

[Sample] Interactive Objective Case

Notice: This is a sample to demonstrate the test form and format for the event of Interactive Objective Case.

MedP.Co

MedPhara is a multinational pharmaceutical corporation which develops, manufactures and sells prescription medicines. The company's main operation is in developed markets such as the North America and European countries. It also has a small presence in other countries, which are called the emerging markets.

MedPhara only focuses on prescription medicines. Unlike over-the-counter medicines, prescription medicines are only available to patients if a doctor prescribes them. This authorization is usually done through a prescription issued by a physician, and the patient usually takes the prescription to a pharmacy to purchase the particular medicine.

Regarding the pay, the patients can pay in full by themselves, or have their insurers pay for them if they have applicable insurance policies. In some countries or regions, the governments may pay for them under some kind of national health insurance programs. In contrast with paying in full by patients themselves, insurers and governments pay much less for the same medicine because of the government regulations and strong negotiation powers with medical companies.

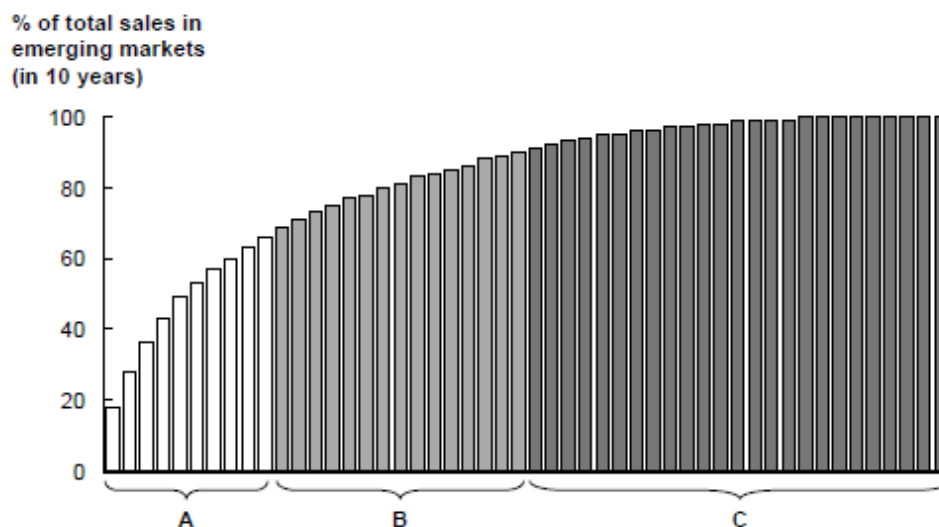
Recently, *MedPhara* is actively investigating opportunities to increase sales in the emerging markets. The company is trying to decrease its dependency on the US market. Table 1 shows historic, current, and projected data on sales of prescription pharmaceuticals in different parts of the world.

Table 1: Size of Prescription Pharmaceutical Markets

(in billions of US\$)	Market size 4 years ago	Market size today	Market size in 10 years
North America	96	156	393
Other developed markets	138	142	190
Emerging markets	52	61	134

The company make a further investigation into the emerging markets. The company identify 50 largest emerging markets and make projections about the cumulative sales in prescription medicines in 10 years. As shown in Figure 1, the white bars (Group A) represent the largest 10 markets, the grey bars (Group B) the next 15 largest markets, while the black bars (Group C) are the remaining 25 markets.

Figure 1: Cumulative Sales in 10 years for the 50 Emerging Markets with the Largest Sales of Prescription Medicines



Questions:

1. What can be inferred from the give information?
 - A. *MedPhara* believes that the main growth in the world prescription medicine sales over the next 10 years will be derived from emerging markets.
 - B. *MedPhara* believes that the major growth in emerging markets prescription medicine sales will be greatly affected by the growth in the US market.
 - C. *MedPhara* wants to invest more money in the company’s emerging markets branches relative to the US branch.
 - D. *MedPhara* wants the company’s future sales growth in emerging markets to increase relative to future sales growth in the US.

2. Based on the data provided in Table 1, which of the following statements is a valid conclusion about sales of prescription medicines?
 - A. Looking at the past four years, the emerging markets have grown faster in terms of sales compared to the rest of the world.
 - B. Sales in emerging markets are expected to grow three times quicker in the next ten years than they have grown in the previous four years.
 - C. If the forecasted trends continue, sales from emerging markets will be greater than those in developed markets outside North America in 20 years from now.
 - D. Four years ago, sales in emerging markets represented less than 10% of total global medicine sales.

3. According to Table 1, what market has the greatest 10-year growth potential?
 - A. North America
 - B. Other developed markets
 - C. Emerging markets

- D. Cannot say.
4. Which of the following statements, if true, best explains why future trends for North American medicine sales differ from sales in other developed markets?
- A. North America will have the strongest growth in self-medication (i.e people seeking their own treatment without visiting a doctor) of all countries in the future.
 - B. North America will have the strongest growth of all countries in people paying for their own medication in the future.
 - C. Developed markets outside North America will have the strongest increase in the number of people visiting doctors in the future versus the other regions.
 - D. Developed markets outside North America will have the most efficient medicine production facilities in the future versus the other regions.
5. Which of the following figures is closest to the projected size in 10 years of the second largest prescription medicine market in Figure 1?
- A. \$13.4 billion
 - B. \$37.5 billion
 - C. \$71.7 billion
 - D. \$200.8 billion

Answer Keys:

- 1. D
- 2. C
- 3. A
- 4. B
- 5. A