

# ONLINE PHARMACIES: ISSUES AND CHALLENGES IN INDIA

Sanjeev Saraswat

Asst. Professor

Amity Business School, Amity University Madhya Pradesh, Gwalior India

## Abstract

This paper discusses the current issues and challenges of online pharmacy in India. Online pharmacies are in the initial stage and have various advantages over traditional pharmacies but there are various issues and challenges faced by these startups like no clear rules and regulation, resistance from various stakeholders, counterfeit medicines, rough pharmacies, poor customer acceptance, etc. Regardless of these issues, online pharmacies have the potential and scope to improve overall health care scenario especially if we look forward to e-health care solutions.

Keywords: Online Pharmacy, Rough Pharmacy, Counterfeit Medicines, E-Health

## Introduction

The initiative taken by the Indian government and increased reach of the internet has made-commerce popular among the Indian consumers and online shopping has become prevalent among the Indian consumers as these online shopping sites made the products available at their doorsteps. Consumers are purchasing various type of products online. From books to electronic items. online shopping sites not only made these products available with convenience but also offers price discount and other benefits to consumers.

Increasing volume and potential of online business has also attracted Indian entrepreneurs and they have introduced the concept of online pharmacy business in India by imitating the business model of internationally popular online pharmacies. An online pharmacy is an internet-based vendor that sells medicines and includes both legitimate and illegitimate pharmacies. E-Pharmacies operate over the internet to provide customers with an option to buy medicines online, hence making them easily available at their doorstep through the mail or shipping companies.

Online retailing of medicines is relatively a new trend in India, therefore, limited information is available about the use of online pharmacies, consumer behavior, number of online pharmacies, issues and challenges arises in society and for business. Online pharmacies have three main categories: independent Internet-only sites, online branches of brick-and-mortar pharmacies, and sites representing partnership among neighborhood pharmacies. According to google trend data, Indian users are among top five who search for medical information on the internet and main keyword are “buy online medical app” “buy online medicine” and “buy medicine” but still the size of online pharmacy in India is approx. Rs 1000 Cr which is just 1% of Indian retail pharmacy and it is expected to grow with a 10-15% rate by 2025.



## Pros of an online pharmacy

Convenience is the key factor that makes the online pharmacy popular among the users as medicine are available at their doorsteps with discounted rates and they can order medicines 24\*7. Especially elderly patients, patients with chronic disease and people living in remote areas can be more benefited by these online pharmacies. Patient by uploading a vailed prescription can order their medicines by maintaining secrecy about the disease and other complications. These online pharmacies also offer a discount to patients as they don't require to set up any physical store. Bulk purchase of medicines and cost involved in wholesaling and retailing operation can be saved so the cost of operations is less and the same benefits can be passed to patients. Along with these discounts, online pharmacy sites also provide valuable input on patient education and knowledge about the disease for better outcomes especially in case of lifestyle disease like hypertension, diabetes.

## Cons of an online pharmacy

Online pharmacies have various advantages but still, it has not gained acceptance like other product categories in e-commerce. The activist opposes the sales of medicines, gives various arguments against online pharmacy and claims that medicines cannot be compared with other products as a high level of risk is associated with medicines as, without proper prescription and guidance, consumption of medicines can be fatal. Online pharmacies cannot have a personal check on the patient in case of any negative drug interactions. Online pharmacies cannot deliver medicines on the same day it takes a few days to a week to deliver desired medicines. In India medicines are sold in a very highly regulated market with strict vigilance of various regulatory bodies but in case of online pharmacy there are no clearly define rules and regulation are there that results in many illegal online pharmacies has come in to exitance which is dangerous for patient as these illegal pharmacies don't have pharmacist , don't ask for prescription and sell illegal drugs to patients .

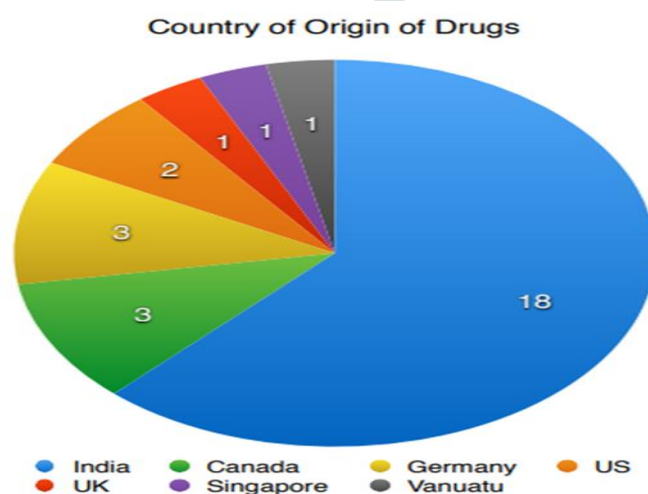
Self-diagnosis and self-medication is a major problem because the patient can purchase medicine without consulting a doctor or pharmacist. Online pharmacy can dispense medicine on old prescription or even without prescription to the consumer which can be dangerous and life threatening in many cases as patient bypasses specialists who guide the patient about right medication dosage and usage and possible side effects and drug interactions. Online pharmacies claim about the price benefits and discounts offered to the patient, but high shipping cost is involved that is charged from the patient

## Issues and challenges for online pharmacies in India

There are many issues related to the online pharmacy in India but few important ones are discussed below

### Counterfeit medicines

Worldwide 10% of drugs are counterfeit and in developing Asian economies this is as high as 30%. The online pharmacy facilitates the sales of counterfeit medicine across the globe and more than 18% of medicine available in American online pharmacies are of Indian origin after Canada and Germany.



Source: Internet Pharmacy Market 2016

The problem of substandard drugs and counterfeit drugs can become serious in India as no mechanism of regulating these online pharmacies is not present in the country.

**Absence of regulatory framework:** Currently Drugs and Cosmetics Act, 1940; Drugs and Cosmetics Rules, 1945; Pharmacy Act, 1948; Indian Medical Act, 1956 and Code of Ethics Regulations, 2002, etc are the main laws govern the pharmaceutical business in India. These laws are old and do not include the regulation of e-business systems adopted by the pharmaceutical industry. Basically, there are no laws related to internet and e-commerce. There are no clear guidelines and legislation for the regulation of online pharmacies in our country. Various cases are pending in courts challenging the legality of these pharmacies in the country. This ambiguity about regulation and legality is not only creating confusion for business ventures who have invested in e pharmacy business but also confuse customers and other stakeholders.

**Resistance from Stakeholders:** The stakeholders like retail pharmacies and wholesalers, doctors, pharmacist, and consumer right activists are opposing these uncontrolled and unregulated pharmacies. Chemist and wholesalers have a fear of loss of business while pharmacist and doctors are concerned about patient safety and illegal sales of medicines without any prescription which can be life threatening. They argue that medicines are different from ordinary consumption commodities and should be taken in the supervision of doctors and pharmacists. Moreover, they argue that it is difficult to locate and identify the legitimacy of online pharmacies and their practices that could be dangerous.

**Rough Pharmacy:** Rough Pharmacy is an online pharmacy that sells medicine online without prescription. A user can easily access the rough pharmacy with the help of search engines like google and yahoo. These rough pharmacies dispense medicines without a prescription.

**Poor Customer acceptance:** The share of online pharmacies in India is just Rs 1000 Cr and just 1% of the overall retail pharmacy market. This reflects the poor acceptance of online pharmacies in the country. There are many reasons for poor acceptance of online pharmacy but lack of clear guideline and absence of a regulatory framework for online pharmacies create a lack of trust about these startups. Use of online pharmacies is frequent in metros and among highly educated customers. In contrast, the general public doesn't trust and has resistance to use these pharmacies.

## CONCLUSION

Lawful Internet pharmacies benefit consumers by providing convenience and efficiency. Online pharmacy can maintain secrecy. Internet pharmacies can provide confidentiality and quarries related to prescription and disease can be resolved.

Internet pharmacies have various benefit to patient but patient safety and illegal trade encouraged by unregulated pharmacies is a big challenge. Indian government should come with a clear policy about online pharmacies legality by discussing with various stakeholder. Unregulated online pharmacy are more dangerous than regulated one in era of web-connected world it is difficult to control the flourishing growth of illegal pharmacies it is better in benefit of patients that Indian government legalize this pharmacy under the stringent control and regulation so patient has the option to purchase medicine from regulated and legal pharmacies rather than going to illegal one.

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