

## SWOT ANALYSIS ON RETAIL MEDICAL TRADE

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### ABSTRACT

In ancient India the sources of drugs were of vegetable, animal and mineral origin. They were prepared empirically by few experienced persons. Knowledge of that medical system was usually kept secret within a family. There were no scientific methods of standardization of drugs. But now-a-days, pharmacy field developed to an extent and improved in many ways. The researcher researched the problems faced by the retail medical stores in many ways and suggested some points to recover from the problems.

**KEYWORDS:** Medical Stores, Pharmaceutical Companies, Indian Medicines

### INTRODUCTION

Profession of Pharmacy is a noble profession as it is indirectly healing the persons to get well with the help of medical practitioners and other co-professionals. Government has restricted the practice of Pharmacy to only Profession Pharmacists i.e. registered Pharmacist under the Pharmacy Act 1948. Medical Stores otherwise called as Drugstores in western countries is an important trade on par with the other retail stores. At the global level the organized retail plays a dominant role, but in the case of Medical Stores in most of the countries the Drug Stores are functioning as a standalone stores. Specifically the medical trade in India is largely dominated by the unorganized sector and the organized pharmacies are limited to urban areas.

#### Conceptual Definition of Drugstores

According to Merriam-Webster's Dictionary, the Drug Store is "a store that sells medicines and various other products". Oxford Advanced Learner dictionary defines Drugstore as "a shop or store that sells medicines and also other types of goods". A pharmacy is commonly called as the chemist in Australia, New Zealand and the UK and or drugstore in North America. In industry terminology it is retail pharmacy. In India it is mostly known as Medical stores or shops. In early periods these were the place medicines were prepared and performed as dispensaries having numerous medicines, now these stores became a center which buy and sell medicines prepared by other pharmaceutical companies. The Drugs and Cosmetics Act 1945 of India defines the retail medical store as a store which is licensed to sell, stock, exhibit or offer for sale or distribute drugs other than those specified in Schedules C, C (1) and X whether to a hospital, or dispensary, or a medical, educational or research institute or to any other person other than a sale by way of wholesale dealing. In Tamil Nadu Medical stores have to obtain the license from the Tamil Nadu Food Safety & Drugs Administration Department.

## Historical Background of Medical Stores

At the early periods the drug stores were known as places where medicines were prepared instantaneously according to the nature of diseases. The first known Drug stores were first established in Baghdad in 754. These stores were formed under the regime of Abbasid Caliphate and in such stores drugs were prepared and sold. Later, many such stores were formed in Baghdad. Therefore inspectors called *Mohtasibs*, were appointed to ensure the cleanliness of the containers, preparation of drugs and their dispensing. During the reign of Caliph Mamun al-Rashid licensing system was introduced. The druggists and the physicians had to pass an examination in order to obtain a license to practice. Licensed pharmacists were called *Sayadala*. Formation such drug stores in Baghdad led to develop pharmacology. Several chemical compounds were prepared by sublimation and distillation.

The Santa Maria Novella Pharmacy of Italy is considered as the oldest still-operating pharmacy in the world. It was established in 1221 by the Dominican monks from the adjacent Basilica of Santa Maria Novella. They began growing herbs to make balms, salves and medicines for their infirmary and their medicines gained popularity in 17<sup>th</sup> century, consequently the pharmacy started to serve the public. This pharmacy still uses the traditional preparation methods, and still carries products using the original recipes of the monks.

In United States, St. Augustine Drugstore is the oldest Drugstore in Florida. It was built by Antonio Gomaas in 1739 It was originally built by the Spanish in 1672. Later, this store was exchanged among several persons and presently it is a free museum stands to commemorate the history of earliest Drugstore in USA. Carl's Drugstore is another oldest drugstore in America. Dr. Adam Carl commenced this store in the small south central Pennsylvania town of Greencastle in the year 1825. Despite six relocations, Carl's Drug Store is still firmly proclaims fame of being an oldest drug store at Pennsylvania. The amazing 189-year longevity of this store holds the unofficial honor of being America's oldest pharmacy continuously serving the people. In the England Reavley's Drugstore is the oldest pharmacy established in 1734. Originally this drug store was formed by Nicholas Willet who leased the premises as an apothecary and this pharmacy has continued here under several ownerships. Finally Robert Reavley bought this store in 1918.

In the case of India, even though it is well known for medicines, there is lack of information on the drugstores. However, the growth of drugstores in India is noteworthy. British rulers had also inculcated the knowledge of English Medicine in India thus it outdated traditional Indian Medicines and sidelined the history of India drugstores to the backdrop. Not only in India there was no record for a single noteworthy drugstore in the Asian continent. However, now-a-days in India many number of Medical stores have functioning giving employment opportunity to thousands of people.

## STATEMENT OF THE PROBLEM

The pharma market in India is expected to touch US\$ 74 billion in sales by 2020 from the current US\$ 11 billion. The Indian pharma industry is likely to be in the top 10 global markets by value by 2020. Thus the India's pharmaceutical sector is gaining its position as a global leader (PwC, 2013). In spite of this better business prospect, now the Indian Retail Medical Trade facing several challenges like online pharma trade, hospital Pharmacy, organised Retail Pharmacy and the like. A Retail Medical trader should completely understand the underlying problems and future prospects in this trade and this study aims at this.

## SWOT Analysis

Doing a SWOT - examining the strengths, weaknesses, opportunities and threats to a business can be a very illuminating exercise - identifying areas of concern as well as pointing to areas of development.

### Strengths

In addition, pharmacists need to play to their strengths. Remember community pharmacists provide:

- Expert advice
- Professional service
- Extensive knowledge
- Personal touch

### Weaknesses

The biggest weakness pharmacy has to overcome is the perception of many pharmacists that all change is negative. Often this threat of change forces a review of the business and recognition of the weaknesses – for example the public perception that small business equals expensive products and that without RPM all OTC sales from a pharmacy would be lost. The removal of RPM forced the recognition that it is possible to compete with the supermarkets through doing things differently.

### Opportunities

- **Shop Layout:** Invest in merchandising and category management to make the most of the pharmacy
- **Technology:** With internet usage increasing and electronic scripts around the corner - pharmacists need to make sure they address these developments to derive maximum advantage

### Threats

- Changes as a result of the new contract
- Supermarket competition
- Changes in the licensing regulations
- Manpower

## OBJECTIVES OF THE STUDY

This study is conducted with the following three objectives.

- To know the problems of Retail Medical Trade.
- To identify the reasons for the problems Retail Medical Trade.
- To know the prospective areas of Retail Medical Trade.

## Profile of the Study Area

Tirunelveli Municipal Corporation is a Tier III city of Tamil Nadu. It is situated in the southernmost part Tamil Nadu. Prior to this it held the Municipal status and it became a Municipal Corporation in the year 1994. Tirunelveli Municipality was constituted on 1 November 1866 as per the Town Improvements Act of 1865. One part of the city is the Palayamkottai, the Oxford of South India and the other part is Tirunelveli. This corporation has four zones such as Tirunelveli, Thatchanallur, Palayamkottai and Melapalayam and 55 wards. In these four zones totally 118 registered medical shops are functioning and serving all segments of the society. The data were collected from 109 sample respondents. The retail medical stores are considered as the target population.

## METHODOLOGY

The researcher used a well-constructed questionnaire was used to collect the primary data. Stratified random sampling method has been used. Collected data were analysed with the statistical tools like tabulation, Percentile methods, Likert Scale and Hypothesis with f-test.

## ANALYSE THROUGH VARIOUS TOOLS

**Table 1: Factors Considered for Selecting the Present Location of Store**

Sl. No.		Ranks						Total
		1	2	3	4	5	6	
1	Prime Location	2	24	0	14	0	6	109
2	Nearness to Doctors/Hospitals	6	4	0	8	22	0	109
3	Residential area	19	10	22	8	10	0	109
4	Demographic factor of the customers	16	24	55	0	2	0	109
5	Capital that I can allocate for hiring/buying the store	20	19	16	44	0	2	109
6	Absence/Less number of nearby pharmacy stores	30	26	8	4	25	0	109
7	Non-availability of a store either to buy/hire so I was forced to choose the present location	8	0	2	31	50	10	109
8	Inheritance	8	2	6	0	0	91	109
<b>Total</b>		<b>109</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>109</b>	

Source: Primary data

**Table 2: Weighted Garrett Score and Garrett Ranks on the Factors Considered for Selecting the Present Location of Store**

Sl. No.		Ranks								Total Weighted Garrett Score	Weighted Average	Rank
		1	2	3	4	5	6	7	8			
1	Prime Location	1360	3128	120	1272	0	560	0	120	6560	60.18349	2
2	Nearness to Doctors/Hospitals	4640	748	360	212	0	320	726	0	7006	64.27523	1
3	Residential area	480	2312	1140	530	1034	320	330	0	6146	56.38532	3
4	Demographic factor of the customers	800	136	960	1272	2585	0	66	0	5819	53.38532	4
5	Capital that I can allocate for hiring/buying the store	640	0	1200	1007	752	1760	0	40	5399	49.53211	6
6	Absence/Less number of nearby pharmacy stores	0	1088	1800	1378	376	160	825	0	5627	51.62385	5
7	Non-availability of a store either to buy/hire so I was forced to choose the present location	640	0	480	0	94	1240	1650	200	4304	39.48624	7
8	Inheritance	160	0	480	106	282	0	0	1820	2848	26.12844	8

Source: Primary data

The following are the summary of findings of the table given above.

- The respondents before locate their medical stores, they prefer it should be near the hospitals/Doctors and so they ranked it 1<sup>st</sup>.
- Then the respondents preferred the medical stores should be at a prime Location and so they gave 2<sup>nd</sup> rank for Prime location.
- Residential area got 3<sup>rd</sup> rank because the respondents feels that their store can be at a residential area which will be known for more people.
- Respondents gave 4<sup>th</sup> rank for Demographic factor of the customers because this factor also took important while launching the store.
- Some respondents feels that if there is Absence/Less number of nearby pharmacy stores, then that location is preferable and ranked 5<sup>th</sup>.
- Some respondents said that the Capital that they allocated for hiring/buying the store is fit and so located at the particular place, and ranked it 6<sup>th</sup>.
- Some respondents told that there is no store either to buy/hire at the preferred place so they was forced to choose the present location and ranked it as 7<sup>th</sup>.
- Respondents' located stores because of their inheritance are less and so it is ranked at 8<sup>th</sup>.

It is deduced from the above that the important factors that are considered while selecting the location of a medical store are Nearness to Doctors/Hospitals, prime location and residential area.

#### Factors to be Considered While Purchasing Medicines

**Table 3: Factors Considered While Purchasing Medicines for Your Shop**

Sl. No.		Ranks					Total
		1	2	3	4	5	
1	Frequency of prescription by Doctors	71	30	8	0	0	109
2	Customer enquiry	24	34	43	8	0	109
3	Over the counter sales	14	45	41	9	0	109
4	Price factor	0	0	9	80	20	109
5	Any other reason	0	0	8	12	89	109
	<b>Total</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>109</b>	<b>109</b>	

Source: Primary data

**Table 4: Weighted Garrett Score and Garrett Ranks**

Sl. No.	Reason	Ranks					Total Weighted Garrett Score	Weighted Average	Rank
		1	2	3	4	5			
1	Frequency of prescription by Doctors	5325	1800	400	0	0	7525	69.0367	1
2	Customer enquiry	1800	2040	2150	320	0	6310	57.88991	2
3	Over the counter sales	1050	2700	2050	360	0	6160	56.51376	3
4	Price factor	0	0	450	3200	480	4130	37.88991	4
5	Any other reason	0	0	400	480	2136	3016	27.66972	5

Source: Primary data

- Respondents, while going to buy medicines for stores, their first choice will be the medicines prescribed by Doctors and so it is ranked as 1<sup>st</sup>.
- Secondly the respondents purchase the medicines which the customers enquired so they gave 2<sup>nd</sup> rank.
- Medicines which are sold at 'Over the counter sales' are preferred thirdly by the respondents while purchasing, so it comes at 3<sup>rd</sup> rank.
- Respondents prefer the medicines which has more price at fourth and so ranked it 4<sup>th</sup>.
- Respondents ranked other reasons as 5<sup>th</sup> as they buy medicines for their stores except above 4 reasons.

It can be deduced from the above that Frequency of prescription by Doctors, Customer enquiry and Over the counter sales were the important reasons while purchasing the medicines for the medical stores.

### Problems Faced by Retail Medical Stores

Problems are common in all type of business from various directions and various sources. Here, the medical stores faces some problems like financial problems, problems through suppliers, problems through customers, infrastructure facility problems, competitions, problems through Doctors, Government rules and regulations, labour problems and inventory problem.

This each problem has classified under each category by the researcher and asked opinions from the respondents (medical stores) and then analysed as given below. In addition the degree of problem faced by medical stores shops may differ between experienced and inexperienced medical stores.

The experience of shops in this study has been scaled as shops commenced in or before the year 2000 is considered as experienced stores and shops commenced lesser experienced medical stores is considered as lesser experienced store. The difference between these two classes of medical stores have been studied on various problems.

### Financial Problems Faced by Retail Medical Stores

The degree of difference between these two stores have been studied with the help of one way analysis of variance (ANOVA). In order to test the difference the following null hypothesis has been framed.

$H_0$  01 – There is no significant difference between more experienced medical stores and lesser experienced medical stores on the various financial problems faced by them

**Table 5: Financial Problems Faced by More Experienced and Lesser Experienced Medical Stores**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Fund Management	3.85	3.06	3.4	10.680*
2.	High rental	3.98	3.87	3.92	0.179
3.	inadequate capital	3.23	3.19	3.21	0.035
4.	Inadequate loan facility	2.66	2.87	2.78	0.661
5.	Higher interest rates for loan	2.74	3.03	2.91	0.873

Source: Computed data

The above table shows the problems faced through fund management in the medical stores. The experienced stores feel that rent for the building is more critical for them (3.98), then managing the fund also a big problem for them (3.85).

While looking at the lesser experienced medical stores, they also said that rent is so high, the weighted average mean is 3.87, 2<sup>nd</sup> highly inferred fund managing problem is inadequate capital (3.19), here fund management is not a major problem, it secured 3.06 as a weighted average, higher interest rates for loan (3.03) and inadequate loan facilities (2.87) follows next respectively.

High rental (3.92) is highly inferred while seeing both the experienced and lesser experienced medical stores, the second highly inferred problem is fund management, next is the inadequate capital. Higher interest rate for loans and inadequate loan facility are considered as problem by both the type of stores since they have a neutral opinion on these two reasons.

The F-Statistics results reveal that the formulated hypothesis is rejected on the reason fund management and on other reasons the hypothesis accepted. It is concluded that there is a significant difference between experienced and lesser experienced shops on the fund management. There is no significant difference between the experienced and lesser experienced shops on the problems such as high rental, inadequate capital, Inadequate loan facility and higher interest rates for loan. Taking into consideration both the mean scores and the F-test results it is concluded that highly viewed financial problems are High rental and inadequate capital

#### Problems through Suppliers/Wholesalers Faced by Retail Medical Stores

H<sub>0</sub>02 – There is no significant difference between more experienced medical stores and lesser experienced medical stores on the problems faced through suppliers or wholesalers

**Table 6: Problems through Suppliers/Wholesalers Faced by More Experienced and Lesser Experienced Medical Stores**

	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Inadequate credit	3.51	3.48	3.5	0.013
2.	Non-availability of expected brand	3.96	3.39	3.63	4.638*
3.	Short supply of medicines	3.26	3.00	3.11	1.622
4.	Delayed supplies	3.51	3.23	3.35	2.137
5.	Price different	3.13	3.16	3.15	0.21
6.	Non-replacement of expired medicines	4.32	3.81	4.03	6.069*
7.	Non-issue of purchase invoice (bill)	2.17	2.16	2.17	0.002

Source: Computed data

In the above data, among more experienced medical store owners, non-replacement of expired medicines is highly inferred with the weighted average score of 4.32. Non-availability of expected brand is the next problem faced by such respondents and its weighted average mean score is 3.96. They, also agrees that they face a problem of inadequate credit facility and delay display in the medical stores with 3.51 weighted average score respectively. Respondents disagreed there is no non-issue of purchase invoice, there is no price difference with suppliers/wholesalers and the respondents neither agrees nor disagrees the short supply of medicines.

Lesser experienced medical stores opined that non-replacement of expired medicines is a major problem and its weighted average mean score is 3.81, inadequate credit also a major problem for them with 3.48 weighted average score.

While looking at both the shops in total, non-replacement of expired medicines are highly inferred with 4.03 weighted average score, non-availability of expected brand also the major problem for both the respondents (3.63).

The F-test results reveal that the formulated hypothesis is rejected on the problem of non-replacement of expired medicines and non-availability of expected brand and so there is a significance difference between more experienced and lesser experienced shops on these two problems.

Taking into consideration both the mean score results and F-test results, it is concluded that non-replacement of expired medicines and non-availability of expected brand of medicine are the highly inferred problems, however the problem is much felt among the more experienced medical stores.

### Problems Faced by Retail Medical Stores through the Customers

**Table 7: Problems Faced by the More Experienced and Lesser Experienced Medical Stores through Their Customers**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Seeking loan facility	4.30	3.81	4.02	5.098*
2.	Recovery of loans	4.28	4.06	4.16	0.966
3.	Customer retention	3.53	3.48	3.5	0.57
4.	Self-medication of customers	3.21	3.00	3.09	1.063
5.	Non-acceptance of alternate brand of medicines	3.85	3.52	3.66	3.509*
6.	seeking door delivery facility	3.06	3.10	3.08	0.017

Source: Computed data

The above data reveals that the more experienced medical stores face the problem of recovery of loan as a tough task with the customers and it scored the weighted average mean score of 4.28. Some customers didn't accept alternate brand because of fear, and some customers seek loan facility which disturbs the respondents.

In the case lesser experienced medical stores, retaining their customers is a major problem for them. Customers seeking loan facility is a second major problem for them, non-acceptance of alternate brand is also a problem for these shops.

When comparing both shops, recovery of loans is an important common problem. Seeking loan facility is the second top most problem among the medical stores. The results of F-test intimate that there is a significant difference between more experienced and lesser experienced medical stores on the problem of seeking loan facility and non-acceptance of alternate brand of medicines. There is no significant difference between these two types of shops on all other problems through customers such as recovery of loan, customer retention, self-medication and seeking loan facility. The formulated hypothesis is accepted in the F-test analysis in these cases.

While looking at the weighted average mean score results and the F-Statistics results as the whole, the respondents neither agree nor disagree the problems through customers except on the problem of recovery of loan. Even though seeking loan facility appears to be a problem, the problem was much felt only by the more experienced shops. Therefore highly viewed problem by the medical stores in Tirunelveli is recovery of loans from the customers.



### Problems Faced by Retail Medical Stores on Infrastructure Facilities

H<sub>0</sub>04 – There is no significant difference between more experienced and lesser experienced medical stores on problems faced by them through infrastructure facilities of medical shops

**Table 8: Problems Faced by More Experienced and Lesser Experienced Medical Stores on Infrastructure Facilities of Medical Stores**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Power shortage	3.02	3.16	3.1	0.238
2.	Inadequate floor space availability	3.11	3.19	3.16	0.121
3.	Difficult to get good location for the store	3.4	2.74	3.03	5.886*
4.	Non-availability of computer facility	2.09	1.45	1.72	12.613*
5.	Unable to provide Air-condition facility	3.13	3	3.06	0.147

Source: Computed data

The above table discuss about the problems faced in infrastructure facility. The shops commenced on or before 2000 says that getting good location for the store is more difficult (3.40), then their problem is inadequate floor space availability, power also the problem now-a-days for the medical shops commenced before 2000. They disagrees the non- availability of computer facility problems in their shops.

Medical stores commenced Lesser experienced medical stores says that there is more problem in getting adequate floor space (3.19), the second major problem for these shops is power shortage, also they told they are unable to provide air-condition facility in their shops. Respondents told there is no more difficulty in getting good location for the store and also availing computer facility too not a major problem for them.

As a whole, inadequate floor facility is a highly viewed problem for both the type of me. Other highly inferred problems are power shortage (3.1), inability to provide air-condition (3.06), and getting good location for stores (3.03).

The F-test results revealed that there is a significant difference between more experienced and lesser experienced shops on the infrastructure facilities such as difficulty to get good location for the stores and non-availability of computer facility. In the case of issues such as power shortage, inadequate floor facility and unable to provide air-condition facility, the null hypothesis is accepted and hence there is no significant difference between more experienced and less experienced stores on these problems. It is concluded from the F-statistics that inadequate floor space, power shortage and inability to provide air-condition facilities are highly viewed problems. Taking into consideration of both the weighted average mean scores and the ANOVA results as a whole, it is concluded that inadequate floor space and power shortage are considered as major problems for the medical stores in Tirunelveli.

### Problems Faced by Retail Medical Stores on Competition

H<sub>0</sub>05 – There is no significant difference between more experienced and lesser experienced medical stores on facing the competition

**Table 9: Problems Faced by More Experienced and Lesser Experienced Medical Stores on Competition**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Competition from other medical stores	3.83	3.65	3.72	0.757
2.	Competition from the stores inside Hospital	4.17	3.87	4.00	1.296

**Table 9: Contd.,**

3.	Competition from stores inside Departmental stores	4.17	3.35	3.71	10.071*
4.	Competition from online pharmacy trade	3.00	2.77	2.87	0.649

**Source:** Computed data

The above table infers about the competition problems faced by the medical stores commenced on or before 2000 and after 2000. The medical stores commenced on or before 2000 says that they are facing competition from the stores inside the hospitals and also from the stores inside the departmental stores in a same level respectively, competition from other medical stores and from online pharmacy trade is low.

The shops commenced after 2000 says that they are facing more problems from the stores inside the hospitals and inside the departmental stores.

While seeing both the shops, competition from the stores inside hospital is more worrying feature for them, competition from other medical stores, and competition inside departmental stores and from online pharmacy are the other problems faced by the shops. Competition from stores inside the departmental stores is rejected in the F-test analysis, and the other competition problems are accepted.

Taking into consideration both the weighted average mean scores and the F-test results, it is concluded that Hospital pharmacy and departmental store pharmacies are highly viewed problem. It is also specifically found that in Tirunelveli Ananda Departmental store is the only departmental store which also runs pharmacy division. Since the competition through the departmental stores is viewed as the major problem, it is concluded here that medical stores particularly in Palayamkottai face stiff competition from the Ananda Departmental store.

#### **Problems Faced by Retail Medical Stores on Competition**

$H_{06}$  – There is no significant difference between more experienced and lesser experienced medical stores on facing problems through doctors

**Table 10: Problems Faced by More Experienced and Lesser Experienced Medical Stores through Doctors**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Doctor dependence	3.74	3.74	3.74	0.0
2.	Difficulty in reading Doctors' handwriting	3.77	4	3.9	1.239
3.	Complements or other consideration to Doctors	3.4	3.29	3.34	0.265
4.	Selling medicines by Doctors themselves	4.26	3.65	3.91	8.377*
5.	Prescribing latest medicines yet to be launched	3.57	3.9	3.76	1.970

**Source:** Computed data

The above table shows the details of problems through Doctors for the medical stores commenced on or before 2000 and after 2000. Shops commenced before 2000 said that Doctors selling some medicines by themselves and it is a major problem for them in this type of problem with the weighted average score of 4.26. The next problem is difficulty in reading the handwriting of the Doctors, also they want to depend upon particular Doctor for all time. Some Doctors prescribe medicines which are not yet to be launched in the market, complements or considerations given to the Doctors also the major problem for this shops commenced before 2000.

Shops commenced after 2000 said that difficulty in reading the Doctors' handwriting is a major problem for them regarding Doctors (4.00), prescribing latest medicines which is yet to be launch is a next most problem for them, depending upon a Doctor, selling medicine by Doctors themselves are also agreed as a problem by the respondents. Complements or other considerations to the doctors are neither agreed nor disagreed by the respondents.

Totally, selling medicines by the Doctors themselves (3.91) is a leading factor for both shops, reading Doctors' handwriting (3.90), prescribing latest medicines not yet launched (3.76), depending upon Doctors (3.74), are also agreed as a problem by the respondents.

The F-test results reveal that the formulated hypothesis is rejected on the issue of selling medicines by the Doctors themselves and they framed hypothesis is accepted on all other issues such as doctor dependence, difficulty in reading doctors' handwriting, complements or other consideration to doctors and prescribing latest medicines yet to be launched. Taking into consideration both the weighted average mean scores and the F-test results, it is concluded that major issued faced by medical stores in Tirunelveli through the doctors are difficulty in reading doctors' handwriting and the sale of medicines by the doctors themselves.

#### Problems Faced by Retail Medical Stores Due to Government Rules and Regulations

H<sub>0</sub>07 – There is no significant difference between more experienced and lesser experienced medical stores on problems faced due to Government rules and regulations

**Table 11: Problems Faced by More Experienced and Lesser Experienced Medical Stores Due to Government Rules and Regulations**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Food Safety Act	3.04	2.58	2.78	2.642
2.	Government officials	3.45	3.68	3.58	0.859
3.	stringent licensing norms	2.98	3.19	3.10	0.747
4.	Delay in license renewal	2.91	3.06	3.00	0.519
5.	Higher license renewal fees	2.68	3.23	2.99	3.878
6.	Insistence of getting signature of a pharmacist	2.66	3.13	2.93	2.771
7.	Tax laws	4.17	3.42	3.74	10.771*
8.	Frequent inspection by Government officials	3.19	3.58	3.41	2.604

Source: Computed data

The above table clearly shoes the problems through Government rules and regulations among the shops commenced on or before 2000 and commenced after 2000. First we see about the weighted averages of problems for the stores commenced on or before 2000. They said that tax laws are the most problematic feature from the Government side (4.17), the next problem is from Government officials (3.45), frequent inspection by the Government officials are also agreed as a problem by the respondents.

Medical stores commenced after 2000 says that Government officials are the most problematic persons in this problem type. Frequent inspection by the Government officials is the next problem for the respondents. Tax laws (3.42), high fees in license renewal (3.23), stringent licensing norms (3.19), and delay in license renewal (3.06). Insistence of getting signature of a pharmacist is the problem neither agreed or nor disagreed by the respondents and problem through food safety act is disagreed by these respondents.

Totally tax laws leads the data (3.74) in both shops commenced before and after 2000, Government officials are next to this tax laws (3.58) and food safety act here also at a same place like above. Taking into consideration both the weighted average mean scores and the F-statistics results it is concluded that in Tirunelveli medical store owners face the major problem through Government officials and tax laws and on all other problems they have neutral opinion. More experienced medical shops feel that tax problems are the major problems.

### Problems Faced by Retail Medical Stores on Labour Related Issues

**Table 12: Problems Faced by More experienced and Lesser Experienced Medical Stores on Labour Related Issues**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Knowledge level	3.94	3.87	3.90	0.076
2.	Availability of qualified pharmacist	3.53	3.61	3.58	0.101
3.	Poor customer care	2.81	2.55	2.66	0.946
4.	Demanding more salary	3.91	3.84	3.87	0.101
5.	Absenteeism	3.34	3.32	3.33	0.005
6.	Frequent leave	3.49	3.71	3.61	0.824
7.	Shoplifting	2.62	2.61	2.61	0.0

**Source:** Computed data

The table clearly discuss about the problems through labours for the medical stores commenced on or before 2000 and after 2000. Knowledge level of the labours is the major problem for the medical stores which commenced on or before 2000, demanding more salary (3.91) and non-availability of qualified pharmacist (3.53) are also the agreed problems of the respondents.

Shops commenced after 2000 says that knowledge level of the labours is the major problem (3.87), also they demands more salary in the stores. Respondents told that the labours ask frequent leave and it is a 3<sup>rd</sup> problem for them. Non-availability of qualified pharmacist is also the problem agreed by the respondents with the above problems. Absenteeism (3.32), shop lifting (2.61) and poor customer care (2.55) are the problems neither disagreed nor agreed by the respondents.

Demanding more salary (3.87) leads the data in total. Frequent leave (3.61) and non-availability of qualified pharmacist (3.58) are the problems agreed by the respondents. Other problems are neither disagreed nor agreed by the respondents.

The ANOVA test reveals that the formulated hypothesis is accepted all issues related to problems. It is concluded that there is no significant difference between more experienced and lesser experienced medical stores on the problems faced on labour related issues. In other words both the type of medical shops have the same opinion.

Taking into consideration both the weighted average mean scores and the F-statistics results it is concluded that in Tirunelveli medical store owners feel that lesser knowledge level of the workers and demanding higher salary are the major problems of medical stores.

### Problems Faced by Retail Medical Stores on Inventory Related Issues

$H_{09}$  – There is no significant difference between more experienced and lesser experienced medical stores on the problems of labour related issues

**Table 13: Problems Faced by More Experienced and Lesser Experienced Medical Stores Inventory Related Issues**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Inventory management	3.49	3.52	3.5	3.020
2.	Identification of fast moving medicines	3.34	3.35	3.35	0.005
3.	Managing with FIFO	3.45	3.03	3.21	2.708
4.	Expiry of medicine	3.51	3.06	3.26	2.525
5.	Availability of medicines	3.45	3.45	3.45	0.001

**Source:** Computed data

The above table tells about the inventory problems faced by the medical stores commenced in or before 2000 and lesser experienced medical stores. Medicals which are commenced before 2000 says that some medicines which are kept as inventory are expired and it is a major problem for them, managing the inventory creates a problem for these medical stores. Managing with First in First Out (FIFO) (3.45), availability of medicines (3.45) and Identification of fast moving medicines (3.34) are the problems neither disagreed nor agreed by the respondents.

For the medical stores commenced after 2000, managing the inventory is a big problem. Availability of medicines, identification of fast moving medicines, expiry of medicine, managing with FIFO are the problems which is a neither nor problem for these shops.

Availability of medicines (3.45) is the major problem for both the medical stores, identification of fast moving medicines took the second place in these problems, and all other problems are chose as neither nor problems in this inventory problems for both shops.

The F-test results reveals that all the five problems of inventory are accepted in the one way analysis of variance and hence there is no significant difference between inventory problems of medical more experienced medical stores and lesser experienced medical stores. Taking into consideration both the weighted average mean scores and the F-statistics results it is concluded that in the opinion of medical stores there exist a neutral opinion on the problems related to inventories. However, Inventory management appears to be a little problem among all the medical stores.

#### **Problems Faced by Retail Medical Stores in General**

$H_{010}$  – There is no significant difference between more experienced and lesser experienced medical stores on the various problems faced in pharmacy trade

**Table 14: Problems Faced by More Experienced and Lesser Experienced Medical Stores on Various Issues**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Financial Problem	3.29	3.21	3.24	0.236
2.	Problems through suppliers/wholesalers	3.41	3.18	3.28	2.327
3.	Problems through customers	<b>3.71</b>	<b>3.50</b>	<b>3.59</b>	2.216
4.	Problems in infrastructure facility	2.95	2.71	2.81	1.827
5.	Competition Problems	<b>3.79</b>	3.41	<b>3.58</b>	3.826
6.	Problem through Doctors	<b>3.75</b>	<b>3.72</b>	<b>3.73</b>	0.037
7.	Problems in Government rules and regulations	3.14	3.23	3.19	0.364
8.	Labour Problems	3.38	3.36	3.37	0.008
9.	Inventory Problems	3.45	3.28	3.35	1.669

**Source:** Computed data

The above table shows the weighted average mean scores of various problems faced by medical stores belong to different years of experience. It can be inferred from this table that among the more experienced medical stores highly viewed problem is competition from their other fellow traders and from other formats of pharmacy and the total weighted average score on this problem is 3.79.

The second highly viewed problem is problems through doctors with the weighted average mean score of 3.75. Similarly, among the more experienced medical stores issues relating to infrastructure facilities are not considered as a problem.

In the case of medical stores having lesser years of experience, highly viewed problems are problems through doctors with the weighted average mean scores of 3.73. The second highly considered problems are customer related problems and its weighted average mean score is 3.50. Similarly, in the case of lesser experienced medical shops the infrastructure related issues are not considered as a problem.

The overall weighted average mean scores reveal that in Tirunelveli the highly viewed problems of medical stores are problem through doctors, with a mean value of 3.73. The second and third highly considered problems are customer related problems and competition from other medical stores and their respective weighted average mean scores are 3.59 and 3.58. It can be concluded from the means scores that in the opinion of medical shop owners the problem through doctors, customers and competitors are the major problems.

The formulated null hypothesis has been accepted on all the cases and thus it can be deduced that there is no significant difference between more experienced retail medical stores and lesser experienced medical stores on various problems. In other words their views on the presence of problems are same between them. Taking into consideration of weighted average mean scores and F-test results it can be concluded that in Tirunelveli problem through doctors, customers and competitors are considered as the major problems and infrastructure facilities related issues are not at all considered as a problem.

### Various Prospective Aspects of Retail Medical Stores

H<sub>011</sub> – There is no significant difference between the views of more experienced and Lesser experienced medical stores on various prospective aspects of medical shops

**Table 15: Various Prospective Aspects of Retail Medical Stores**

Sl. No.	Problems	Type of Medical Stores		Total	F-Test Results
		More Experienced	Lesser Experienced		
1.	Pharmacy trade is profitable trade	<b>4.11</b>	<b>4.00</b>	<b>4.05</b>	.762
2.	It requires low capital	2.04	2.58	2.35	<b>5.019*</b>
3.	Need not to keep more stock	3.23	3.10	3.16	.300
4.	No bargain from the customers	3.32	3.35	3.34	.018
5.	Good rapport from Doctors	<b>3.55</b>	3.48	<b>3.51</b>	.082
6.	Prime location is not important for the store	3.45	3.32	3.38	.205
7.	Qualified employees are not required	1.83	1.74	1.78	.405
8.	Proprietor/Employer need not be a qualified person	2.38	1.90	2.11	<b>9.078*</b>
9.	Less impact from online trade	3.00	2.94	2.96	.057
10.	Less impact from corporate pharmaceutical stores	2.66	2.39	2.50	1.423
11.	More possibility for over the counter sales after the Doctors' initial prescription	<b>3.83</b>	3.48	<b>3.63</b>	2.012
12.	Need not to advertise more about the store	3.06	3.45	3.28	2.361

Table 15: Contd.,

13.	Interior decoration is not required	2.47	2.81	2.66	1.643
	<b>Average</b>	<b>2.9951</b>	<b>2.9653</b>	<b>2.98</b>	<b>.050</b>

Source: Computed data

The above table shows the prospective aspects of Medical stores in the Study area. We can understand from this table that among the Medical shops commenced in the year 2000 or before, the highly inferred prospective feature is profitability of the Medical shops the weighted average mean is 4.11. The second highly inferred prospect among the shops commenced before is better possibility of more over the counter sales (3.83). The next highly inferred prospect is good rapport between the Medical shops and the Physicians (3.55).

Among the Medical shops commenced after the year high profitability, the weighted average in is 4.00 and among them the other factors are not highly inferred prospects. The negatively inferred factors among the shops commenced in and before the year 2000 are Qualification of employees (1.83), Capital intensiveness (2.04), Qualification of Employees (2.38) and the Interior decoration of the Shop.

The highly inferred prospective features among the Medical Stores as a whole are better profitability (4.05), expected better over the counter sales, and the good rapport with the Physicians. Negatively inferred prospective features are Qualification of Employer and Employees, capital insensitivity, Impact of corporate Pharmaceutical stores, the Interior Decoration of the Store and the online trade. It is concluded from the above that the important prospective aspects of retail Medical stores are better profitability and the possibility of better over the counter sales in rapport with the physicians. The total weighted average score on the prospective features reveal that Medical shop owners neither agree nor disagree the presence of prospective aspects of Medical Stores.

The opinion on the prospective features of a medical store may differ between shops commenced at a later period and shops commenced recently. In order to identify the variance between them the One Way Analysis of Variance has been administered. This analysis revealed that on all the positive factors there is no significant difference between the shops commenced in the year 2000 and after 2000 on the opinion of prospective aspects. Similarly, there is no significant difference between medical shops commenced in the year 2000 or before and after 2000 on the negative opinion on all the prospective aspects except the capital insensitivity and the qualification of the employee. It can be concluded from the Weighted Average Mean scores and the F-Statistics that better profitability and the better over the counter sales and good rapport with the Physicians are the important prospects of Medical Stores.

#### Opinion on the View that Air Condition Facilities are Essential for Medical Stores

Table 16: Opinion on the View of Necessity of Air Condition Facility in Medical Stores

Sl. No.	Opinion	Frequency	Percent
1.	Strongly agree	10	9.2
2.	Agree	34	31.2
3.	Neither	37	33.9
4.	Disagree	24	22.0
5.	Strongly Disagree	4	3.7
	<b>Total</b>	<b>109</b>	<b>100.0</b>

Source: Primary Data

From the above table we can understand that 9.2 percent of respondents strongly agreed the view, 31.2 percent of medical stores have agreed the view, 33.9 percent of respondents stay neutral, 22 percent of respondents disagreed this contention and 3.7 percent of medical stores have strongly disagreed this notion. It can be concluded from the above that majority of the medical stores are of the opinion that air condition facility is necessary for their trade.

## FINDINGS

The collected data are analysed and the findings are given below:

- Important factors that are considered while selecting the location of a medical store are Nearness to Doctors/Hospitals, prime location and residential area.
- Frequency of prescription by Doctors, Customer enquiry and over the counter sales were the important reasons while purchasing the medicines for the medical stores.
- There is a significant difference between experienced and lesser experienced shops on the fund management. There is no significant difference between the experienced and lesser experienced shops on the problems such as high rental, inadequate capital, Inadequate loan facility and higher interest rates for loan. Taking into consideration both the mean scores and the F-test results it is concluded that highly viewed financial problems are High rental and inadequate capital.
- Non-replacement of expired medicines and non-availability of expected brand of medicine are the highly inferred problems, however the problem is much felt among the more experienced medical stores.
- The respondents neither agree nor disagree the problems through customers except on the problem of recovery of loan. Even though seeking loan facility appears to be a problem, the problem was much felt only by the more experienced shops. Therefore highly viewed problem by the medical stores in Tirunelveli is recovery of loans from the customers.
- Inadequate floor space and power shortage are considered as major problems for the medical stores in Tirunelveli.
- Hospital pharmacy and departmental store pharmacies are highly viewed as competition for retail medical stores. It is also specifically found that in Tirunelveli Ananda Departmental store is the only departmental store which also runs pharmacy division. Since the competition through the departmental stores is viewed as the major problem, it is concluded here that medical stores particularly in Palayamkottai face stiff competition from the Ananda Departmental store.
- Major issued faced by medical stores in Tirunelveli through the doctors are difficulty in reading doctors' handwriting and the sale of medicines by the doctors themselves.
- In Tirunelveli medical store owners face the major problem through Government officials and tax laws and on all other problems they have neutral opinion. More experienced medical shops feel that tax problems are the major problems.
- There is no significant difference between more experienced and lesser experienced medical stores on the problems faced on labour related issues. In other words both the type of medical shops have the same opinion.



- In Tirunelveli medical store owners feel that lesser knowledge level of the workers and demanding higher salary are the major problems of medical stores.
- In the opinion of medical stores there exists a neutral opinion on the problems related to inventories. However, Inventory management appears to be a little problem among all the medical stores.
- In the opinion of medical shop owners the problem through doctors, customers and competitors are the major problems.
- There is no significant difference between more experienced retail medical stores and lesser experienced medical stores on various problems. In other words their views on the presence of problems are same between them. Taking into consideration of weighted average mean scores and F-test results it can be concluded that in Tirunelveli problem through doctors, customers and competitors are considered as the major problems and infrastructure facilities related issues are not at all considered as a problem.
- Expected high profitability, better over the counter sales and good rapport with the Physicians are the important prospects of Medical Stores.
- Majority of the medical stores are of the opinion that air condition facility is necessary for their trade.

## CONCLUSIONS

Since the pharmacy trade is a high profit generating trade, Retail medical pharmacies are ready to invest money in their trade, but the major problem is sales volume, because, hospital pharmacy or selling of medicines by the doctors is considered as the major problem for the medical stores. They are considered as the major competitor for them and they grab major chunk of sales. However, medical stores have better rapport with doctors.

## SUGGESTIONS

- Doctors disturbs the shoppers more as in the data through their handwritings, insisting particular brand to buy etc. It should be well and good if the Doctors change themselves in these things.
- Efforts can be taken by introducing more sales promotion measures like issuing pamphlets, offering more discounts for frequent customers
- Medical stores can avoid selling medicines on credit since those shops which offered loan facility found it difficult to recover the loan. Loan facility should not be offered as measure to increase sales. If they did so gradually non-recovery of loans will lead to financial loss.

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