

Inditech For Indian Pharma Managers

Newsletter



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From Volume to Value: India Pharma's Quiet Shift in Incentives

For years, Indian pharma's growth engine was volume — win tenders with the lowest bid, saturate territories, push reps to move boxes. That formula worked in a country where access was the only priority. But as 2025 unfolds, subtle but significant signals show a new reality: procurement and prescribing decisions are tilting toward value, not just volume.



Why the Shift Is Happening

- **Hospital Administrators Are Tired of Volatility:** Procurement teams have faced repeated supply disruptions in antibiotics, injectables, and key APIs. For them, the lowest price is meaningless if availability is erratic. Reliability is becoming the new procurement filter.
- **Payers Are Gaining Influence:** With Ayushman Bharat expanding coverage and private insurers scaling chronic care plans, purchasing power is moving to players who ask: does this drug reduce hospital re-admissions, improve adherence, and cut long-term costs?
- **Global Buyers Are Sending Signals:** US and EU tenders increasingly tie awards to sustainability, traceability, and supply assurance. Indian companies serving these markets are bringing the same expectations home.
- **Policy Nudges at Home:** PLI schemes reward reliability and quality exports; NPPA is tightening on unethical pricing strategies. The message: price wars won't define leadership anymore.

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What “Value” Really Means

For managers, the shift to value isn’t abstract. It plays out in three ways on the ground:

- **Reliability as Sales Currency:** Hospitals and top prescribers now weigh supply assurance almost as heavily as clinical profile. A rep who brings honest ETA updates earns trust that no discount can buy.
- **Adherence as Differentiator:** Chronic therapies (diabetes, cardiovascular, oncology) are seeing a rise in hospital-linked adherence programs. Managers who equip reps with reminder tools, packaging cues, or digital follow-ups stand out.
- **Evidence as Persuasion:** Even simple real-world data — e.g., 200 patients with stable HbA1c over six months on your brand — can tilt hospital and payer decisions in your favor.

What This Means for Indian Pharma Managers

The traditional playbook — “push more, cut price, beat competition” — will not secure long-term wins. What managers need to internalize is this:

- **Credibility is the new margin:** Doctors and hospitals will forgive a backorder if you were upfront, but not if you over-promised and failed.
- **Partnership beats transaction:** Hospitals are beginning to see pharma not just as suppliers but as outcome partners. Managers who shift the conversation to adherence and patient benefit elevate their teams above price talk.
- **Metrics will follow mindset:** Fill Rate %, OTIF reliability, and early-warning supply dashboards are no longer “supply chain KPIs” — they are frontline sales tools.

The Manager’s Playbook

- **Coach reps to sell reliability:** Every stock-out update is an opportunity to show transparency. Credibility compounds.
- **Build micro-adherence pilots:** Even a simple SMS follow-up program in one city can become your proof-of-concept to hospitals.





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- **Use supply metrics in reviews:** Present hospital procurement heads not just with sales numbers, but with service reliability metrics.
- **Spot value-sensitive accounts:** Tier-1 hospitals, large insurers, and export-aligned buyers are already judging suppliers by more than price. Focus here first.

Bottom Line:

India pharma's quiet shift from volume to value is real — and accelerating. Managers who continue to play the old price-war game will face diminishing returns. Those who reframe reliability, adherence, and evidence as frontline sales levers will not only protect credibility but also unlock growth in a market where trust is becoming the ultimate differentiator.

