



## Business Strategy for Pharmaceutical Company to Become the Market Leader in the Psychiatry Sector in Indonesia

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**ABSTRACT:** The prevalence of people with mental disorders in Indonesia continues to increase and its growth has been accelerated by the COVID-19 pandemic. The increase of the prevalence is also extrapolated to the market for psychiatric drugs in Indonesia which has grown by ten percent from 2018 to 2019 and 2019 to 2020. In the psychiatric market, 12 companies with the highest sales already account for 80% market share. Seeing the psychiatric drug market condition that continues to grow and its market share is still small, the low-market-share pharmaceutical companies must have a new business strategy to seize this opportunity and become one of the market leaders in the psychiatric drug market in Indonesia. This research was conducted to determine the main external and internal factors that affect psychiatric drug business and then provide alternative business strategies for pharmaceutical companies to become one of the market leaders in the psychiatric market. In this study, interviews were conducted with 18 experts in the pharmaceutical field. Data from interviews were analyzed using content analysis. Pharmaceutical market data from IQVIA was used in this study and analyzed using the growth-share matrix. The results of the content analysis show that the main external factors affecting the psychiatry business are categorized into legal, political, economic, market, technological and social aspects. Meanwhile, the key internal factors are categorized into brand, corporate culture, human assets and intellectual capital, organizational resources, originality, physical resources and relationships. Low-market-share companies in the growing market need to carry out an intensive strategy to increase its market share through product development, market penetration and market development.

**KEYWORDS:** Business Strategy, Market Share, Market Penetration, Market Development, Psychiatry Market, Product Development.

### INTRODUCTION

Recently, many people have paid particular attention to mental health disorders. According to the World Health Organization, mental disorder is a clinically significant impairment in a person's cognition, emotional control, or behavior. Globally, there is an increase in mental health issues. In the past ten years, there has been a 13% increase in both mental health illnesses and substance use disorders until 2017. In 2019, one in eight individuals, or 970 million people worldwide, had a mental illness. Anxiety and depressive disorders are the most prevalent and have an economic cost of USD 1 trillion to the global economies [1]. Due to the COVID-19 pandemic, the number of people who suffer from anxiety and depressive illnesses greatly increased in 2020. Initial projections indicate a 26% and 28% increase in anxiety and major depressive disorders, respectively, in just one year [2]. Based on research done by the Ministry of Health (MoH) Indonesia in 2018, 20% of the population in Indonesia has the potential for mental disorders. Around 6% – equal to 12 million – of the population is already in depression and more than 19 million people suffer from mental emotional disorders, an increase of 3.8% from 2013 [3].

According to data from the National Institute of Health Research and Development Indonesia, there are 1,800 suicide cases annually, with mental illness accounting for 23.2% of them in 2016 [4]. Indonesian Psychiatric Association conducted a mental health study on anxiety and depression from March 2020 to March 2022 which showed that 71.7% of respondents reported experiencing anxiety and 72.9% reported experiencing depression as a result of the COVID-19 pandemic. In addition, 52% of respondents with depression issues said they would want to die or hurt themselves [5]. These statistics illustrate the need for the development of high-quality mental health offerings and services.

In 2021, the total market size of psychiatric drugs is Rp1.7 trillion. This market has continued to grow over the last four years with a CAGR of 7.4% and is still dominated by the branded segment compared to generic. However, it appears that in 2021, the proportion of the generic segment is starting to increase and the branded segment is starting to decrease, indicating that the market is starting to



shift to generic [6]. In conclusion, the psychiatric drug market is very attractive and is expected to continue expanding in the future, according to all of the facts supplied, including those regarding prevalence, awareness, emerging supporting platforms, and current market data both globally and in Indonesia. Pharmaceutical companies must pay close attention to this market in order to seize the opportunities for increased sales and, of course, long-term profitability.

## BUSINESS ISSUE

The market for psychiatric drugs in Indonesia is quite attractive and is still growing, especially the generic segment. In 2021, there are around 50 pharmaceutical companies that have psychiatric products and compete in this market. 80% market share of psychiatric drugs market share is covered by only 12 corporations and only two of them are multinational companies. So, the market for psychiatric drugs in Indonesia is very much dominated by local pharmaceutical companies. Moreover, the market leader is also a local pharmaceutical company focused in neuro-psychiatry with a market share of 34% while the average market share of other players is only 1.3% [6]. Given the current market dynamics, low-market-share pharmaceutical companies must review and update their business strategy in order to remain competitive and possibly take the lead in the psychiatry market.

## RESEARCH METHODOLOGY

This research design was oriented toward qualitative research to generate the suitable business strategy for the company to become the market leader in the psychiatry sector. In qualitative approaches, the major data collection technique is the interview [7]. The author conducted semi-structured interviews with open-ended questions in order to understand the key external and internal factors affecting the company and also suitable strategies for the company to achieve a high market share and become the market leader in the psychiatric sector in Indonesia. Marshall et al. proposed 15 to 30 interviews would be the appropriate numbers for case studies [8]. Therefore, the author interviewed 14 experts from pharmaceutical companies and four psychiatrists within November to December 2022. Table 1 provides a detailed description of the participants from pharmaceutical companies. The interviews were conducted via Zoom meetings, recorded and then transcribed. Erlingsson and Brysiewicz's content analysis guidelines were used to examine the data. Content analysis is a research methodology that gives a systematic and objective manner of drawing valid conclusions from verbal, visual, or written data to define certain occurrences [9]. Moreover, this research also used pharmaceutical market data for psychiatric products (ATC N05 and N06) provided by IQVIA (IMS Health) 2021Q4 update. This data are mapped to growth-share matrix to propose products area for the companies to focus on and build their product portfolio.

**Table 1.** Detailed description of the participants

<i>Demographics</i>	<i>No</i>
<b><i>Department in the Company</i></b>	
<i>Marketing</i>	8
<i>Sales</i>	2
<i>Market Access</i>	1
<i>Business Development</i>	3
<b><i>Position in the Company</i></b>	
<i>Manager</i>	4
<i>Senior Manager</i>	8
<i>General Manager</i>	1
<i>Director</i>	1
<b><i>Experience in the Pharmaceutical Company (Years)</i></b>	
<i>5-10</i>	4
<i>11-15</i>	4
<i>16-20</i>	3
<i>&gt;20</i>	3



**RESULT AND DISCUSSION**

**INTERVIEW ANALYSIS – KEY EXTERNAL AND INTERNAL FACTORS**

**A. Key External Factors**

The results of the analysis show that there are six categories of key external factors as listed in Table 2. The first is from a legal perspective because there are psychiatric drugs which are classified as psychotropic, so they are prone to misuse and can lead to addiction. Therefore, psychotropic drugs are closely monitored by the authority. In addition, the Indonesian government also issued Law no.33/2014 on Halal Product Assurance has a consequence on the drug supply chain, including changes in raw materials, distribution process and increasing manufacturing costs [10]. Currently, Indonesia already has a mental health Law which is passed down to become the government’s KPI in dealing with cases of mental disorders in Indonesia. This regulation is a guarantee that there is a need for psychiatric drugs in Indonesia because they are included in the government budget. One of them is through the National Social Security System (SJSN) organized by the Social Security Agency of Health (BPJS) to manage public health insurance. Drugs covered by BPJS must be listed in the National Formulary and then public hospitals procure products using the e-purchasing mechanism for products listed in the e-catalogue to serve BPJS patients. Moreover, the Indonesian government is promoting increased use of domestic products using local content level instruments. Therefore, local content level score and certificates are related to specific benefits received through the government procurement procedure [11].

**Table 2.** Key External Factors

<i>Theme: External factors</i>		
<i>Condensations</i>	<i>Codes</i>	<i>Categories</i>
Drug abuse by patients with drug dependence syndrome.	Drug abuse	Legal
Psychiatric drugs listed in National Formulary.	National Formulary	
Mental Health Law no.18/2014 makes People with Mental Disorders management one of the government’s KPIs.	Government’s KPI	Politic
Tight monitoring from authority for some psychiatric drugs.	Tight monitoring	
Halal certification for drugs.	Halal certification	
National Social Security System also covered mental disorders.	National Social Security System	
Products listed in the e-catalogue must meet local content level standards.	e-catalogue	
Government hospitals require a local content level certificate for drug procurement.	Local content level	
Increase in raw materials price because of the Ukraine and Russia war.	War	Politic
The 2024 political year in Indonesia where the tension will be felt in 2023 and will affect mental health conditions.	Political tension	
The drug prices become a consideration because of long-term psychiatric treatment.	Drug price	Economy
High exchange rate will increase the price of raw materials, most of which are still imported.	Exchange rate	
Customer buying power is a concern for high quality innovator drugs.	Buying power	
The issue of a recession next year will affect people’s mental health conditions.	Recession	
The psychiatric market will continue to grow based on the growing trend of the last three years.	Market growth	Market
The use of psychiatric drugs is long-term, so many patients seek free treatment using public health insurance rather than private.	Market shifting to generic segment	
Competition in the psychiatry market is not tight because there are only a few players.	Low competition	
The market leader is very dominant with a market share of almost 40%.	Strong market leader	
The market size of the market leader and other players are far enough away that there are big growth opportunities for the challengers.	Market opportunity	



Positive impact of social media in increasing awareness of mental health.	Social media	Technology
The emergence of telemedicine to facilitate the consultation of psychiatric patients.	Telemedicine	
Developments in drug delivery technologies can increase patient compliance.	Drug delivery technology	
Some drugs can be purchased from online pharmacies in e-commerce.	E-commerce	
In big cities, the stigma has actually begun to diminish, but in rural areas there are still those who are shackled.	Stigma	Social
As life expectancy increases, elderly population will increase.	Elderly population	
The paradigm about the benefits of the drug itself and the stigma associated with the potential for psychiatric drugs to cause addiction need to be straightened out.	Fear of addiction	
The age group of patients who come for treatment has also begun to shift to young adults.	Age group shifting to young adults	
People perceive psychosis patients to be enchanted so they look for solutions from local culture and religious leaders.	Culture and beliefs	

From the political factors, the Ukraine war has caused difficulty in supply and a significant increase in the cost of pharmaceutical raw materials [12]. In addition, Indonesia will enter a political year in 2023 welcoming national elections in 2024 which will also cause political tension and can affect people’s mental health. Related to the economy, the weakening rupiah exchange rate will increase the cost of raw materials because almost 90% of pharmaceutical raw materials are imported. In the end, this will affect the price of drugs and also the buying power of consumers. In addition, the issue of an economic recession that may occur in the next year can reduce mental health, reflecting on the increase in incidents of mental health issues when a recession hits the United States [13].

Market wise, psychiatric drugs business in Indonesia will continue to grow but the market itself is shifting to the generic segment. The players in this market are still limited because of the tight regulation. However, the gap between the market leader and other players is so large that it opens up exciting market opportunities.

Technology also plays an important role in the psychiatric market. The increasing number of social media and its users can increase public awareness of mental health, but on the other hand, it can aggravate mental health issues [14] [15]. The rise of telemedicine has also increased the number of patient consultations and has been proven to improve mental health conditions [16]. Patients can also buy psychiatric drugs online in e-commerce other than psychotropic groups by uploading their prescription where this convenience should increase the drug sales. Last but not least, pharmaceutical dosage form technology in the psychiatry sector also continues to develop both long-acting injections, antidepressant nasal sprays and other new drugs.

From a social standpoint, Indonesia has demographic strengths where life expectancy increased in 2021 to 69.67 years for men and 73.55 years for women so that the elderly population will also increase [17]. This will have an impact on increasing the prevalence of mental disorders because mental illnesses are far more common in the elderly than in the young adult population [18]. Nevertheless, based on the experience of one of the psychiatrists interviewed, patients who come for treatment have also begun to shift to young adults. Another social aspect is the society’s stigma against sufferers of mental disorders who are considered crazy and often exiled, making patients not dare to get treatment. Moreover, some patients are still afraid of psychiatric drugs because of the assumption it can cause an addiction. Finally, culture and beliefs in rural areas are still very strong so that patients with mental disorders are usually not taken to doctors but undergo traditional or spiritual therapy from local religious and cultural leaders.

**B. Key Internal Factors**

The results of interview analysis show that there are seven categories of key resources and capabilities as listed in Table 3. The first one is a brand where a good company image and reputation will support success in entering the psychiatric business considering that this industry is closely monitored by the authorities. In addition, the product brand is also an important key because this disease is related to mental and emotion so that patients who already have a good experience with a brand will find it difficult to switch to other products. Therefore, the original product that first enters the market will provide more benefits for the company.



**Table 3.** Key Internal Factors

<i>Theme: Internal factors</i>		
<i>Condensations</i>	<i>Codes</i>	<i>Categories</i>
The company's brand equity in psychiatrists is already very strong, so it's not too difficult to introduce a new product.	Company image	Brand
Innovator products with good quality and good brands will not be easily replaced.	Product's brand	
Existing companies will find it easier to enter the psychiatry market.	Reputation	
Compete with innovation both in product and marketing.	Innovation	Company culture
Bioequivalence study is needed to launch the product.	Research and development	Human asset
Tight regulation in this sector requires company to be able to understand the regulations.	Regulatory understanding	& intellectual capital
Marketing and sales people who have an extensive network because it's not easy to enter a psychiatrist's environment.	Marketing and sales team	
Product planning is prepared in advance based on the expiration date of the patent.	Product planning	
Good end-to-end system from raw materials to product distribution is needed to ensure that it is not abused.	End-to-end system	Organizational resource
To be the first or original product is important in the psychiatric market.	Originality	Originality
Machines and equipment as well as their capacities.	Manufacturing facility	Physical resource
Having an extensive and experienced distributor.	Distributor network	Relationship
Introduce the product to doctors who are studying psychiatric specialists.	Engagement with user	

Secondly, company culture, especially innovation, such as new combination products can increase pharmaceutical company profitability [19]. Manufacturing facilities, human assets and intellectual capital such as product planning, research and development and regulatory understanding are resources that must be possessed by companies to enter the psychiatric business. In addition, the company must also have sufficient marketing and sales teams to cover psychiatrists and other users in this market to create a good relationship with them. Last but not least, given the rigorous monitoring from the authorities, the company should have an end-to-end system and a good partnership with a well-established distributor who has a large coverage across Indonesia.

**INTERVIEW ANALYSIS – BUSINESS STRATEGY**

The interview analysis focuses on business strategy alternatives proposals based on insights gathered from 18 interviewees who are experts in the pharmaceutical field. In general, the results of this interview analysis (Table 4) can be categorized into three major categories: product development, market penetration and market development strategies.

**Table 4.** Business Strategy

<i>Theme: Business strategy</i>		
<i>Condensations</i>	<i>Codes</i>	<i>Categories</i>
It is better for local company to prepare branded and generic products.	Develop branded and generic product	Product Development
For branded, the company has to pursue technology like long-acting injection through partnership.	Technologically advanced products	
Branded will be the choice if the company has an original product that doesn't have players yet.	Original product	
The winner is the one who is able to convert from branded generic to generic, to be the first generic.	First me-too and first generic product	



The company should assess the psychiatric category with the largest Drug Needs Plan.	High-demand product	
The company must procure competitive materials in price.	Competitive raw material	
Local content issues require the company to use local raw material.	Local raw material	
Psychiatric patients who have cognitive impairment can be given supplements and pediatric patients can be given probiotics.	Product bundling	
The company must focus on completing product portfolios.	Optimal product portfolio	
Some patients are aware and resist when the medication is changed.	Unique product	
I prefer mono-pharmaceuticals, drugs that have other effects such as antipsychotics, some have sedative and antianxiety effects.	Multi-action drug	
So make antidepressants, antianxiety with low side effects, no sedation, no emotional blunting.	Minimal-side-effects drug	
Covering KOLs will be very influential, for example in the psychiatry department.	KOL coverage	Market Penetration
The decision to buy is in the procurement department and the Commitment Making Official (PPK), meaning the company should cover them.	Key account management	
The market leader has taken a scientific approach to doctors since they were in the Specialist Doctor Education Program.	Psychiatrist candidate coverage	
Field forces should not be mixed, at least they can be combined to cover neurologists.	Field forces arrangement	
If there is no special team, it won't work unless there is a strong product manager.	Dedicated product management	
Field forces must be prepared to be able to answer questions from users, especially for first me-too or originator products.	Field forces' product knowledge	
Collaboration with telemedicine platforms by ensuring product availability.	Collaboration with telemedicine	
Engagement is very influential in the sense of reminding users.	Engagement with users	
When patients return to their village, the drugs obtained in mental hospitals are not available.	Product availability	
Company can collaborate to hold campaigns, public seminars, create content on social media, TV, Youtube, radio to discuss mental health.	Public education	Market Development
Collaboration with the Ministry of Health (MoH) to increase public awareness about mental disorders.	Collaboration with MoH	
Company can create early detection campaigns, so people know whether their condition is still normal or not.	Early detection	
Direct to customer events through collaboration with the mental health community.	Collaboration with community	
Pregabalin can be used in psychiatry because it has anxiolytic effect besides pain relief.	Product repositioning	

**A. Product Development**

Product development strategies that can be implemented to increase market share in the psychiatry sector are product portfolio optimization for both branded and generic products, launching new products as first me-too or first generic products, developing original, multi-action, minimal side effects and high-tech products.

Good pharmaceutical products can add value to an optimal portfolio that is in line with the company's business plan and strategies. A product development portfolio, on the other hand, should have a timetable and a budget. Priority should be given to the development of the product with the greatest potential for success, followed by the product with the next greatest potential for

success, and so on. Developing the portfolio is a dynamic procedure of generating initial movements by pushing product candidates forward and, at various stages, analyzes the basic foundation of the process. Nevertheless, all new product development projects face various problems, which do not always terminate the projects but might significantly slow them down. The entire development plan should be examined at various points, and development should only proceed if all important factors are acceptable and align with the targeted product features. The optimal portfolio, it is widely believed, does not contain too many products, but is backed by realistic timetables, a clear priority of development efforts, and sufficient financial support [20].

Yu and Gupta discovered compelling evidence that the first generic has a significant market share advantage compared to the second and third generics. Therefore, the new product launch should be richer with first generic or first me-too. First me-too product means the first copy product that contains the same active ingredient as the originator and is generally a branded product. Meanwhile, first generic means the first unbranded product that contains the same active ingredients as the originator and marketed after the original patents have expired. Although generic pharmaceuticals are essentially interchangeable products, changes in product appearances such as dimension, shape, colour, and other characteristics across generic competitors distinguish the products and may lead to patient preference for one generic product over another. Furthermore, many healthcare professionals choose to continue using the first generic because explaining bioequivalence to patients, some of whom are concerned with being converted to a new product, is difficult [21].

The use of local raw materials with a competitive price also needs to be considered for the development of high demand products. The meaning of high demand product is the product that is most needed according to the Drug Needs Plan (in Indonesia: *Rencana Kebutuhan Obat/RKO*) issued by the MoH for government procurement. District health offices and all hospitals around the country report data on drug needs at the district or city level, which is then compiled at the provincial level and then submitted to the national level. So, RKO is an estimate of the next year's drug demands based on calculations of average drug usage over a year and remaining stock at the end of the year [22].

Finally, product bundling also has an effect on increasing the company's market share in the psychiatric sector. Product bundling in this research means the company should not only provide psychiatric drugs but also other supporting agents such as dietary supplements, probiotics, etc. Alateeq et al. discovered that psychiatric patients were more likely to consume dietary supplements, with Vitamin D and melatonin being the most often used dietary supplements for mental health [23]. In addition, synbiotic and probiotic intake can also decrease depression and anxiety symptoms [24]. Such a comprehensive offer will strengthen the company's position in the customers view and demonstrate its focus on improving patients' mental health condition.

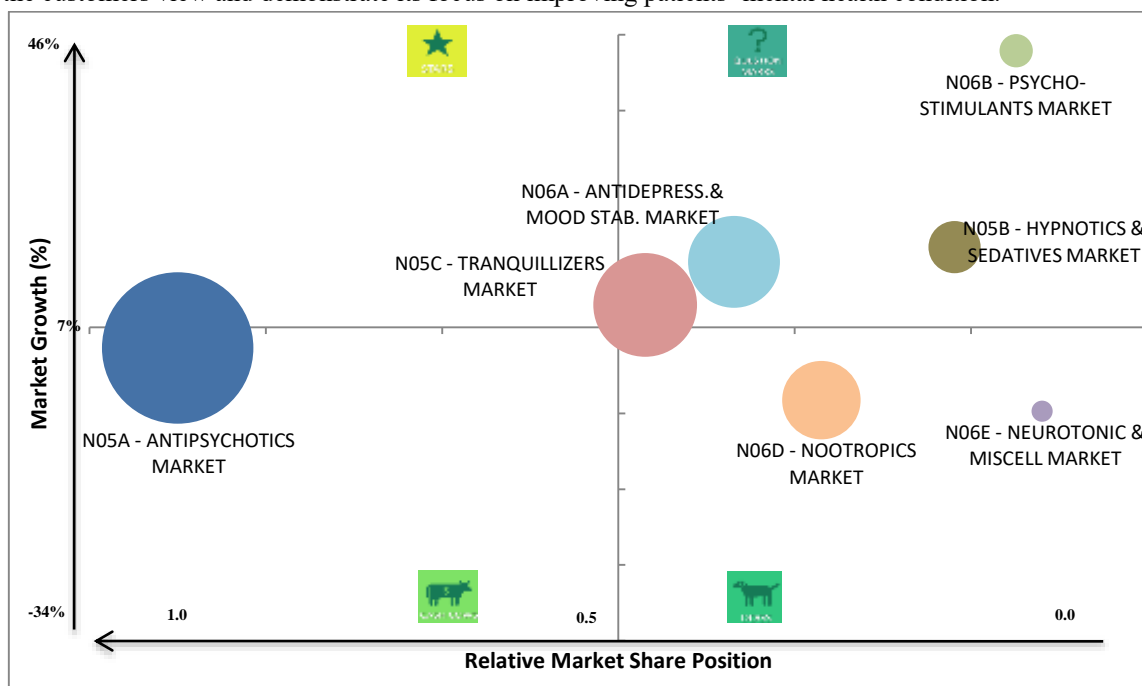


Figure 1. Growth-Share Matrix of Psychiatric Market at ATC3 level.



To provide suggestions on which psychiatric areas the pharmaceutical companies should focus on, market data analysis is carried out deeper to the ATC3 level. Figure 1 shows the position of each psychiatric drug group market. From the market side, the antipsychotic market has the largest market size but its growth has been quite stagnant. The market for antidepressants and mood stabilizers, tranquilizers, hypnotics and sedatives as well as psycho-stimulants are in the Question Mark quadrant because their growth is higher than the total psychiatry market growth. In this quadrant, the relative market share of tranquilizers and antidepressants are almost the same, and the market for psycho-stimulants is experiencing the most rapid growth among the others. In contrast, the nootropic and neurotic markets have experienced minus growth even though the nootropic relative market share is still quite large. This market data is align with the trend of novel psychiatric drugs approved by the US FDA for 15 products over the last ten years as listed in Table 5 [25]. These data indicate that drug development research is still being carried out by global pharmaceutical companies where there is one novel psychiatric drug approved by the US FDA every one and a half years. If these products are classified based on ATC3, there are eight novel antipsychotics, three novel antidepressants, three novel hypnotics and sedatives and one novel psycho-stimulant. Of the 15 novel psychiatric drugs approved by the US FDA, only five of them have been marketed in Indonesia while the rest have not. The six global pharmaceutical companies that have innovator products have not yet entered the Indonesian market. This is an opportunity for the low-market-share pharmaceutical companies to have original psychiatric products through collaboration with these companies. Therefore, the pharmaceutical companies can complement its psychiatric product portfolio for both the branded and generic segments by focusing on the areas of antipsychotics, antidepressants and mood stabilizers, tranquilizers, hypnotics and sedatives and psycho-stimulants.

**Table 5.** Novel Psychiatric Drugs Approved by US FDA from 2013-2022.

Year	Product	Composition	Company	ATC3	Indication	Exist in Indonesia
2022	Quviviq	daridorexant	Idorsia Pharmaceuticals	Hypnotics and Sedatives	and insomnia	No
2021	Azstarys	serdexmethylphenidate and dexmethylphenidate	Corium, Inc.	Psycho-stimulants	attention deficit hyperactivity disorder	No
2021	Qelbree	viloxazine	Supernus Pharmaceuticals	Antidepressants and Mood stabilizers	and attention deficit hyperactivity disorder	No
2021	Lybalvi	olanzapine and samidorphan	Alkermes, Inc.	Antipsychotics	schizophrenia and bipolar I disorder	No
2021	Invega Hafyera	paliperidone palmitate	Janssen Pharmaceuticals, Inc	Antipsychotics	schizophrenia	No
2019	Caplyta	lumateperone tosylate	Intra-Cellular Therapies, Inc.	Antipsychotics	schizophrenia	No
2019	Dayvigo	lemborexant	Eisai Inc.	Hypnotics and Sedatives	and insomnia	No
2019	Spravato	esketamine	Janssen Pharmaceuticals, Inc.	Antidepressants and Mood stabilizers	and treatment-resistant depression (TRD)	Yes
2015	Invega Trinza	paliperidone palmitate	Janssen Pharmaceuticals, Inc	Antipsychotics	schizophrenia	Yes
2015	Rexulti	brexpiprazole	Otsuka America Pharmaceutical, Inc.	Antipsychotics	schizophrenia & major depressive disorder (MDD)	Yes
2015	Vraylar	cariprazine	Actavis Pharma, Inc.	Antipsychotics	schizophrenia and bipolar disorder	No
2015	Aristada	aripiprazole lauroxil	Alkermes, Inc.	Antipsychotics	schizophrenia	No





2014	Belsomra	suvorexant	Merck Sharp & Dohme Corp.	Hypnotics and Sedatives	and insomnia	No
2013	Brintellix	vortioxetine	Takeda Pharmaceuticals America, Inc.	Antidepressants and Mood stabilizers	and major depressive disorder (MDD)	Yes
2013	Abilify Maintena	aripiprazole	Otsuka America Pharmaceutical, Inc.	Antipsychotics	schizophrenia	Yes

**B. Market Penetration**

Market penetration strategies based on interview analysis include establishing a dedicated product management or key account team as well as arranging field forces to focus working on the psychiatric market. The team must have strong product knowledge to cover KOLs and psychiatrist candidates. Despite the fact that the term ‘opinion’ used refers to personal remarks based on values and views that cannot be conclusively proven or disproven by objective data, collaboration with KOLs must be based on clinical evidence of a product to be launched and also published in a reputable journal. More than ever, a real scientific communication between university scientists or KOLs and pharmaceutical company is required, but these contacts must be transformed more into innovation and data-driven science [26]. Collaboration between strong KOL and reliable clinical data will sharpen market penetration because the resulting influence is clinically-proven and based on data. Other market penetration strategies are increasing engagement with users, collaborating with telemedicine and ensuring product availability in all areas of Indonesia to increase the company’s market share in the psychiatric sector.

**C. Market Development**

The first market development strategy, drug repositioning came from the psychiatrist interviewed. Drug repositioning, also known as drug repurposing, is a potential way for introducing novel indications for an existing compound in the market [27]. However, the repositioning mentioned by the interviewees is marketing approved psychiatric indications for neurological products that already exist on the market and are commonly used for their main indications such as anti-epileptic and pain relief. Lastly, increasing public awareness and promoting early detection. According to the US FDA, disease awareness campaigns can convey essential medical information to patients and healthcare professionals, as well as motivate patients to seek appropriate treatment and healthcare professionals to provide it. The regulation, however, forbids discussing a specific medicine or device. The British’s Blue Guide also supports disease awareness campaigns to provide information that enables the public to recognize the condition or its risk factors and, if necessary, take preventive steps. Furthermore, a disease awareness campaign should highlight what the patient should do immediately as well as where to seek suitable treatment alternatives [28]. This strategy can be done through public education in collaboration with the Ministry of Health and mental health community which will indirectly increase the sales of psychiatric drugs.

**CONCLUSION**

Most of pharmaceutical companies have a small market share in psychiatry market compared to the market leader and more importantly, the psychiatry market in Indonesia continues to grow. Their position and future strategies are influenced by both external and internal factors. Key external factors affecting the psychiatric business are legal, political, economic, market, technological and social. From a legal perspective, the influencing factors are drug abuse, National Formulary, government’s KPI, tight monitoring from authority, halal certification, SJSN, e-catalogue and local content level regulation. The influencing political factors were the war between Russia and Ukraine and political tension in Indonesia. Drug prices, exchange rates, buying power and recession are key external factors from an economic standpoint. From the psychiatric market side, the influencing factors are market growth, market opportunity, market shifting to the generic segment, low competition and strong market leader. From a technology perspective, the influencing factors are social media, e-commerce, telemedicine and drug delivery technology. Lastly, from key social factors, there is stigma, elderly population, fear of addiction, patient’s age group shifting to young adults, the culture and beliefs influence the psychiatric business. Meanwhile, the key internal factors that affect the psychiatric business are company image, product’s brand, reputation and innovation, end-to-end system, originality, manufacturing facility, distributor network and



engagement with users. In terms of human assets and intellectual capital, R&D, regulatory understanding, product planning, marketing and sales team are the key influencing internal factors.

Low market share pharmaceutical companies in the growing psychiatry market must optimize and focus on developing its psychiatry business to seize opportunities in this psychiatric market. The suggested strategies for them are product development, market penetration and market development to increase their market share and become one of the market leaders in the psychiatry sector. The product development strategies that can be implemented are to optimize their product portfolio and develop both branded and generic products. For the branded segment, the products to be developed should be original, first me too or technologically advanced which have advantages such as multi actions and less side effects. In addition, the products being developed are not only medicines but the pharmaceutical companies can create products bundling with supplements that can support mental health. As for the generic segment, they must develop first generic products, high-demand products with local raw materials and competitive raw material prices. All products being developed should have a unique appearance and be equipped with a halal certificate.

The proposed market penetration strategy for the pharmaceutical companies is to form a dedicated team for both product management and sales to target the private market. The team that was formed must ensure that it has good product knowledge to be able to conduct education or engage with users, KOLs and candidate psychiatrists as well as organize and support scientific events to promote its products. Meanwhile, to target the public market, the pharmaceutical companies need to strengthen their key account management team to engage with the relevant governmental institutions. They can also expand their penetration into the online market through collaboration with the telemedicine platform and ensure the availability of their products throughout Indonesia.

Last but not least, the pharmaceutical companies also needs to carry out a market development strategy such as product repositioning for psychiatric indications, educating the public to reduce stigma associated with mental illness and psychiatric drugs by having collaborations with the government, influencers on social media and the mental health community.

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