Manufacturers' and pharmacists' satisfaction with different pharmaceutical distribution models in Europe

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Background
The pharmaceutical wholesale-industry serves as the vital link between manufacturers and 183,591 dispensing points in Europe. One of the sector's major business objectives is total customer satisfaction. To assess this, a questionnaire was designed to evaluate (a) which distribution model manufacturers prefer for diverse product categories (innovative medicines, generics, OTCs) and (b) how satisfied pharmaceutical manufacturers and pharmacists are with deliveries (delivery time and frequency) from pharmaceutical full-line wholesalers (FLW), pharmaceutical short-line wholesalers (SLW), direct sales from manufacturers to pharmacies (DTP), or third-party logistics providers (3PLs) in Europe.

Methods
Necessary data were obtained from two online questionnaires that were directed to manufacturers (n=123) and pharmacies (n=372) in six key markets – Germany, France, Italy, the Netherlands, Spain and the UK (December 2015–April 2016).

Results
752 pharmaceutical wholesalers ensured a safe, rapid, continuous and cost-effective supply of medicines and medical products for the 26 countries of the European Union plus Norway and Switzerland in 2015 (figure 1).

The majority of the responding manufacturers were satisfied with their supply chain partners. 78% were satisfied with the pharmaceutical full-line wholesale model in general, 19% were impartial, and only 3% of manufacturers were dissatisfied with the pharmaceutical full-line wholesale model. In general, 78% of manufacturers were satisfied with their third party logistics providers (3PLs) including the Direct-to-Pharmacy (DTP) model and pre-wholesalers, 17% had a neutral attitude toward this distribution system and 5% were not satisfied with these models (figure 4).

Unlike the pharmacist questionnaire, the survey sent to the industry asked manufacturers to indicate their reasons and motivations for using a certain distribution system. The most commonly cited reasons for using a certain distribution system were the following (figure 5):

Conclusion
Results demonstrate that pharmacists’ perception of distribution models do not correspond with manufacturers’ motivations for selecting a specific distribution model.

Figure 1: Dimensions of pharmaceutical full-line wholesaling, 2015

Source: EUROSTAT, GIRP data, IPF research 2015

In the six observed countries (DE, ES, FR, IT, NL, UK), the majority of the responding pharmacists were satisfied with the distribution through pharmaceutical full-line wholesalers. Overall, the findings show that there is a high level of satisfaction with pharmaceutical full-line wholesalers. Pharmacists’ high and positive response rate demonstrates the importance of this distribution system to pharmacists. As regards pharmacists' satisfaction with their supply system, 88% of pharmacists were satisfied with the pharmaceutical full-line wholesale model (figure 2).

Figure 2: Pharmacists’ overall satisfaction with their distribution system

Source: IPF research 2016, Pharmacist survey

Figure 3: Manufacturers’ overall satisfaction with the delivery time

Source: IPF research 2016, Manufacturer survey

Figure 4: Pharmaceutical manufacturers’ satisfaction with the distribution system

Figure 5: Manufacturers’ motivation for selecting certain distribution models

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