

# Consumers' views on generics changing

More than 50% of South Africans today would rather choose a generic over a brand name prescription drug according to IMS Health South Africa, a marketing research company to the healthcare sector.

Paul Anley, CEO of Pharma Dynamics, cites this as a clear indication that consumer perceptions of generics are changing for the better.

"When one compares this to the results of a study conducted in 2008 where only 23% of SA consumers were in favour of generics, the most recent data is encouraging.

"It shows that people no longer think of generics as inferior. They know that by choosing a generic they will receive the same treatment success as they would from a brand name medication. Generics have to meet rigorous MCC standards that are required to have the same identity, strength, quality, purity, efficacy and safety of its bigger name counterparts," says Anley.

He ascribes the increasing popularity of generics to the significant savings they offer consumers.

"When a brand name medication comes off patent and generics are permitted to compete with that product, it does so by offering lower prices. Unlike the manufacturers of brand name drugs, generic medicine companies do not have significant expenses to recoup for advertising, marketing and promotion, or research and development activities.

"Generic medicine prices are, on average 50% cheaper than the brand name equivalents. Take the Single Exit Price (SEP) of Norvasc (10mg), a popular brand name cardiovascular drug for example, which is R196.93 (incl VAT), compared to the SEP of the generic equivalent, Amloc (10mg) priced at R108.31 (incl VAT). This cost difference saves South Africans about R55-million per year."

He says rising prescription medicine costs remain a major challenge for consumers, especially older South Africans.

"Worldwide the 65+ age group is expected to grow to over 1 billion by 2030. In South Africa this age group accounts for 6% of the total population and is increasing year on year.

"Already the average 65-year-old South African on medical aid takes 2 - 7 medicines a day, which will only increase as they get older. When you're on a chronic medication regimen such as this, the brand names can get very expensive, and generics are just as good."

Anley notes that the economic downturn has also played a major role in the upsurge for generic medications in recent

years.

"Consumers can no longer afford to pay for brand name medication. Even doctors say they are prescribing more generic products these days, not because they have to by law, but because patients insist on a cheaper generic alternative," he says.

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