



The Complete Guide To Launch Online **Medicine Delivery** Business

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Introduction

With the major unsettledness and blows to various industries during the COVID-19 pandemic, only a few of the industries were able to penetrate through this havoc.

One such industry was the Healthcare industry. In fact, healthcare gained a massive surge since the onset of the COVID-19, and the reason is self-explanatory. According to the survey, Telehealth witnessed a growth of 154% during 2020 as compared to 2019.

Adding to this, the pharmaceutical industry has contributed significantly to this rise. The Pharma industry has always been in demand, and the COVID-19 proved to be a blessing in disguise with a massive boom in this sector.

ePharma industry value was estimated at USD 33.71 billion in 2018 and is expected to witness a rise of USD 101.69 billion by 2026, registering a CAGR of 14.80%.

Refer to the graph below by Polaris Market Research, which shows the expected rise in e-pharmacy over the years across the globe.

The global ePharmacy market is currently led by North America and Europe. However, developing countries like India have prepared well with the rising demands of their consumers.

According to Frost & Sullivan, the e-Pharmacy market in India is expected to rise to \$3,657 million (~INR 25,000 Crores) by 2022.

Hence, pharmaceutical stakeholders are more interested in investing in the e-Pharma industry.



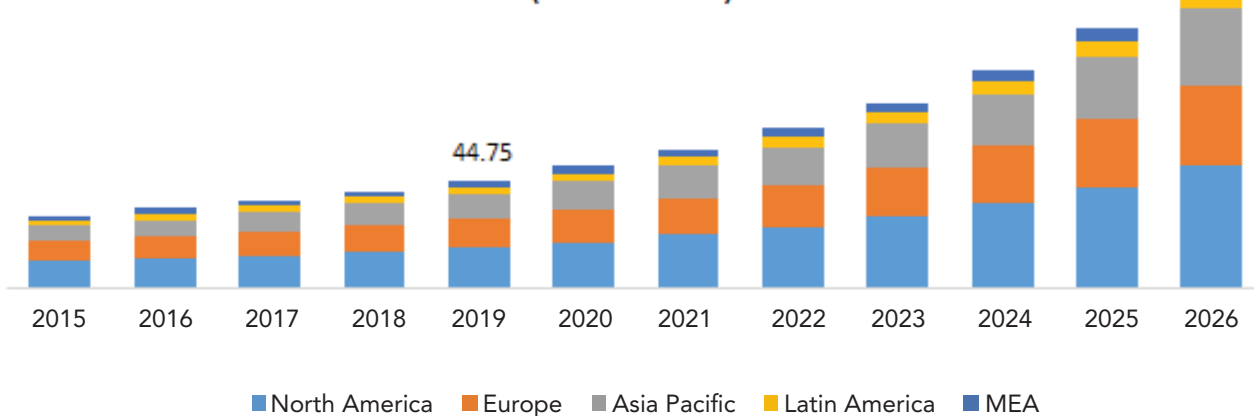


In fact, big players like Amazon entered the online medicine delivery business in 2019 by acquiring PillPack, an online medicine delivery business, for \$753 million but started operating only recently.

Businesses are realising the change in the trend, and the Internet is responsible for this.

Over the years, smartphones and tablets have become omnipresent, and so has the Internet. Be it a 15-year-old or a 65-year old, the Internet doesn't discriminate, and hence it is loved and leveraged by all.

ePharmacy Market Size, By Region, 2015 - 2026
(USD Billion)



Source: www.polarismarketresearch.com

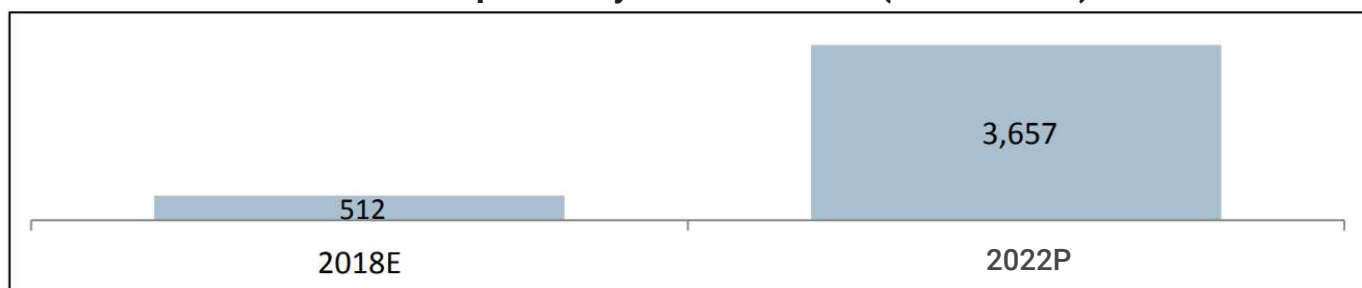


Well, who wouldn't want their medicines delivered to their doorstep with just a few clicks? Apart from the easy delivery of medicines, users can also get a consultation from the doctors and get generic medicines and alternatives.

Hence, the Medicine Delivery Business is the Future.

This eBook will cover all the aspects of how to launch an online medicine delivery business and the most significant features of it.

Exhibit 2.2: e-pharmacy market in india (US \$ million)



Source: Frost & Sullivan, Economic Times (dated 7 December 2018)



Why Start Medicine Delivery Business?

It comes as no surprise that the pharmacy delivery business has grabbed the eyeballs of investors around the globe.

There is a reason why online pharmacy apps like Netmeds and NowRx raised **\$35 million** and **\$7 million** respectively.

Nowadays, people consult doctors online for illness and get the prescription online, but not all medicines are available in the store.

Hence, a common marketplace like an online pharmacy delivery app can be used as a panacea for finding all the required drugs.

Most importantly, customers don't need to rush to the medical store for purchasing the required medicines anymore.

Furthermore, The COVID-19 pandemic and its aftermath have drastically increased the need for on-demand services.

Hence, the uber like medicine apps empowered the pandemic stuck customers, giving them the convenience to buy medicines with just a click.

ePharma delivery apps are beneficial for both the customers as well as for the pharmacists.



Benefits For Pharmacists

Pharmacists can benefit from online medicine delivery apps since it gives them visibility and growth. Imagine a marketplace that lists all the nearby medicine stores that offer deliveries. Just like how on-demand food apps like Swiggy and Zomato work. On-demand medicine delivery apps can work similarly, listing all the pharma stores with the availability of medicines. Along with the local pharmacists, online medicine delivery apps bring value to the customers, thus fostering pharmacies' sales.



Improved Customer Base

Pharmacies get more exposure and can improve the customer base by offering more discounts and offerings, a wide range of medicines, and transparent communication through automated chats.

The use of various website retention tools like gamification elements, personalization software, feedback system etc. with the e-Pharma app has increased customer engagement.

Authentic Medicines



ePharma delivery apps not just benefit the customers but also the pharmacies by eliminating the gruelling manual tasks.

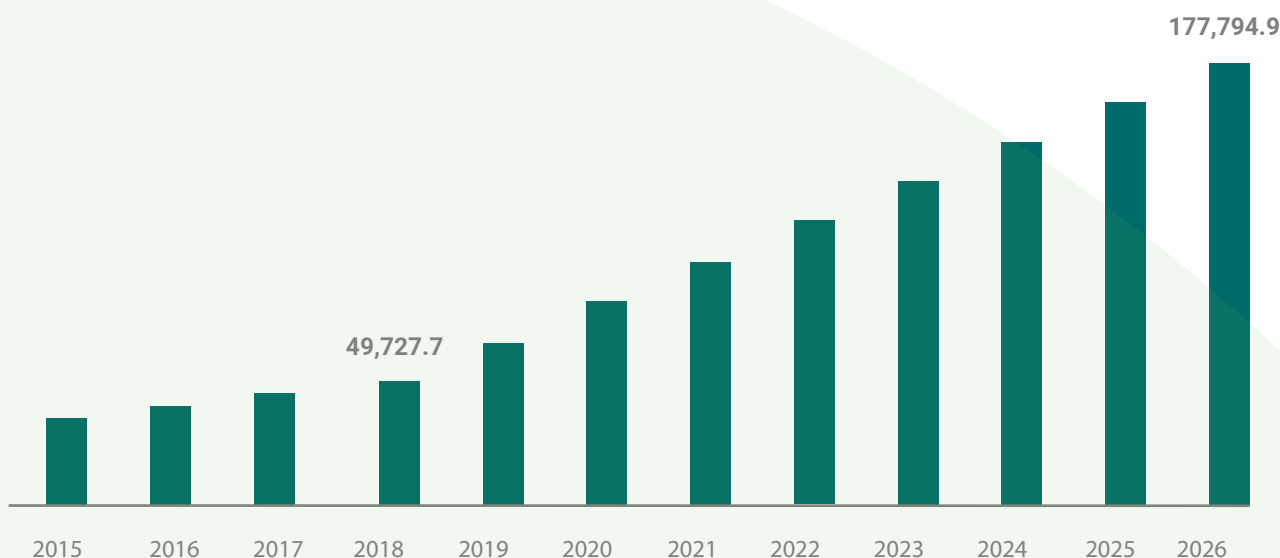
Pharmacy owners can get automatic updates about the inventory i.e., the expired or unsold medicines using a single interface.



Benefits for Customers

For the customers, online demand apps for Pharma have provided them with the flexibility of ordering medicines from anywhere. Even the phone calls have been cut short to live chat with the consultants. So much has changed over the years because the customers' demands have evolved. There are a number of reasons for customers to choose online medicine delivery apps. The below-given graph will give an idea of why there is a need to start an online delivery business now. Apart from flexibility, there are various other reasons why customers love ePharmacy or mHealth apps

Global epharmacy Market Size, 2015-2026 (US\$ Million)



www.fortunebusinessinsights.com





Ease of Accessibility

One of the major USPs of getting online medicine delivery apps is that they can be accessed from anywhere with just a tap.

Keeping the customer experience paramount, the apps are designed to reduce the customers' efforts. Anyone with Internet access can order the medicines on demand.

Moreover, a lot of old age people are dependent on others for their healthcare. Online pharmacies give empowerment to the patients and customers to order the medicines anytime.

Authentic Medicines



Online pharmacy companies are the most reliable ones because they abide by the strict rules and regulations as set by their country's 'Pharmacy Association.'

Hence, such marketplaces would only sell authentic medicines, which are in compliance with the laws. For example, online medicine apps in India sell medicines within the rules and regulations as set by the Indian Internet Pharmacy Association.



All Medical History

One of the major benefits of using the online pharmacy delivery apps for the customers is that it stores all your prescriptions, medical history, orders in one place. Customers can find the mode of transactions and amount of medicines. For chronic patients, it becomes even easier for their physicians to track medical records in the future.

ePharmacy is more reliable and quicker than pharmacy stores delivery. And, it is beneficial for both sellers and customers.

So, how do you create a robust Medical Delivery App like 1mg and Netmeds? If you know a tad bit about creating an online medicine delivery app, then the next chapter is surely going to brush up on your knowledge further.



Step-By-Step Instruction to Start Your **Medicine Delivery Business**

You need to make sure that you satisfy each user's needs. Now, there are three types of users involved in the medicine delivery business model.

App for Customers
App For Drivers
Admin Panel

We have divided this guide into two parts; Technical and Non-technical parts. While the technical part covers the app development, marketing and use of various technologies, the non-technical part includes creating a business plan, setting up accounts and the insurance plan of your business.

You cannot afford to skip both these parts if you want to build an effective medicine delivery solution.



Business Model of Online Medicine Delivery App

Usually, ePharmacy businesses work based on two types of business models.

First, You can either create a stock of medicines at your end and deliver them when you receive orders using robust mobile apps.

The second model is a more viable choice. You own a marketplace, and different medical stores can have an association with your company. Drivers can be hired for delivering medicines effortlessly at the customer's convenience.

Be it any business model, the steps involved in starting the online medicine delivery business is the same and should have some essential features to enhance its functionality.

No matter what model the company adapts, online pharmacies are easier to get started with and prove to be more lucrative for businesses.



Steps Involved In Starting Medicine Delivery Business:

Step 1: Create a Business Plan

Planning is indeed crucial to get success in any kind of business. Creating a business blueprint can help businesses figure out the necessary tools and resources. Your business plan preparation is a cumbersome task and may take a lot of time. Start by writing a few questions and find answers to all of them. ePharmacy is a vast market and expected to grow to \$109.2 bn by 2025. So, how do you manage a competitive edge in this overly competitive industry?

Before you create a plan, here are a few questions to ask out:

What is the cost estimation for developing an Online Pharmacy App?

Who is the target market?

What can you name your business?

What is the Revenue Generation Model?

Before setting up the business online, you need to create a detailed analysis of your business and vision for the next 5 years.

Find out your most strong competitors in the market and see what they are doing to scale their business.

Most importantly, analyse the revenue generation model of the businesses the same as yours and notice what the major source of their income is.

For example, Netmeds's revenue model is divided into three parts:

- Commission
- Marketing
- Shipping Charges

Out of the above three, the commission contributes largely to their revenue generation model. Hence, you can also create a business model that largely depends on commission as a revenue generation model.



Target Audience:

The next big thing is to know about the target audiences, demographics and data on chronic conditions of different age groups.

Here is an interesting market segmentation of the online businesses created by Oberlo/ Email Monday.



You can also create and learn the buyer personas to find out the needs, preferences and behaviour of your audiences.

Moreover, make sure to keep track of the number of mobile application downloads in Android or iOS. Once you have a complete summarization of all the above data, you can create an effective marketing plan for your business based on the analysis.



Step 2: Register Online Pharmacy

Now, the case with an online medicine delivery business is slightly different from other eCommerce businesses because you need to be compliant with all the rules and regulations of the pharmacy board. Next, you need to register your online pharmacy venture.

You can contact a business consultant who has knowledge about the procedure to register an online pharmacy. ePharmacy businesses in India have to get registered and follow the norms set by the Central Drugs Standard Control Organisation (CDSCO).

Step 3: Create a Business Accounting Procedure

Online delivery app development companies offer various solutions for your business, including inventory management, accounting, tax regulations and others.

You must have a clear business accounting model of your business in mind. Right from your investments to the sales generation and fundraising, you must have a proven record covering financial activities.

The use of various tax and accounting features incorporated with your online medicine delivery solution can help maintain all the necessary records of your tax filings and investments.

Step 4: Go for Insurance

Be it your offline store or an inventory for online delivery of medicines, getting an insurance policy is vital.



Step 5: Find a Mobile App Development Company

Now that you are done with everything, and all of it is fine and dandy, you need a robust solution to handle your business efficiently.

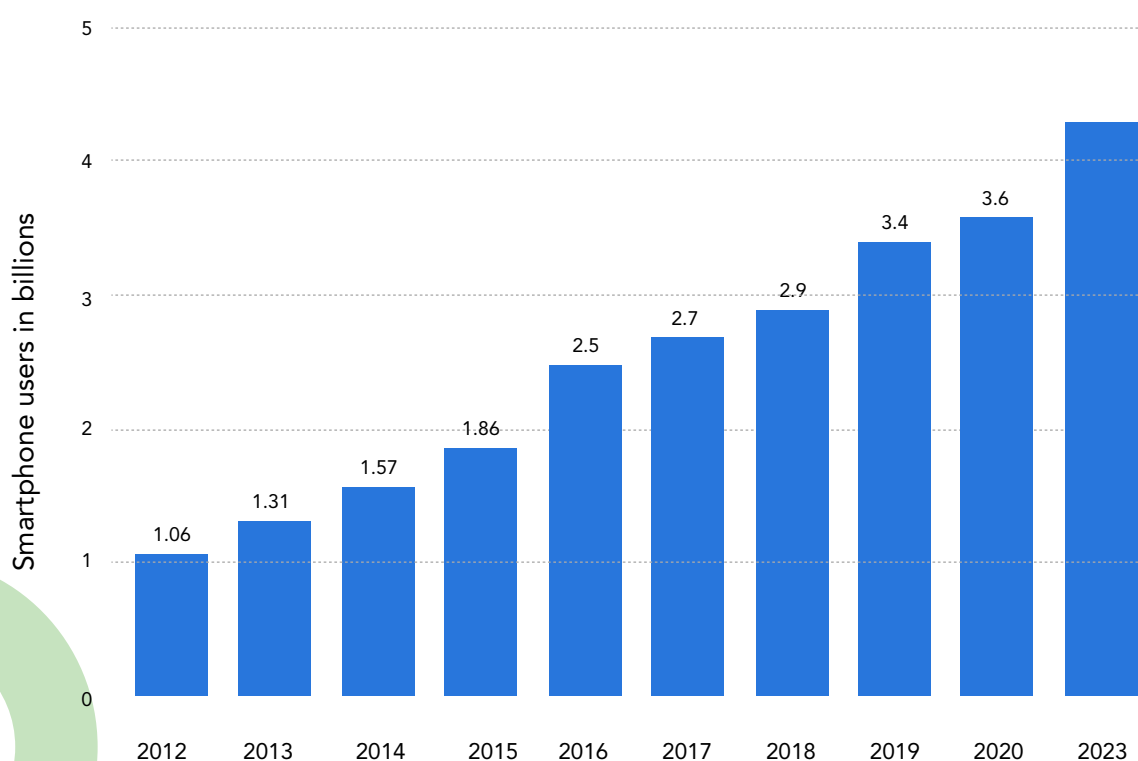
Finding the right app development company for your ePharmacy business can be counted as a big win for the pharmacy businesses.

With over 3.2 billion mobile users and 1.35 billion tablet users, it comes as no surprise that how much mobile apps are going to benefit your business. Hence, a mobile app is what you need to keep your business running round the clock.

A dedicated online mobile app for selling medicines will have a unified dashboard that lets customers search and compare the medicines.

This mobile app will be solely responsible for connecting the pharmacies to the customers. Since healthcare has joined forces with the digital ecosystem; supply chain management and delivery management has become much easier.

With just a click, businesses can manage the orders, drivers can find the locations for delivery, and customers can get their desired orders without any human interaction.



Important Attributes of Online Medicine Store

One of the major USPs of online pharmacy delivery is that it has all the digital tools to track, measure and scale the business, which is less viable in physical stores. The structure of the model should be efficient and must offer all the necessary features of an online medicine store.

From the order acceptance to payment validation till the delivery completion, online medicine stores need to have various attributes. To keep your business smooth and running, you must cover all the attributes mentioned below.

1. Create an Account Verification Method

Account verification is an important step when you own an online business to verify if your customers are genuine and interested in your services.

When users create their profile and verify using mobile number and email addresses, these can also be used by businesses for sending them the promotion and marketing emails or SMS later.

2. Real-Time Tracking and Analytics

Any business would want to track their business performance and see which segment of customers love their application. Hence, an online medicine delivery system must consist of a real-time analytics system.

Digital scanning and tracking solutions can help companies maintain a long track record of the medicines, track average time taken by the drivers and also analyse the performance of stores.

Companies can get a detailed report and analyse which types of medicines are being sold the most. This also gives them the data, including the areas that have the most orders or the most prescribed drugs from the physicians.

It also lets you track the movement of your representatives. There are a number of audience tracking systems that lets you track the number of people downloading the apps and other similar data.



Database Management System

You might also need a solid database management system to manage your inventory. These include the list of medicines to be included in the stock, the list of all the ordered medicines, the list of customers and a complete database of delivery representatives.

Digital solutions with database management systems can handle all the paper documents digitally at one location. Some mobile development apps can have an integrated database management system by DBMS support.

Selection of Payment Methods

Above all, the payment method is one of the most crucial steps in the entire process. Setting up different payment methods such as Debit Card or Credit Card, RazorPay, Paypal or Stripe, can benefit your business.

In fact, eWallets are going to be a big revolution in this digital era. According to a survey, 1.5 billion people are expected to use mobile wallets in 2021 In India.

Creating a unified payment solution for your pharmacy app would make it widely applicable. For just a small commission per transaction, your e-pharmacy business can have a competitive edge over the competitors with various payment methods.



Features of Online Medicine Delivery Apps

Features are the front line of your mobile application, and you will need a set of features including the basic ones as well as the advanced ones, to enhance the functionality of your business.

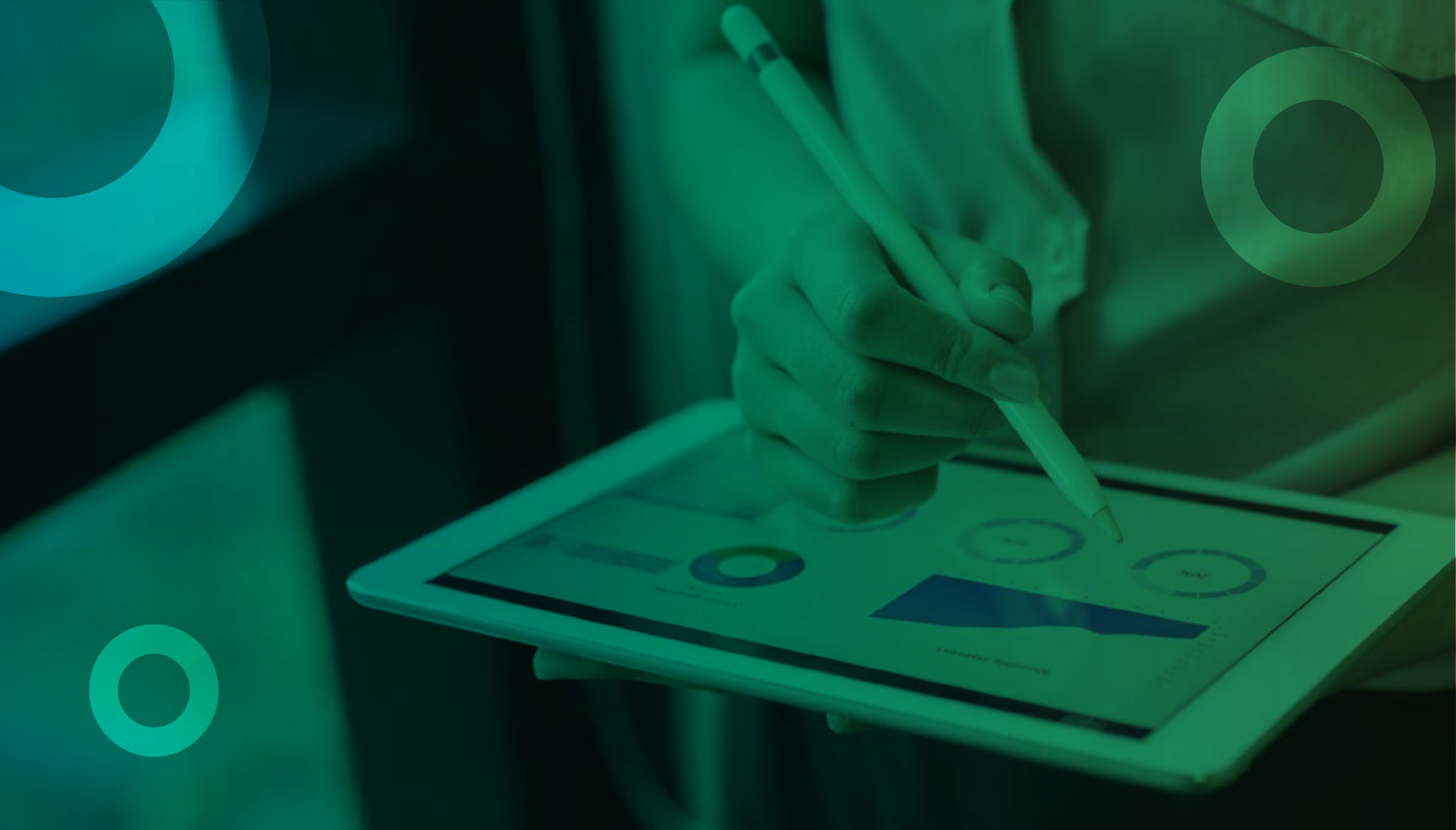
Different users might need different features to run the online medicine store efficiently.

Features For Admin:

Admin panel gives the businesses complete control over their businesses, including the information on stock availability, consumer behaviour and customer feedback, catalogue management and various other functionalities.

This comprehensive admin panel can help you achieve the balance between agent and your customer, as well as inventory management.

It also comprises various marketing tools and monetisation methods so that you can scale your business in a short time. An admin panel helps you achieve complete automation and generate data-driven insights.



Manager Dashboard:

Manager dashboard allows admin to assign different roles to the users. Scheduling tasks becomes easier and ensures capacity is utilised. It can also restrict different users from performing certain actions. If businesses tend to have inventory or warehouse, these dashboards can manage multiple depots and warehouses.

Using this, the admin can manage the details of orders that are placed online and also get the advanced reports of customers, which are segmented by specific medicine stores and medical suppliers.

Catalogue Management:

Online medicine delivery apps give both admin, and pharmacies access to edit or add the medicines as per the availability. They can also edit the expiry date or pricing of the medicines when a new stock replaces the old stock in the inventory or store.

Online medicine solutions are tailor-made for making quick changes to the stock and lets pharmacists update the availability of the medicines.

Admins can also create categories and subcategories using filters such as disease type, chronic conditions, generic options, age group, and others.



Prescription Upload:

An online upload of prescription lets pharmacies, as well as the admin panel help verify the correct use of medicines as it is made mandatory by the Pharma Association Boards in different countries to sell medicines only prescribed by physicians.

It should allow the upload of prescription in different formats such as PDF, JPEG and PNG.

Real-Time Tracking:

Admin has all the access to keep track of the orders, delivery time, and payment methods used for the payment.

Using a unified analytics interface, admins can track the cancelled orders, refunds, initiated payments as well as prescription verification.



Features For Customers

The online medicine delivery app must have user-friendly features and an easy to use interface to make ordering a breeze. Hence, some of the most significant features of customer dashboards are

Profile Management:

It must have the option to give its users the option to build their user profile. New users can register and sign up for the online medicine delivery with all the necessary details, including name, address, email address, phone number and payment methods.

Search Medicines:

It can help customers search the medicines and check if it is available at the online medicine store or compare prices with the others.

Customers can also use certain filters to find the right suggestion for drugs.

Order Tracking:

This comes as a lifesaver for the customers. Once they have ordered the medicine, they can track their orders in real-time and also get information such as the name and contact details of the delivery agent.



Ratings & Feedback:

92% of consumers take some time to read product reviews before making a decision on a product purchase. Including the testimonials or customer feedback section in your online delivery app would be pivotal for the business to gain their trust.

Customers should have the flexibility to rate the medicines supplied, rate the orders and delivery agent, leave comments and report any problems.

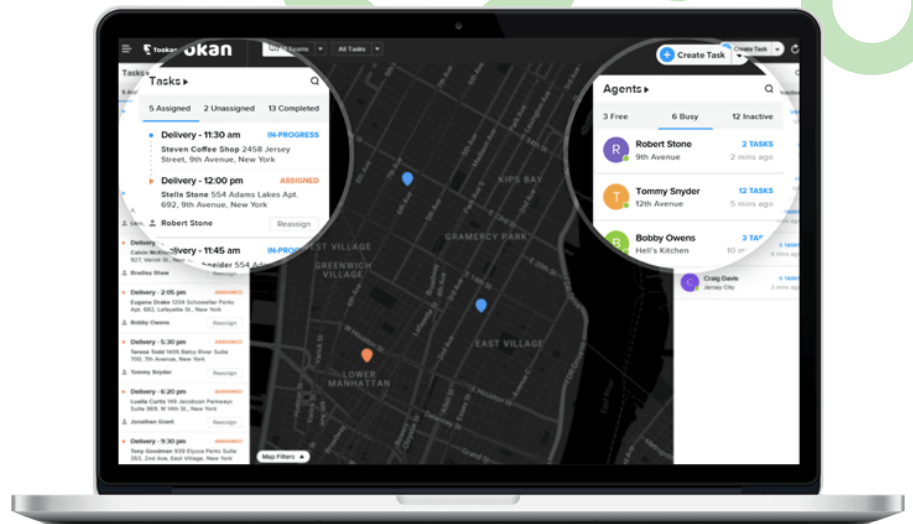
This helps businesses to diagnose problems and enhance customer's experience with a quick turnaround. Using features like these, you can turn your social proof into a powerful customer retention tool.

Customer Chat:

Customers should be able to contact the customer support team in case of grievances or confusion. Online mobile app development companies like Tookan also lets customers directly connect with the pharmacies to get the status on the availability of medicines. Customers should also be able to contact the delivery agents through chat or phone for a quick turnaround of their orders.

Payment Methods:

Online medicine delivery apps must-have payment gateways. Using a secured payment channel for customer transactions and order completion is vital for any business.



Features for Driver:

Pharmacy businesses can partner with various courier services or logistics solutions for managing the delivery. With the help of the online medicine delivery service, a delivery agent will be auto-assigned to the customers that makes the delivery of medicines for them. Delivery agents need a dedicated dashboard to manage and deliver the orders. So, here are some most significant features that delivery agents need:

Route Optimisation and Navigation:

The delivery management software helps delivery agents to optimise their delivery destination routes and find the quickest route.

Agents can view the shortest and the quickest route with the help of the application interface. An online delivery solution offers navigation systems that help agents and customers track routes.

Instant Push Notifications:

It can help customers search the medicines and check if it is available at the online medicine store or compare prices with the others. Customers can also use certain filters to find the right suggestion for drugs.

Daily Earning Report:

Drivers can also get a detailed view and analysis of all their delivered orders and the total time they have worked in a day.

Online medicine delivery app development companies add another intriguing feature that lets delivery agents check and generate earning reports of particular timeframes.

Moreover, drivers are able to save these reports on their device for later purposes. Delivery agents can also check their ratings and customer feedback.

How Does Online Medicine Delivery App Works?

Now that you are familiar with the features necessary to build online pharmacy apps, you must be curious to know how online medicine delivery apps like Netmeds and PharmEasy works? The main objective of all these delivery stores is to provide their customers with top-notch services and products, but what matters the most is the exquisite features and functionalities of these mobile apps.

Customers must be able to order the prescribed medicines with just a click, and the delivery agents should readily provide these medicines at the customer's doorstep without any hassle.

Your online medicine delivery applications must be available on Android as well as your iOS system to get a vast customer base.

Here are the steps for the working of an online medicine app:



Step 1: Search & Compare Medicines

Customers start by searching for the desired medicines and compare the pricing offered by different online pharmaceutical stores.

Once the user gets the desired medicines, they can proceed with the next step.



Step 2: Upload Prescription:

Prescriptions are important for pharmacists to verify the right supply of drugs. Offline medicine retailers can tie-up with the online pharmacy business and supply these medicines using the company's delivery agent.

Once the customer uploads the prescription to the dashboard, the pharmacy or admin verifies and accepts it; next the customer receives the notification to proceed. Customers can also choose the preferred medical stores on the app to order medicines.



Step 3: Placing Order:

Next, customers can add the medicines to the cart and proceed with the order placement. Users add the medicines to the cart and provide the relevant descriptions. Once the order gets placed, the delivery agent collects the medicines from the retailers or pharmacists.

Customers and the delivery agent get the ETA on their screen as soon as the agent accepts and starts his journey.



Step 4: Payment & Delivery:

During the order placement, customers can choose the mode of payment like cash on delivery, cards or eWallets.

On payment confirmation, the delivery agent assigned will deliver the package to the provided destination. After the delivery, customers can individually rate the drivers as well as the store services and products.



The Future of E-Pharmacy Business:

The widespread use of eCommerce especially in health, has resulted in various advancements and changing trends in the industry.

eCommerce has come a long way from 1.32 billion users in 2014 to an expected 2.14 billion by the end of 2021.

With the insane rise in the number of mobile phone users and Internet users, a solution like ePharmacy has arrived late at the party but has a long way to go.

The mobile app provides a unified and easy solution for online medicine delivery, reducing the dependency or the need to step out for the customers.

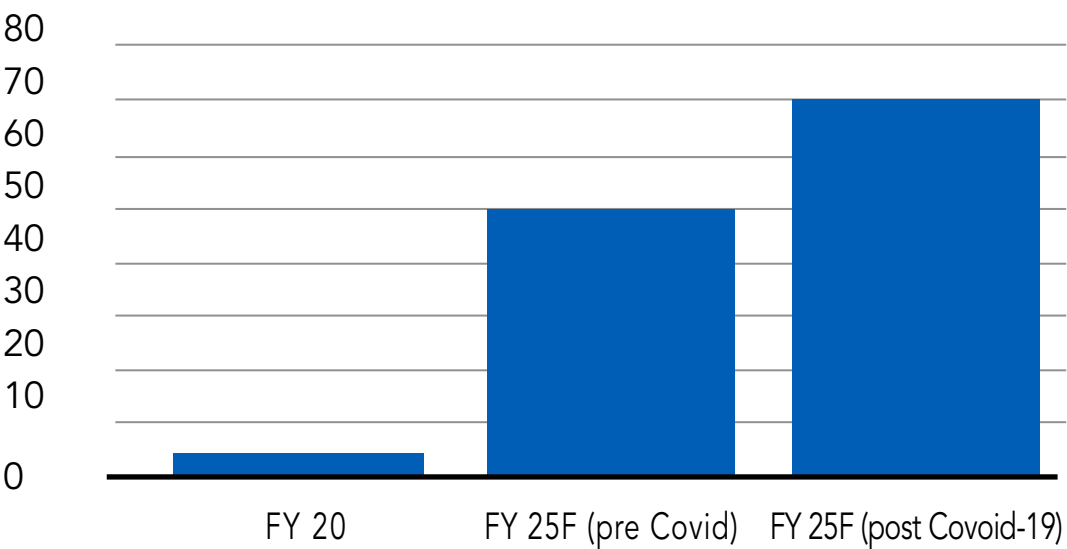
Be it developed or developing countries, mobile purchases have increased (as mentioned above) and are expected to further increase drastically. Moreover, the current situation of the COVID pandemic has created a window of opportunities for pharmaceutical businesses around the world.



Refer to the graph given below that predicts the future of the Indian pharmacy market by 2025.

EPHARMACY REVISED HOUSEHOLD ESTIMATES

(Number of households, millions)



With the increasing risk of infections, contactless delivery is the most desired solution, and that’s what ePharmacy offers. Hence, online medicine delivery apps can be the panacea for the contactless and quick delivery of medicines.

Junglework's delivery management solutions include features like the SMS Gateways, Geofencing, Smart Analytics and Easy Integration will play a defining role in the future of the ePharmacy business.





Wrapping Up:

Online medicine delivery apps have become popular among major capital firms. That's why big players like Amazon and Walmart have entered the stiff competition of the online pharmacy business. If you are wondering about launching an online medicine delivery business, now is the right time for you. The demand for medicines has soared, and hence an online delivery service like this can sufficiently manage it.

Be it the emerging startup, MSMEs or Enterprises, mobile app development is vital for everyone to give a competitive edge in the industry.

From branding to promotion and marketing, mobile app development companies like Jungleworks have everything to get you started.

Jungleworks' offers online medicine delivery solutions with robust features to take your business to new heights.

Thank You

Hope this guide to build an online medicine delivery app will be helpful in your quest to become a successful entrepreneur. Make sure to use this step-by-step guide to help you get started with online delivery app development.