

Focus on OTC play increases in times of pandemic

2019-20 saw several prescription brands switch to 'over the counter'

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Over-the-counter (OTC) consumer health businesses have been a focus area for pharmaceutical firms in the recent past.


Last year quite a few prescription (Rx) products switched to the OTC portfolio of leading pharmaceutical firms like Lupin and Cipla.

Consumer health products do not require a prescription from a doctor and can be purchased over the counter.

With the Covid-19 pandemic raging, analysts expect the focus on OTC brands to continue because visits to doctors are few and far between.

In its 2019-20 (FY20) annual report, Sun Pharmaceutical Industries (Sun Pharma), one of the top 10 consumer health companies in India, said there was an increasing trend of brands switching to OTC.

Lupin's OTC division, LupinLife Consumer Healthcare, fitted this trend in FY20. Lupizyme, used for treating digestion-related problems, and



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- Global OTC consumer health products market to touch **\$175 billion** by 2024.
- Pandemic pushed drug firms to look at brands that held promise to transition to OTC
- Doctor connect is limited now
- Cipla's Prolyte, MamaXpert, and Maxirich became OTC brands
- Lupin had brands like Lupizyme and Aptivate to switch to OTC
- Indian firms focused on OTC in global markets in 2019-20
- Lupin was the fastest-growing OTC player in South Africa

Aptivate, an appetite stimulant, have added heft to Lupin's OTC portfolio.

Anil Kaushal, head of LupinLife Consumer Healthcare, said: "During the lockdown we knew

most consumer products were not really SOS products, but at the same time the consumer also became more health conscious." He added the switch to OTC was a path many brands took.

"For a pharmaceutical company that develops equity for a prescription brand over a period of time, it becomes a good candidate for a switch to OTC. A consumer company, on the other hand, has to invest a lot to build the credibility of a brand," said Kaushal.

In the past four-five months, acute therapy sales have taken the back seat. Chronic sales have continued as people continued to refill their prescriptions. Brands that are related to immunity have picked up sales.

"We do not know how long this will last. But if a pharmaceutical firm has a diverse portfolio, it has the opportunity to address the demand of the consumer," said Kaushal.

Ahmedabad-based Cadila Healthcare, for example, came up with a brand called Supermune, a tablet with vitamins C, D, and E, apart from herbal extracts. People are consuming herbal immunity boosters as well as multivitamins to boost general immunity levels during the pandemic. The company saw an opportunity in this.

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