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RESEARCH ARTICLE

Navigating Brand Equity: A Case on Mankind Pharma's OTC Business Restructuring Strategy[1]

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ABSTRACT

In October 2024, Mankind Pharma, a leading Indian pharmaceutical firm recognized for its mass-market offerings, revealed its decision to transfer its over-the-counter (OTC) division to a wholly owned subsidiary, Mankind Consumer Products Pvt. Ltd. (MCPPL), via a slump sale transaction (Pharma, 2024). This move represented a pivotal moment in the company's growth strategy, as it aimed to strengthen its foothold in the expanding consumer healthcare sector while distinguishing its primary pharmaceutical identity from its fast-moving consumer goods (FMCG)-focused over-the-counter (OTC) lineup. Under the leadership of Mr. Rajeev Juneja, Vice Chairman and Managing Director, Mankind Pharma has experienced rapid growth by providing affordable and accessible healthcare solutions with a strong presence in the domestic market. Mankind Pharma has developed many brands, including 'Manforce', 'Prega News', 'HealthOK', and 'Gas-O-Fast', which have enjoyed high recognition. Thus, to leverage this, the company aimed to capitalize on its consumer momentum by restructuring its business model. However, the aggressive branding strategy employed for OTC products posed challenges, notably a public controversy surrounding its 'HealthOK' multivitamin campaign, which drew criticism from the 'All-India Organization of Chemists and Druggists' (AIOCD). Mr. Juneja faced a critical decision: Should Mankind intensify its aggressive marketing and rapid expansion of the OTC brand portfolio, or should it adjust its positioning to mitigate reputational risks and safeguard long-term brand equity?

Keywords: Mankind pharma, Brand repositioning, Brand equity, OTC business, Consumer healthcare, Strategic restructuring

BACKGROUND

Mankind Pharma, established in 1995, gained prominence by prioritizing affordability and expanding its reach into India's semi-urban and rural areas. Since its founding, Mankind has risen to rank among the top five pharmaceutical companies in India, based on domestic sales, leveraging its extensive distribution networks and clever pricing strategies to break into Tier-II and Tier-III cities. Both its prescription and consumer healthcare initiatives have been informed by the company's brand concept, "Serving Life," which places a strong emphasis on accessibility, affordability, and trust. Mankind Pharma's primary goal is to establish itself as a major player in the Indian pharmaceutical and consumer healthcare industries by offering accessible and reasonably priced healthcare solutions

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[1]The case has been written on the basis of published material. The perspective and interpretation illustrated in the case may or may not align with Mankind Pharma management or its employees.

to the general public. Following the pandemic, Mankind realized it needed to shift from a pharma-centric brand to a hybrid approach that combined FMCG agility with healthcare credibility as consumer health awareness and self-medication trends increased.

A larger goal to distinguish its prescription medications from its FMCG-style consumer health portfolio is reflected in the most recent strategic reorganization, which involved moving the over-the-counter (OTC) sector to a distinct company, Mankind Consumer Products Pvt. Ltd. (MCPPL). The goal of this structural change is to improve branding, operational effectiveness, and focus in the rapidly expanding OTC market. Mankind saw a timely opportunity to rethink its value offer and establish a unique niche in preventative and wellness-focused consumer goods, since India's over-the-counter (OTC) industry is expected to exceed $10 billion by 2030 (Mordor Intelligence, 2025). The company's success is rooted in its ability to merge product accessibility with impactful branding, especially in the OTC and consumer healthcare sectors. By 2023, its range of consumer brands had secured a substantial market presence. In the very competitive over-the-counter (OTC) market of India, brand awareness alone is not enough. Leading companies need to transform into consumer-focused experiences where the values and lifestyles of their target audience are reflected in the product identity. The brand journey of Mankind Pharma serves as an example of this change:

- 'Prega News,' a widely recognized pregnancy test kit in India
- 'Manforce,' the leading brand in the condom market
- 'HealthOK,' a multivitamin aimed at modern urban consumers;
- 'Acne Star' and 'Gas-O-Fast,' well-regarded names in personal care and digestive relief.

Key OTC brand analysis: Market Positioning, Brand Acceptance, and Performance.

"Prega News"

Beyond its primary purpose of pregnancy testing, the brand has evolved into a representation of women's empowerment and emotional support. To appeal to metropolitan and semi-urban women between the ages of 20 and 35, advertising campaigns often depict real-life situations and emphasize the importance of parenthood, relationships, and trust. So, 'Prega News' is targeted to women across geography and the market is positioned as a reliable, affordable, and accessible emotionally bonding pregnancy detection kit. Thus, it tries to offer trust, privacy, and a brand connection that empowers women (Faizullabhoy & Wani, 2025). With almost 80% of the market share in India's pregnancy test kit industry, the brand has attained considerable acceptance. Its supremacy has been cemented by its extensive availability in pharmacies and online, as well as by its covert packaging and emotionally appealing advertising. First-time users' trust is further strengthened by its widespread presence across pharmacies and online shopping portals. The Indian pregnancy test kits market was estimated to be worth USD 61.96 million in 2023 and is projected to rise at a compound annual growth rate (CAGR) of 6.095% to reach USD 65.2 million in 2024 and USD 125 million by 2035. Due to its significant market share, 'Prega News' is well-positioned to profit from this growth trajectory (Future Market Research, 2025). Major competitors include Dabur, Cipla Health, Emami, Patanjali, and Himalaya, all of which capitalized on strong consumer branding and omnichannel strategies.

"Manforce"

Looking at the market potential, 'Manforce' is positioned in the market as a bold, safe, and innovative brand that appeals to younger audiences with a wide range of products through a provocative marketing campaign, developing emotional content and increasing engagement rates, thus developing a strong, memorable brand impression. Its product portfolio has a strong emphasis on enjoyment, security, and diversity. (Malviya, 2024). With a 30.1% market share in India, the brand has achieved considerable acceptance. Its robust market presence can be attributed to both its product range and savvy marketing.

The Indian condom market was estimated to be worth USD 861.3 million in 2023 and is expected to expand at a compound annual growth rate (CAGR) of 11.0% between 2024 and 2030. Manforce is well-positioned to benefit from this projected expansion due to its high market share and strong brand recognition (Grand View Research, n.d.).

"HealthOK"

HealthOK is promoted as a complete multivitamin supplement made to help with issues related to modern living, like exhaustion and weakened immunity. It caters to urban consumers who are health-conscious and looking for everyday energy and wellness support (Asokan, 2021).

Since its inception, HealthOK has become more popular with customers, especially because of its formulation that includes taurine, natural ginseng, and important vitamins and minerals. The brand was criticized, meanwhile, for an ad campaign that was thought to be culturally insensitive, underscoring the significance of culturally sensitive marketing techniques (Mankind HealthOK, 2025). HealthOK's position in significant online marketplaces and pharmacies suggests a rising customer base, even though precise sales data are not made public. Product visibility and the brand's continuous marketing initiatives point to a promising performance trajectory.

"Gas-O-Fast"

Using Ayurvedic components, Mankind Pharma innovatively launched 'Gas-O-Fast' and rolled out the 360-degree campaign, positioned naturally as a quick-relief antacid treatment to appeal to customers looking for natural solutions for indigestion and acidity. Its branding highlights the cultural significance and effectiveness of traditional Indian medicine (Editorial, 2022).

During the COVID-19 lockdown, the brand saw a 100% growth in market acceptance, demonstrating its significant market acceptance. Its usage of well-known Flavors like jeera (cumin) and the support of well-known local figures have increased its appeal to a wider range of customer demographics (MAM, 2021). Gas-O-Fast's strong market performance can be attributed to its innovative products and clever marketing. The brand's position in the over-the-counter antacid market has been strengthened by its emphasis on Ayurvedic formulas and consumers' faith in conventional treatments.

STRATEGIC MOVE: RESTRUCTURING OTC BUSINESS

The goal of Mankind's OTC business spinoff into MCPPL was to provide targeted leadership, talent acquisition, marketing agility, and digital innovation. Growing the consumer business from 7% of overall sales to 15% over time was the main goal (The Hindu, 2024). This strategy produced notable development, with domestic sales making up 97% of total revenue and revenues exceeding Rs. 10,335 crore in FY24 (Economic Times, 2024).

At the announcement, a business representative stated, "We believe this strategic move will enable sharper focus, quicker innovation cycles, and better market responsiveness as part of our commitment to build a stronger consumer health brand portfolio." (ET Pharma, 2024). With a committed workforce and marketing budget, MCPPL was supposed to function like a start-up while adhering to Mankind Pharma's core principles.

RATIONALE

In October 2024, Mankind Pharma signed a Business Transfer Agreement (BTA) to transfer its over-the-counter (OTC) operations to Mankind Consumer Products Private Limited (MCPPL), its wholly owned subsidiary, on a declining sale basis. At the time, the consumer business accounted for approximately 7% of the company's overall revenue. Mankind Pharma's realization that a new business model was necessary for consumer healthcare was reflected in the reorganization. The OTC industry necessitates aggressive marketing, consumer involvement, and omnichannel presence, in contrast to prescription drugs, which mostly depend on doctor-patient trust.

The objective of this strategic realignment was to increase the concentration on this segment. The decision was motivated by the realization that the consumer business necessitated a unique approach that was distinct from the pharmaceutical division. By establishing a dedicated subsidiary, Mankind Pharma intended to:

- Attract specialized talent with expertise in consumer goods marketing.
- Develop tailored strategies around consumer requirements.
- Establish differentiated distribution channels.
- Enhance brand recall and ensure consumer brands resonate more effectively with the target audience.

"This decision has been made because the consumer business was previously managed with a concoction of pharmaceutical and consumer-focused strategies, which we believe can be better streamlined with a tailored approach," said Vice-Chairman & Managing Director of Mankind Pharma, Mr. Rajeev Juneja (Table 1).

Financial Insight

Post restructuring, Mankind Pharma's OTC segment witnessed a strong financial outcome, where Mankind's OTC business expanded significantly after reorganization. The OTC segment reached Rs. 193 crore in Q3 FY25, a 30% year-over-year growth in revenue (Mankind Pharma, 2024).

In terms of operational efficiency, by streamlining operations, the division made it possible for specialized teams to concentrate on the creation, promotion, and distribution of consumer goods, which enhanced productivity and creativity. Mankind may quickly adjust to consumer preferences and market trends with a specialized consumer products entity, increasing its competitiveness in the ever-changing over-the-counter market.

BEFORE AND AFTER: BRAND RESTRUCTURING IMPACT

Mankind Pharma's strategy for brand segmentation, repositioning, and equity management underwent a dramatic change with the strategic reorganization of

Table 1: OTC Portfolio Performance

Before Restructuring	
FY24	The OTC company reported Rs. 706 crore in total revenue, thus keeping the EBITDA margin at a solid 19.9%. (The Financial Express, 2024), (Fortune India, 2024)
After Restructuring	
Q1 FY25	OTC reported Rs. 206 crore in revenue in the first quarter of FY25, with a 19.5% EBITDA margin.
Q3 FY25	Consistent growth in secondary sales, i.e. consumer healthcare segment's 30% year-over-year revenue growth. (Business Standard, 2024)

This suggests a favorable course following restructuring, with notable expansion noted in the consumer healthcare sector.

its over-the-counter (OTC) business into a wholly owned subsidiary, Mankind Consumer Products Pvt. Ltd. (MCPPL). By separating its consumer healthcare and pharmaceutical businesses, this action aimed to enable more focused operations and strategies.

Before Restructuring

Mankind Pharma used a unified branding strategy, managing its over-the-counter and prescription medications under one corporate roof. Because the different needs of consumer and pharmaceutical items were handled consistently, this structure frequently resulted in overlapping strategies and possible brand dilution. With an emphasis on accessibility and price, the business specifically targeted semi-urban and rural locations. Although this strategy worked well for pharmaceuticals, it fell short of taking full advantage of the special marketing potential in the consumer healthcare industry. With 'Prega News' controlling more than 80% of the market in its category, brands like 'Manforce' and 'Prega News' had already attained a high level of market awareness. Despite measurable achievements, the company operated under the parent brand 'Mankind Pharma' name, which has hindered its capacity to develop unique brand identities and stronger relationships with customers.

After Restructuring

The separate business entity, i.e., MCPPL, made it possible to concentrate on consumer healthcare products. Because of the separate entity, OTC-specific distribution channels, product improvements, and marketing tactics were able to be developed. Mankind could better distinguish its brands with separate operating entities, ensuring that consumer goods like 'Manforce' and 'Prega News' had distinct identities apart from its medicinal services. MCPPL owned the onus to strategize and design its own stories, advertising campaigns, and new products, which resulted in more meaningful connections with customers. As demonstrated by the HealthOK campaign's modifications in reaction to public outcry, the dedicated structure made it possible for businesses to respond to market feedback more quickly and efficiently.

CONTROVERSY

Soon after the reorganization, HealthOK's advertising campaign, which featured Bollywood stars, highlighted the possibility that vegetarians would be lacking in important nutrients. AIOCD criticized the commercial, saying the message was deceptive and disrespectful to cultural feelings. The group threatened to boycott the goods and called for the ad to end.

The dangers of using aggressive FMCG-style marketing in a delicate healthcare setting were brought to light by this episode. The experience acted as a warning about the drawbacks of using FMCG-style advertising for healthcare items, where social responsibility and consumer trust are more important considerations. The lines separating ethical duty and consumer interaction were blurry and difficult for a company with a pharmaceutical reputation. According to a study by The Ken (2024), "Mankind Pharma's clever marketing worked wonders—until it began selling supplements." The report noted that although the company's promotional strategies were successful in increasing recall, they also put it at risk for damage to its reputation (The Ken, 2024).

Mr. Juneja was left with a crucial choice as public debate intensified: Should Mankind Pharma shift toward a more cautious, trust-based marketing strategy consistent with its pharmaceutical ethos, or should it stick to high-impact campaigns to quickly scale its OTC products and meet its revenue targets? Despite MCPPL's increased presence on digital and retail platforms, ethical communication controversies remained. HealthOK's brand equity suffered, although Prega News and Manforce remained the leaders in their respective sectors. The leadership of Mankind understood the necessity of striking a balance between accountability and creativity.

CONCLUSION

The restructuring business segment of Mankind Pharma's over-the-counter company, MCPPL, represents a major strategy shift in response to the growing complexity and opportunity in India's consumer healthcare industry. A strategic choice to fully utilize popular brands like Gas-O-Fast, HealthOK, and Prega News swiftly evolved into a more extensive branding, autonomy, and market positioning exercise.

Because of this restructuring, Mankind Pharma was able to divide its pharmaceutical activities and put in place a focused, consumer-centric strategy. It conveyed a desire to compete not only on price and reach but also on product originality, emotional connection, and brand experience—all of which are traits of strong consumer brands. However, the criticism of the HealthOK campaign revealed the delicate balance between creative consumer marketing and the legitimacy usually associated with medical goods.

The example demonstrates how branding in the healthcare sector increasingly includes interactions, communication, and adapting to shifting consumer sentiments in addition to product efficacy. The structural separation created opportunities for flexibility as well as risks of cultural drift, particularly regarding brand tone and ethical bounds. Mankind Pharma's real problem is not launching successful advertisements or increasing topline growth, but rather preserving long-term brand trust while expanding its consumer-facing identity. The case of Mankind Pharma provides a practical illustration of a business navigating its future by providing perspective in strategy, branding, and ethical marketing against the backdrop of India's thriving over-the-counter and wellness sector. Aspiring business executives are challenged to carefully weigh the consequences of growth-oriented decisions in delicate industries where consumer sentiment and stakeholder trust are just as crucial as market share.

In this case, important considerations of several strategic and ethical issues are highlighted to figure out managerial effectiveness in a real-case scenario. The first question lies in the rationale and consequences of Mankind Pharma's decision to separate its over-the-counter business from its primary pharmaceutical business. Secondly, was this a reactive restructuring to better concentrate on the brand, or was it a proactive move following shifting market trends? Third, how well-known products like 'Prega News,' 'Manforce,' and 'HealthOK' have reacted to restructuring and how their brand equity has changed over time are examples of branding. Marketing ethics are called into question by the 'HealthOK' campaign controversy and how far healthcare advertising may go before endangering public trust.

The whole business scenario invites an examination of whether Mankind's crisis and reputation management plans were sufficient, and if not, any best alternative solution. Lastly, the case example stimulates strategic thought of a futuristic approach: what branding strategies and governance models should Mankind Consumer Products implement to eventually strike a balance between growth, customer involvement, and ethical integrity?

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