigger brands. We see a larger focus on fewer and more critical therapy areas. We also forecast that in the next two to three years, the acute market will overtake the chronic one and this will motivate pharma companies in the way they innovate and shape brands and engaging with both the doctors and the patients.

Innovation has a price and pricing of innovative groundbreaking medicines is a hot topic all over the world and especially in India. How do you help your clients prove the economic value of their products to the Indian healthcare stakeholders?

We sit at the center of the ecosystem and we run a lot of analytics on price elasticity, health economics and real-world data. Our real-world analytics team, which is becoming more and more active in India, is helping some of the pharma companies think through the impact assessment and the long term economic cost of certain diseases. We are a neutral and independent organization and there have been situations where we supported both bodies in the decision-making processes.

Who are your main customers and what are the services that are most in demand?

We work in sectors across the entire industry, right from life sciences, to consumer health, providers, medtech, health insurance companies, donor agencies and finally the government – both the central and state governments. In terms of services, clinical studies, advisory work related to both clinical and commercial, analytics, technology and obviously information provision are among the most demanded ones. We are identified as the information backbone for the industry.

How does IQVIA differentiate itself from other competitors like Accenture or Deloitte in the country?

There a few things of which we are proud of. Our domain expertise and our focus on healthcare, which also reflects in the type of people we hire, the professionals we train and the integration within the industry that we foster. Also, we sit on a huge amount of rich data which is critical for this industry today.

The clinical trials space in India is still emerging and we do think that the market will continue opening up. At the same time our customers are the same and we run big clinical trials programs across the globe for Indian HQ pharma clients as well. Combined with our commercial expertise, our solutions are becoming much sharper and we are able to correlate the market attractiveness in the research pipeline.

What is your vision for IQVIA India?

India is the greatest country in the world. We have great intellectual capabilities, we have a great domestic market, great natural resources, we have proved our leadership position and we have a great government along with having so much potential that will unlock the potential of our market. Looking at IQVIA, we are very well positioned with the scale and expertise that we have built over the years to support this growth and play a very critical role. We are very respected in the market, have a great reputation and we will stay proactive. Furthermore, we will continue adding more intelligence to our office to make sure that the pipeline of innovation for our stakeholders is accelerated and we play a critical role in that front.

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