

## OTC (Over-the-Counter Drugs) Market in Japan: Key Research Findings 2016

### ◆ Research Outline

Yano Research Institute has conducted a study on the domestic OTC (Over-the-Counter Drugs) market with the following conditions:

1. Research period: From June to September, 2016
2. Research targets: Domestic leading OTC manufacturers
3. Research methodologies: Face-to-face research by the expert researchers, surveys via telephone/email, and literature research

#### What is OTC (Over-the-Counter Drugs)?

OTC stands for “Over the Counter Drugs,” the medicines sold to customers without any prescription from health care professionals, whereas the prescription drugs only sold on prescription to the patients. OTC includes all-in-one cold remedies, health drinks, vitamin preparations, eye drops, digestive remedies, cataplasms/plasters, antipyretic analgesics, and intestinal remedies/antidiarrheal remedies.

#### What is OTC Market?

Size of the OTC market in this research is calculated by totaling the shipment amounts of both OTC (including guidance-needed medicines, first, second, and third-category nonprescription drugs) and designated quasi drugs (which are items that became quasi drugs designated by Ministry of Health, Labour and Welfare).

### ◆ Key Findings

#### ■ 2015 Domestic OTC Market Rose by 1.8% to Attain 809.0 Billion Yen, Achieving Positive Growth for Three Consecutive Years

The OTC market size (including designated quasi-pharmaceutical products) in 2015 grew by 1.8% to attain 809.0 billion yen, based on the shipment value at manufacturers. Although the growth rate of the entire OTC market was only 1.0% level, the market of nonprescription drugs alone rose by remarkable 3.3% from the previous year. Such thriving market stemmed from the new products having been put on the market and some nonprescription drugs having become exempted from taxation, which encouraged inbound demand from foreign visitors.

#### ■ Eye Drops Recorded Double Digit Growth of 11.8% to Attain 48.5 Billion Yen, and Vitamin Preparations Rose by 4.4%

When looking at the OTC market by medicine category, eye drops rose by 11.8%, a double digit growth to achieve 48.5 billion yen, and vitamin preparations grew by 4.4% to attain 71.0 billion yen. Stable growth was shown by both cataplasms/plasters and antipyretic analgesics, respectively attaining 34.4 billion yen (up by 1.8%) and 32.0 billion yen (rise by 1.3%). It seems that inbound demand from foreign tourists, effective marketing, and proactive promotions of some new products have contributed to such favorable growth.

#### ■ Generating New Demands and Exploring Potential Demands are Required to Expand and to Vitalize Domestic OTC Market

It is indispensable for the domestic OTC market to be invigorated to keep its expansion before

the inbound demand quietens down. There are various methods to stimulate the market, such as introducing switch OTC to the new area of demands, creating a new market using switch OTC that have new efficacies, promoting new products with unprecedented angles to generate new demand, and re-recognizing existing demand from existing efficacy by looking the medicine from new aspects. These attempts may also encourage self-medication to be taken by each citizen, a measures expected to contribute to health-costs suppression.

\*Switch OTC is a kind of OTC permitted by MHLW that includes active ingredients used to be contained in prescription-required, ethical drugs.

◆ **Report format:**

Published report: “OTC Drug Market 2016”

Issued on: September 30, 2016

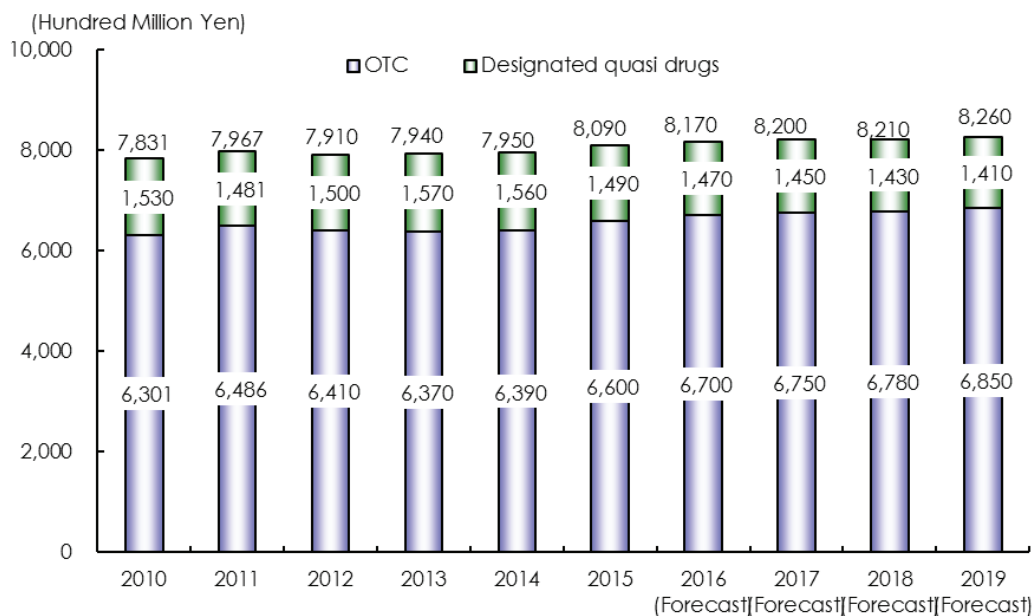
Language: Japanese

Format: 322 pages in A4 format

Price: 115,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

**Contacts:** Public Relations  
**Yano Research Institute Ltd. (URL: <http://www.yanoresearch.com>)**  
 Phone: +81-3-5371-6912 E-mail: [press@yano.co.jp](mailto:press@yano.co.jp)

■ **Figure1: Transition and Forecast of OTC Market Size**

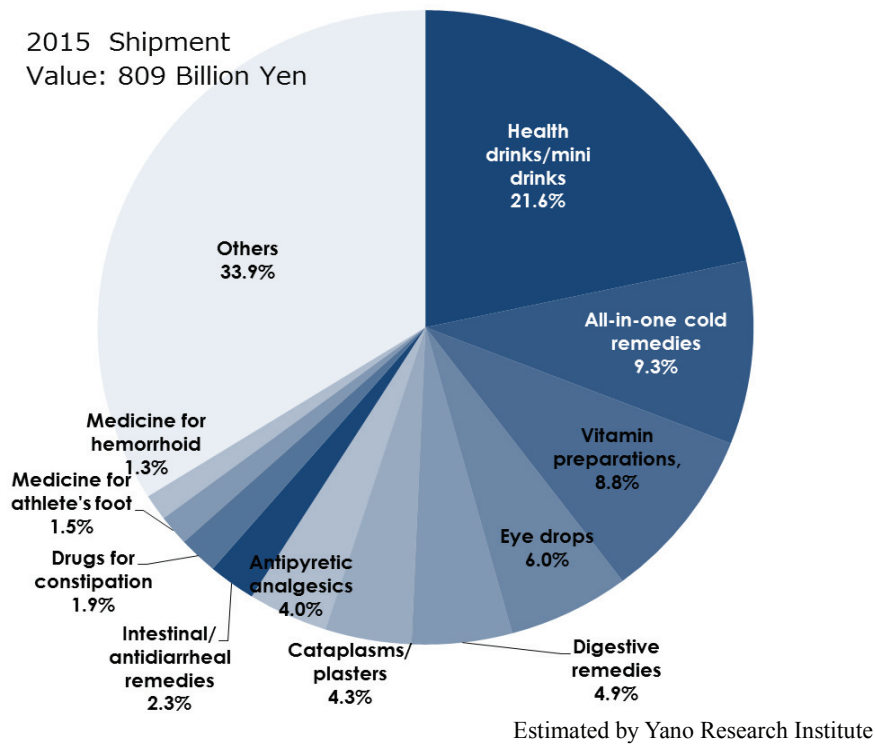


Estimated by Yano Research Institute

Notes:

1. The market size is based on the shipment value at manufacturers.
2. The figures until 2011 are extracted from Statistics on Dynamic Pharmaceutical Industrial Production from MHLW, the figures from 2012 to 2015 are based on prospects by Yano Research Institute, and the figures in 2016 and beyond are forecast calculated by Yano Research Institute.
3. Size of the OTC market in this research is calculated by totaling the shipment amounts of both OTC (including guidance-needed medicines, first, second, and third-category nonprescription drugs) and designated quasi drugs (items that became quasi drugs designated by Ministry of Health, Labour and Welfare), such as health drinks sold at convenience stores, etc.

■ **Figure 2: Domestic OTC Market Share by Medicine Category**



Notes:

- The market size is based on the shipment value at manufacturers.
- Size of the OTC market in this research is calculated by totaling the shipment amounts of both OTC (including guidance-needed medicines, first, second, and third-category nonprescription drugs) and designated quasi drugs.
- Some values in figure 2 are rounded so that the ratio in the figure may not match.

■ **Table 1: Transition and Forecast of Domestic OTC Market Size of the Seven Drug Categories**

(Unit: Million Yen, %)

	2010	2011	2012	2013	2014	2015	2016 (Forecast)	2017 (Forecast)	2018 (Forecast)	2019 (Forecast)
Health drinks/mini drinks (Y-o-Y Comparison)	193,000 101.0	189,000 97.9	186,500 98.7	188,000 100.8	179,000 95.2	175,000 97.8	173,000 98.9	170,000 98.3	168,000 98.8	165,000 98.2
All-in-one cold remedies (Y-o-Y Comparison)	75,000 103.4	76,000 101.3	77,000 101.3	76,500 99.4	76,000 99.3	75,500 99.3	75,000 99.3	74,500 99.3	75,000 100.7	75,500 100.7
Vitamin Preparations (Y-o-Y Comparison)	65,500 98.8	67,000 102.3	67,500 100.7	67,500 100.0	68,000 100.7	71,000 104.4	72,000 101.4	72,500 100.7	72,000 99.3	71,000 98.6
Eye Drops (Y-o-Y Comparison)	44,600 97.4	43,800 98.2	43,500 99.3	43,900 100.9	43,400 98.9	48,500 111.8	50,000 103.1	49,000 98.0	48,000 98.0	47,000 97.9
digestive remedies (Y-o-Y Comparison)	42,300 98.1	41,600 98.3	41,200 99.0	40,700 98.8	40,400 99.3	40,000 99.0	39,700 99.3	39,400 99.2	39,200 99.5	39,000 99.5
cataplasms/plasters (Y-o-Y Comparison)	34,200 97.4	33,800 98.8	33,500 99.1	33,500 100.0	33,800 100.9	34,400 101.8	34,700 100.9	35,000 100.9	35,300 100.9	35,500 100.6
antipyretic analgesics (Y-o-Y Comparison)	29,400 99.0	30,800 104.8	31,200 101.3	31,400 100.6	31,600 100.6	32,000 101.3	32,500 101.6	32,800 100.9	33,000 100.6	33,200 100.6

Estimated by Yano Research Institute

- The market size is based on the shipment value at manufacturers.
- The table has been summarized from the OTC market, showing the top 7 categories of the market.