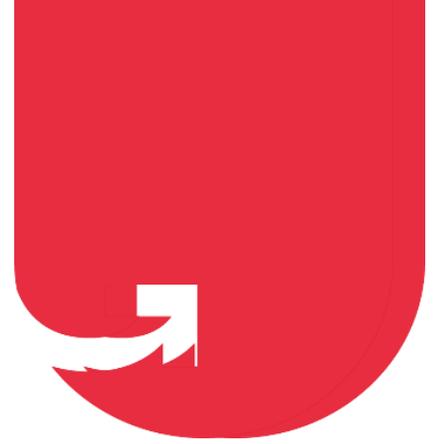


**upGrad**

# Product Management Certification Program



**Assignment:** Competitor  
Analysis

**Industry:** Online Medicine

**Name:** Pratima Maharana

**Email:** [contactpratima@gmail.com](mailto:contactpratima@gmail.com)

# Major online players in medicine space

## Drug Supply all over India



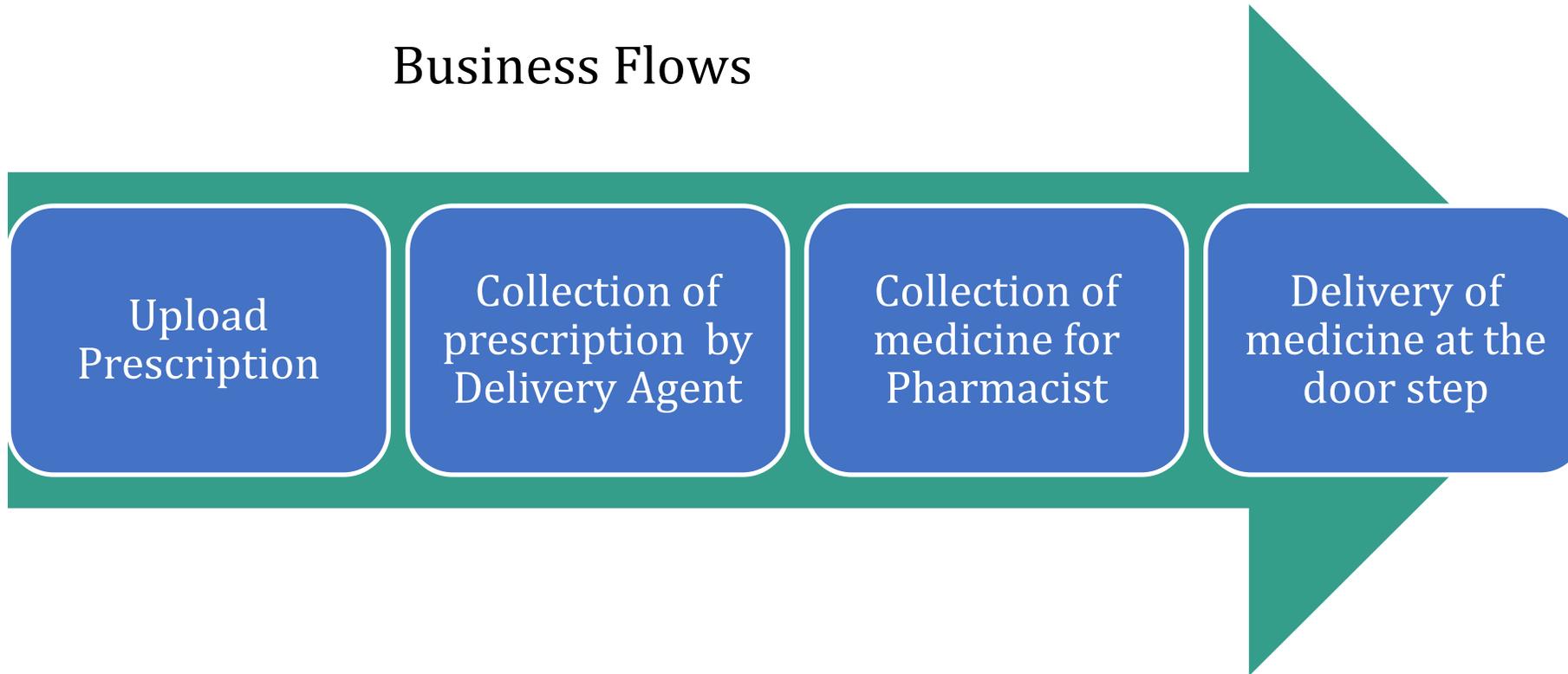
## Drug Supply in specific regions of India





<b>Founded on</b>	<b>2015</b>
<b>Founder</b>	<b>Dr. Dharmil Sheth and Dr. Dhaval Shah</b>
<b>Base Location</b>	<b>Mumbai,India</b>
<b>Vision</b>	<ol style="list-style-type: none"> <li><b>1. Making healthcare accessible and affordable to all by providing an online platform for quick delivering of genuine medicines to the end users at lowest price</b></li> <li><b>2. Also to provide diagnostic test services at affordable price in the shortest time.</b></li> </ol>
<b>Focus</b>	<ol style="list-style-type: none"> <li><b>1. It has a focus to expand Pharmeasy by optimizing the supply chain and logistics to reach out to maximum no of users in India.</b></li> <li><b>2. To remove fake medicines which contribute 30% of drug volume in India</b></li> </ol> <p><b>Reducing drug dependency and drug abuse</b></p> <ol style="list-style-type: none"> <li><b>3. To reduce drug dependency and drug abuse.</b></li> </ol>
<b>Funding Raised</b>	<b>\$50 million</b>
<b>Investors</b>	<ul style="list-style-type: none"> <li><b>• Eight Roads Ventures</b></li> <li><b>• F-Prime Capital</b></li> <li><b>• Fundamentum</b></li> </ul> <p><b>Advisors</b></p> <ul style="list-style-type: none"> <li><b>• Think Investments</b></li> <li><b>• Bessemer Venture</b></li> </ul> <p><b>Partners</b></p>

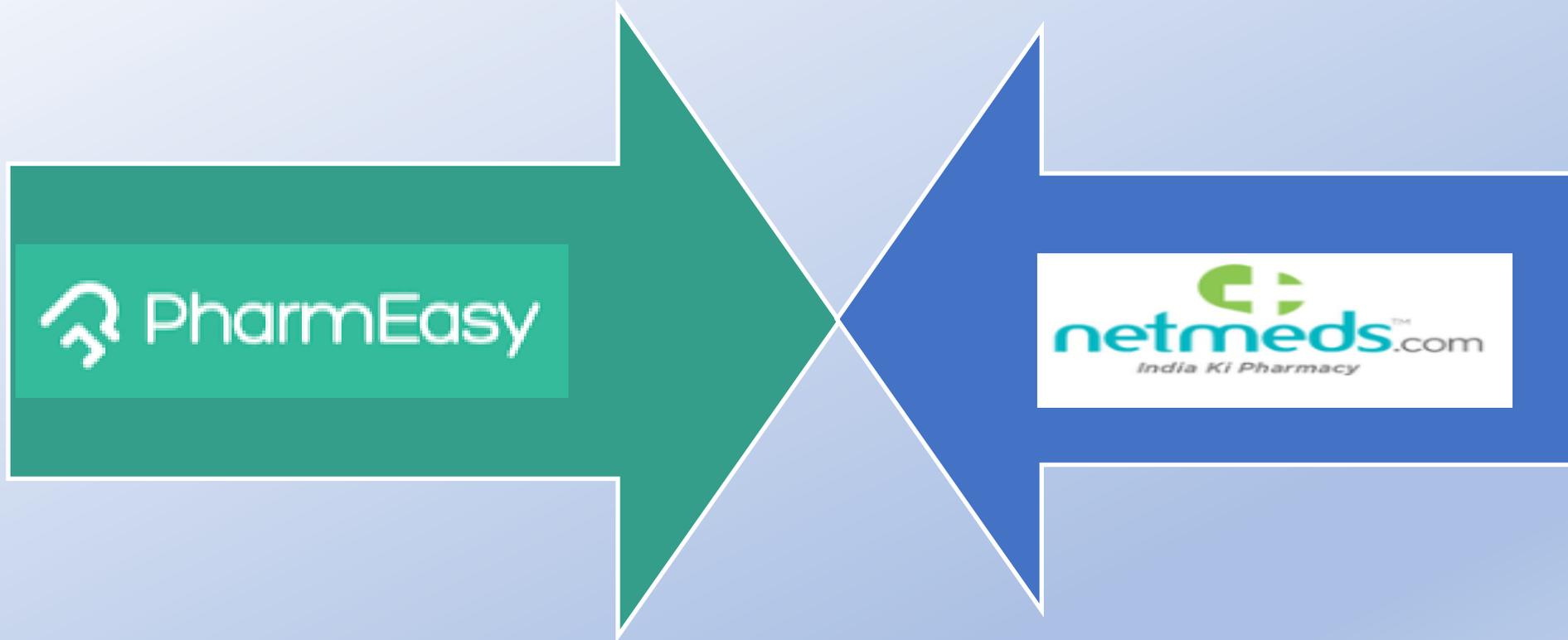
## Business Flows



# Direct and Indirect competitors of Pharmeasay



# Direct competitors of Pharmeasy



# Pharmeasy Vs NetMeds (Company Background)

Pharmeasy	Factors	NetMeds
<p><b>A dream to become a bridge between patients and local pharmacies and diagnostic centres through a mobile app.</b></p>	<p><b>Goals</b></p>	<p><b>To provide medicines in affordable price and accessible by every Indian in every corners of India.</b></p>
<p><b>Vision is to make healthcare accessible and affordable across India through a quick and efficient doorstep service with great discounts.</b></p>		<p><b>Setting up fulfilment centres in tier II cities help us achieve that objective,</b></p>
<p><b>Target is to deliver authentic and genuine medicine to every single patient in the country through technologies innovations.</b></p>	<p><b>Mission</b></p>	<p><b>Improving the customer experience by enabling faster delivery, higher fill rates and improve the overall efficiency of logistics and supply chain management</b></p>

# Pharmeasy Vs NetMeds (Company Background)

Pharmeasy	Factors	NetMeds
<p>Improving performance by helping teams to solve business challenges.</p>	<p>Strategies</p>	<p>1.B2B business model            2.To have a choice for more than 3 Million Indians.            Netmeds plans to team up with other pharma/nutritional companies to target specific patient groups by leveraging the power of data analytics.            3.The company is focused on increasing the number of warehouse and fulfillment centers across India. It currently has 14 fulfillment centers across India and is planning to add 12 more fulfillment centers by 2020</p>
<p>Work more on analytics for more accuracy            More TV-Led marketing strategy for brand awareness</p>		<p>To provide more Value added Services            1.Automated refill reminders            2. Loyalty programs            3. Expense analytics            4. Digital copy of prescriptions</p>
<p>730</p>	<p>Employee Strength</p>	<p>347</p>

# Pharmeasy Vs NetMeds (Company Background)

Pharmeasy	Factors	NetMeds
Bessemer Venture Partners, Temasek Holdings, Caisse de Depot et Placement du Quebec, Aarin Capital, Orios Venture Partners, Eight Roads Ventures, Nandan Nilekani, JM Financial, Manipal Group, Astarc Ventures, F-Prime Capital, LGT group, Fundamentum, Eight Roads Ventures India, KB Financial Group, Think Investments	Investment funding	Sistema Asia Fund, Tanncam Investment, and Daun Penh Cambodia Group
	Revenue details	Revenue details are broadly divided into commission, marketing, and shipping charges
Dharmil Sheth	Founders' profiles	Pradeep Dadha
No acquisitions	Acquisitions	Pluss App, JustDoc, KiviHealth
To reach out to 2-2.5 per cent of India's population at the earliest Targeting Corporate sector Targeting Smartphone users	Target market	To cater to chronic conditions such as diabetes, hypertension and cholesterol control and provide month-on-month medicines.

# Pharmeasy Vs NetMeds (Business Model)

Pharmeasy	Factors	NetMeds
<p>1. Online Consultations            2. Tie up with Diagnostic services            Health Blog            3. Medicine online - Buy Medicines online            HealthCare Products - 1Lakh+ Products            Diagnostic Tests - Book free collection of samples from home for laboratory tests</p>	<p>Business and product mix</p>	<p>1. Online Consultations            2. Tie up with Diagnostic services            3. Health Blog and interactive doctor -patient online tool            3. Medicine online - Buy Medicines online            HealthCare Products - 1Lakh+ Products            Diagnostic Tests - Book free collection of samples from home for laboratory tests</p>
<p>• PharmEasy has medicine reminders, medicine refills (subscription), digital prescription records, free E-Doctor-Consultation, sample collection from home for laboratory tests and easy return policy.            • It has tied up with laboratories like Apple diagnostics, iGenetic Diagnostics, Oncquest Diagnostics, SRL Diagnostics, Dr. Avinash Phadke labs, SRL Diagnostics and Suburban Diagnostics.</p>	<p>Value-added services</p>	<p>To provide more Value added Services            1. Automated refill reminders            2. Loyalty programs            3. Expense analytics            4. Digital copy of prescriptions</p>

# Pharmeasy Vs NetMeds (Business Model)

Pharmeasy	Factors	NetMeds
All over India	Geographical reach (cities in which they operate)	All over India
2016 – 22 Lakhs 2018 – 118 Crore 2019 – 450 Crore Projection – 4* YoY growth AOV – Rs. 965 Avg order in a month – 4,50,00 Approx. (Guesstimate , since Medlife was the highest to get monthly orders which is 20,000. So guesstimated daily order for Pharmeasy to be 15,000 )	The revenue model (comparison of overall YoY revenue and projections, number of daily orders, Average Order Value etc.)	Total Revenue in FY 2017-3.94 CR Total Revenue in FY 2018-10.05 CR NetMeds total Funding-\$99 m NetMeds latest funding size- \$35 m
Market place-based model Re-branding with known faces More Discounts	Shifts in the business model which either DC1 or PharmEasy had to make in the past, and the reasons for doing so	B2B model Re-branding with known faces increasing more fulfillment centers

# Pharmeasy Vs NetMeds (SWOT)

Pharmeasy	Factors	NetMeds
<ol style="list-style-type: none"> <li>1. Derived by “Networking and Discounting Model”</li> <li>2. Easily online payment Consumer and Other payment options</li> <li>3. Ordering medicine on the finger tip</li> <li>4. Easy subscription of medicines for people on regular medication</li> <li>5. Other services like diagnostic labs/non-prescribed items</li> <li>6. Effective low cost alternatives to prescribed drugs</li> </ol>	<b>Strength</b>	<ol style="list-style-type: none"> <li>1. Easily online payment Consumer and Other payment options</li> <li>2. Ordering medicine on the finger tip</li> <li>3. Easy subscription of medicines for people on regular medication</li> <li>4. Consultaion with Doctor for prescription</li> <li>5. Doctor –patient online tool for Consultaion</li> <li>5. Other services like diagnostic labs/non-prescribed items</li> <li>5. Effective low cost alternatives to prescribed drugs</li> <li>6. Fullfilment Centers through out India</li> <li>7. Better inventory management decrease in turnaround time, increased operational control &amp; scalability.</li> <li>8. Healthcare packages</li> </ol>
<ol style="list-style-type: none"> <li>1. Lack of Ayurveda Medicine, missing items from the order</li> <li>2. Lack of Doctor's Consultation, late delivery</li> <li>3. No Healthcare packages</li> <li>4. No Insurance, no exchange option only return option</li> <li>5. Unavailability of fulfillment centers</li> <li>6. Chances of Fake drugs</li> <li>7. Absence of human touch also plays a vital role for Indians users of online pharmacy.</li> <li>8. No tracking the Seller Authenticity</li> </ol>	<b>Weakness</b>	<ol style="list-style-type: none"> <li>1. Usability Issues, App keeps hanging Lack of Ayurveda Medicine</li> <li>2. Chances of Fake Drugs</li> <li>3. Absence of human touch also plays a vital role for Indians users of online pharmacy.</li> <li>4. No tracking the Seller Authenticity</li> </ol>

# Pharomeasy Vs NetMeds (SWOT)

Pharomeasy	Factors	NetMeds
<p>1.Increase in lifestyle disease like diabetes and cardiovascular disorders</p> <p>2.Multiple offering with drug sale like Lab consultation,</p> <p>3.Covering all pincodes of India</p>	<p>Opportunities</p>	<p>1.Increase in lifestyle disease like diabetes and cardiovascular disorders</p> <p>2.Multiple offering with drug sale like Lab consultation,</p> <p>3.Covering all pincodes of India</p>
<p>1.Rise in illegal sales</p> <p>2.Several players in the industry</p> <p>3.Being a marketplace may face legal heat of licensing issues</p> <p>4.Over the counter medicine shops could pose threat if optimum service not provided</p> <p>5.Absence of clear government regulations, regulatory framework, policies and guidelines missing</p> <p>6.People of old school thought are not yet ready accept ordering medicines through online.</p> <p>7.Fake and Illegal sites</p> <p>8.Drug Abuse and Medication Errors</p> <p>9.Counterfeit Medicines</p> <p>10.Competition to online pharmacy from physical retail store</p> <p>11.Unstructured grievance handling system</p>	<p>Threat</p>	<p>1.Rise in illegal sales</p> <p>2.Several players in the industry</p> <p>3.Being a marketplace may face legal heat of licensing issues</p> <p>4.Over the counter medicine shops could pose threat if optimum service not provided</p> <p>5.Absence of clear government regulations, regulatory framework, policies and guidelines missing</p> <p>6.People of old school thought are not yet ready accept ordering medicines through online.</p> <p>7.Fake and Illegal sites</p> <p>8.Drug Abuse and Medication Errors</p> <p>9.Counterfeit Medicines</p> <p>10.Competition to online pharmacy from physical retail store</p> <p>11.Unstructured grievance handling system</p>

# Pharmeasy Vs NetMeds

## (Product Details and performance)

Pharmeasy	Factors	NetMeds
<b>User Rating</b> <b>Google Play Store-5M+</b> <b>App Store-5M+</b>	<b>App downloads</b>	<b>User Rating</b> <b>Google Play Store-5M+</b> <b>App Store -5M+</b>
<b>Google Play Store - 4.5</b> <b>App Store -</b>	<b>App ratings</b> <b>Google Play Store</b> <b>App Store</b>	<b>Google Play Store - 4.6</b> <b>App Store</b>
<b>User Ratings</b> <b>Google Play Store-4.4</b> <b>App Store 4.5</b>	<b>User experience</b>	<b>User Ratings</b> <b>Google Play Store-4.3</b> <b>App Store 4.6</b>
<b>Positive</b> <b>1. Very convenient</b> <b>2. Timely Delivery</b> <b>3. Quick Customer Service response</b> <b>Negative</b> <b>1. Delayed response from Customer service</b> <b>2. Delay in delivery</b> <b>3. App keep getting hung</b> <b>4. Bad behaviour from Retail Partner</b>	<b>Overall functionality and user</b>	<b>Positive</b> <b>1. Validation of User prescription</b> <b>2. Timely Delivery</b> <b>Negative</b> <b>1. Delayed response from Customer service</b> <b>2. Very vey late delivery</b> <b>3. App not user friendly and get crashed quickly</b> <b>4. Cashback not handled properly</b>

# Predict the future initiatives of Pharmeasy

<p><b>Expanding more towards Tier 2 and Tier 3 Cities</b></p>	<p>More e-Pharmacy penetration in tier 2 and tier 3 cities will help in solving the timely availability and accessibility of medicines for people in these areas</p>
<p><b>Making Awareness</b></p>	<p>Increasing awareness about e-Pharmacies in tier 2 and tier 3 cities along with increased efficiencies in supply chain due to higher number of orders will help e-Pharmacy players to penetrate tier 2 and tier 3 cities. This will help in solving the medicines availability and accessibility issues in these areas.</p>
<p><b>Quick Promising Delivery</b></p>	<p>Express delivery will be a key for e-Pharmacy players for catering to acute disease segment. Medlife has started express delivery promising delivery of medicines in 2 hours of order and Myra promises of medicine delivery within 1 hour of order. Now with delivery time dropping to 1-2 hours will open up the acute disease drug market for the e-Pharmacy players which will be a huge boost to their revenue potential.</p>
<p><b>Strong Collaboration with Govt Initiative Plans</b></p>	<p>e-Pharmacy model will help in implementation of various Government initiatives .Help users to find Jan Aushadhi stores in their vicinity</p> <p>Improve delivery of essential health services in rural India</p> <p>Increasing health insurance penetration will help in increased usage of e-Pharmacy model</p>

# Predict the future initiatives of Pharmeasy

<p><b>Collaboration with maximum number of Diagnostic Labs</b></p>	<p><b>Tie-up with more number of diagnostic centers as this has been major increment of Market size from 9.1 billion to 12.3 billion in the last 2-3 years.</b></p>
<p><b>Acquisition/creation of more diagnostic lab with Company brand</b></p>	<p><b>E-pharmacy companies to have their own Diagnostic center and giving Customer as a 1st preference of that with marginal discount. Can also go for acquisition of few small diagnostics lab and tag with own brand</b></p>
<p><b>Add more value added services or Projects</b></p>	<p><b>Increase in Value added products/services</b></p>
<p><b>Providing alternative generic product to reduce cost</b></p>	<p><b>To Provide provide alternative generic products for expensive branded drugs thereby reducing the overall cost of healthcare.</b></p>
<p><b>Providing healthcare informations</b></p>	<p><b>To provide healthcare informations like providing health blogs which provide information about the drugs purchased like indications, adverse effects and dosage requirement. They also provide information and awareness about various medical conditions to increase patient education and awareness.</b></p>
<p><b>Tracking of Fake drugs / fake e-pharmacies</b></p>	<p><b>Create a registry of e-Pharmacies with a logo, which needs to be displayed prominently by the authorized players</b></p>

# Predict the future initiatives of Pharmeasy

<b>Removing Medication errors</b>	<ul style="list-style-type: none"><li>• The registered pharmacist at the licensed pharmacy should be the final decision maker for dispensing a drug</li><li>• The e-Pharmacy should have a team of qualified pharmacists for validating a prescription and for handling any drug-related queries from patients</li><li>• Address / phone / other contact information of the pharmacists should always be clearly disclosed for any drug related query from the</li></ul>
<b>Strict vigilance</b>	<p>e-Pharmacies should maintain a record of every transaction with details around the patient name, address, telephone number, and email</p> <ul style="list-style-type: none"><li>• e-Pharmacies should record the batch number and expiry date of the drug for all their transactions</li><li>• All the drugs are to be dispensed with a proper invoice by a licensed pharmacy, thus enabling product recalls</li></ul>
<b>Avoidance of Drug Abuse</b>	<p>Narcotic medicines (like morphine) and other habit-forming drugs (like sleeping pills) should be restricted to be sold through an e-Pharmacy model</p>
<b>Integration with multiple key elements</b>	<p>Integrating the value chain of demography, disease, diagnostics, doctors consultation and delivery of Drugs would be a key value differentiators and will create niche players able to lead a PAN India operations</p>

# Predict the future initiatives of NetMeds

<b>App Enhancement</b>	<b>Netmeds should be more robust. So performance improvement</b>
<b>Expanding more towards Tier 2 and Tier 3 Cities and Making Awareness</b>	<b>Expansion in all 19000 Pin codes and Increasing more awareness through out India specially for elderly persons</b>
<b>Quick Promising Delivery</b>	<b>Improvement in delivery process and setting a target of 1-2 hours for delivery</b>
<b>Strong Collaboration with Govt Initiative Plans</b>	<b>e-Pharmacy model will help in implementation of various Government initiatives .Help users to find Jan Aushadhi stores in their vicinity</b>
	<b>Improve delivery of essential health services in rural India</b>
	<b>Increasing health insurance penetration will help in increased usage of e-Pharmacy model</b>

# Predict the future initiatives of NetMedS

<p><b>Collaboration with maximum number of Diagnostic Labs</b></p>	<p><b>Tie-up with more number of diagnostic centers as this has been major increment of Market size from 9.1 billion to 12.3 billion in the last 2-3 years.</b></p>
<p><b>Acquisition/creation of more diagnostic lab with Company brand</b></p>	<p><b>E-pharmacy companies to have their own Diagnostic center and giving Customer as a 1st preference of that with marginal discount. Can also go for acquisition of few small diagnostics lab and tag with own brand</b></p>
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<p><b>Providing healthcare informations</b></p>	<p><b>To provide healthcare information like providing health blogs which provide information about the drugs purchased like indications, adverse effects and dosage requirement. They also provide information and awareness about various medical conditions to increase patient education and awareness.</b></p>
<p><b>Tracking of Fake drugs / fake e-pharmacies</b></p>	<p><b>Create a registry of e-Pharmacies with a logo, which needs to be displayed prominently by the authorized players</b></p>
<p><b>Faster issue resolutions</b></p>	<p><b>There should be lesser TAT i.e. within 24 Hours issues should be resolved.</b></p>

# Predict the future initiatives of NetMeds

<b>Removing Medication errors</b>	<ul style="list-style-type: none"><li>• The registered pharmacist at the licensed pharmacy should be the final decision maker for dispensing a drug</li><li>• The e-Pharmacy should have a team of qualified pharmacists for validating a prescription and for handling any drug-related queries from patients</li><li>• Address / phone / other contact information of the pharmacists should always be clearly disclosed for any drug related query from the</li></ul>
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Thank You