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Emerging markets are now the focal point of pharmaceutical industry. Stagnant growth in western established markets coupled with increasing pressure on pricing and difficulties in market access is forcing the industry to focus on emerging markets. In order to make this shift productive for overall global healthcare environment, the industry needs to work towards strategies whereby these emerging markets are not looked in isolation as mere additional revenue generating markets but are instead made partners in overall global strategies – for business and global healthcare.

Emerging markets offers great ingredients to devise well-integrated business and global healthcare provision strategies. Rising GDPs, increasing middle-class populations, cost-effective and efficient work-force, low operational costs, tax benefits and strategic locations (just to name a few) are the factors, which can be effectively utilised in designing global strategies.

Emerging markets should not be looked only as a way to generate additional revenues to bridge the gaps being created by patent expiries, declining R&D productivity and challenging market access situation (vis-à-vis cost-effectiveness issues) in the western world. These emerging markets should instead be made partners in addressing these issues. Therefore, a well integrated global strategies needs to be implemented in order to capture the true potential of these markets, which can also complement the issues being faced in the western world.

First and foremost is to assess the true potential and opportunities offered by the market and create relevant value proposition for the payer. Traditional value proposition factors (cost of the drug, clinical safety and efficacy) are not sufficient to
create a true value proposition for emerging markets. Various other socio-political and economical factors need to be built into a value proposition for access/business strategies for emerging markets in order to win business, gain access and develop in these markets. Industry needs to show how it is impacting and can further improve the economy in that given market. A strong collaboration to improve the overall healthcare sector itself is the key critical factor in emerging markets. Working together with the government, NGOs and private sector in these markets, the industry can help create a productive healthcare sector, which also brings meaningful socio-economical benefits in the region. This encompasses working collaborations in establishing healthcare facilities, devising and/or delivering training/education programs for healthcare professionals, investing in local R&D and manufacturing/packaging activities – just to name a few.

Due to the potential and opportunities offered by these emerging markets, industry needs to identify how these emerging markets can also help to address global business and healthcare requirements. Off-shoring some R&D activities, partnership with local universities/institution, establishing manufacturing/packaging operations and a link in global supply-chain operations are the few avenues, where emerging markets can bring meaningful benefits to address the issues being faced by the industry in western side of the globe. This will also help creating/improving the value proposition in emerging markets to gain access and develop business.

This also requires a proactive and productive legislative and business framework. The governments and regulators (both at emerging markets and western world) need to
devise framework, which allows the industry to play a truly innovative and productive role in overall world economy and improving global public health. It can include expedited approval process/timelines, mutual recognition of approvals and a legislative framework in western markets enabling innovation in R&D processes/operations vis-à-vis R&D and production carried in the emerging markets. Therefore, payers/policy makers in developed world need to work in close collaboration with the industry to design a framework which creates conducive environment for the industry. An all encompassing strategic global plan involving emerging markets is the need of the day. This will not only help improve the overall financial figures for the industry and operational streamlining but will also offer to a way forward whereby a true global policy and system is put in place to address cost-effective global healthcare provision issue to improve and save lives.