

## Seven of ten Indian pharma digital projects fail to deliver: Vector Study

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**Pharmaceutical companies are investing heavily in digital systems, but the core challenges they were meant to address remain unresolved**



Seven out of ten digital projects in India's pharmaceutical industry fail to deliver results, despite heavy investments in digital tools. A new study by Vector Consulting Group reveals that while the push for digitisation is growing—driven by companies chasing efficiency and innovation—adoption and measurable business impact remain weak.

The study, based on a survey of 28 CXOs from pharma firms with revenues above Rs 1,000 crore and interviews with 12 senior leaders, highlights a clear mismatch between investment and outcomes.

Eighty-nine percent of companies reported that they still rely on spreadsheets for critical operations, despite digital tools being implemented in these areas. Some large firms spend as much as Rs 50–75 crore annually on IT systems that remain largely underutilised. Nearly three-fourths admitted to scrapping at least one tool or module in the past three years due to poor adoption, redundancy, integration failures, or high cost relative to returns.

Pharmaceutical companies are investing heavily in digital systems, but the core challenges they were meant to address remain unresolved. Stockouts of critical medicines persist at 93 percent of firms, despite the use of inventory dashboards. Forecasting errors continue for 84 percent even with advanced demand planning software. And 76 percent still report delays in batch releases, despite the use of lab management systems.

To explain these pitfalls, Vector's white paper introduces the G.A.P. framework, arguing that the challenge lies not with the tools themselves but with a recurring gap in how companies approach digital transformation:

- G – Getting a tool ? solving the problem
- A – Activation of the tool ? the end of the project

- P – Planting a tool won't ensure use

"These three steps need to be addressed together to close the GAP, and they build on one another," said Chandrachur Datta, Partner at Vector Consulting Group. "A strong use case or well-defined problem is the necessary starting point. It guides the selection of the right digital project and keeps a dedicated implementation team— with clear ownership and accountability—focused on solving the real issue, not just going live. This focus also ensures that critical aspects such as data quality and user adoption are addressed, making the transformation truly effective."