EXECUTIVE INSIGHTS

The Race is On: Winning Smart in the Intensifying GLP-1 Market in China

Introduction

The global glucagon-like peptide-1 receptor agonist (GLP-1) market has experienced significant growth and is projected to expand further. China's GLP-1 market is similarly expected to grow substantially, with analysts estimating it could reach RMB 100 billion (US$14 billion) by 2030. GLP-1 therapies, which effectively regulate blood glucose levels and support weight loss, have gained widespread acceptance among healthcare providers (HCPs) and patients.

In 2024, leading GLP-1 molecules reached top positions in global pharmaceutical revenues. Semaglutide (including Ozempic, Wegovy and Rybelsus) ranked second globally with sales of $29.3 billion, while t irzepatide (including Mounjaro and Zepbound) ranked fourth with $16.4 billion in sales.

Leading players such as Novo Nordisk and Eli Lilly are expanding production capacity through acquisitions and outsourcing to meet rising GLP-1 demand. Other multinational corporations (MNCs) are also active; for example, Roche has strengthened its pipeline through the acquisition of Carmot Therapeutics and a partnership with Zealand Pharma. Meanwhile, Chinese companies are rapidly advancing through fast following, innovation and licensing, with key developments including Innovent's mazdutide, Innogen's supaglutide, Hengrui's oral candidate HRS-7535, United Laboratories' licensing of its first-in-class "triple-G" (GLP-1, gastric inhibitory polypeptide (GIP) and glucagon) a gonist to Novo Nordisk and Ascletis' positive Phase 1 results for its "oral + injection" candidate, ASC30.

China — the world's second-largest pharmaceutical market and home to the largest diabetic (164 million by 2030) and overweight (200 million to 250 million by 2030) populations — has become a critical strategic battleground for both global pharmaceutical giants and local players. Consequently, competition in the Chinese GLP-1 market is expected to become increasingly intense.

1. Key drivers of GLP-1 market growth

1.1 Expanded indications and increasing disease prevalence

In addition to type 2 diabetes and weight management as key battlegrounds today, GLP-1 therapies have shown clinical promise in treating a wider array of conditions, including Alzheimer's disease, cardiovascular risk reduction , MASH (metabolic dysfunction-associated steatohepatitis) and chronic kidney disease (CKD). (F or example, see in Table 1 the status of indications for semaglutide.) This broadening of indications has opened new patient segments and strengthened clinical appeal. Simultaneously, the rising global prevalence of obesity, diabetes and associated conditions has fueled growing demand for effective therapeutic solutions.

Among emerging indications, MASH represents a particularly promising opportunity. As of March 2025, the U.S. Food and Drug Administration has approved only one pharmacologic treatment (i.e., resmetirom) specifically for MASH or its precursor, NASH (nonalcoholic steatohepatitis), while the European Medicines Agency and China's National Medical Products Administration have approved none. GLP-1 agents — the leading candidates being studied in advanced clinical trials — show substantial potential in this area. Additionally, GLP-1 therapies are gaining recognition as a novel approach to Alzheimer's disease due to their anti-inflammatory and neuroprotective characteristics.

Table 1
Indication status of Novo Nordisk's semaglutide in the US

Semaglutide approved and pipeline indications as of January 2025	Pre-clinical	Phase 1	Phase 2	Phase 3	Pre-Registration	Approved
Type 2 diabetes mellitus						◆
Obesity						◆
Cardiovascular risk reduction						◆
Diabetic nephropathy					▲	
Alzheimer's disease				▲		
Chronic kidney disease (CKD)				▲		
Diabetic retinopathy				▲		
Knee osteoarthritis				▲		
Metabolic dysfunction-associated steatohepatitis (MASH)				▲		
Prediabetes				▲		
Peripheral artery disease				▲		
Acute ischemic stroke			▲			
Chemotherapy-induced gastrointestinal toxicity			▲			
Liver cirrhosis			▲			
Type 1 diabetes mellitus			▲			
Intermittent claudication	▲					

Source: L.E.K. analysis

China's massive and growing population of individuals with type 2 diabetes and overweight conditions further elevates the relevance of GLP-1s. In 2021, China had 141 million people with diabetes, projected to rise to 164 million by 2030 — the highest globally, according to the International Diabetes Federation. Furthermore, 200 million to 250 million Chinese are expected to be overweight (body mass index >27) by 2030, according to the World Obesity Atlas and the Chinese Center for Disease Control and Prevention, positioning the country as the largest potential patient base for overweight treatment. China also has the largest patient base for the expanded indications such as MASH and Alzheimer's disease, most of which are currently under investigational studies in China.

1.2 Rising awareness through education and word of mouth

Historically, obesity has been viewed as a behavioral issue. This perception is gradually shifting due to the government's increasing attention to and emphasis on public weight management and the increasing visibility and efficacy of GLP-1 therapies.

In June 2024, the National Health Commission (NHC) and 16 government ministries jointly released the "Implementation Plan for the Year of Weight Management Initiative"(《"体重管理年"活动实施方案》), calling for a scientific understanding of weight management and appropriate medical intervention. As of April 2025, the NHC had further issued the "Notice on the Establishment and Management of Weight Management Clinics,"(《关于做好体重管理门诊设置与管理工作的通知》). In the same month, the commission officially included weight management as one of the key actions under the Healthy China initiative, marking the elevation of weight loss to a national strategic priority. These efforts are reframing public understanding, highlighting obesity as a treatable chronic illness rather than a perceived failure of individual willpower.

In China, public and clinical awareness of GLP-1 therapies for overweight and obesity had emerged prior to the approval of Wegovy and Mounjaro and was further strengthened following the drugs' mid-2024 approvals for chronic weight management. The publication of standardized treatment guidelines in 2024 — i.e., the "2024 Edition of the Clinical Guidelines for the Diagnosis and Treatment of Obesity" (《肥胖症诊疗指南(2024年版)》) — formally endorsed GLP-1 therapies as a recommended option for weight management. With these official approvals and guideline recommendations, pharmaceutical companies are now able to conduct legitimate direct-to-consumer (DTC) education and outreach campaigns, accelerating the expansion of public awareness, acceptance and adoption of GLP-1 treatments in China.

1.3 Evolving GLP-1 therapeutic development

Innovation in molecular structure and delivery methods is another key driver of growth. Currently approved GLP-1 therapies are primarily peptide-based injectables, with once-weekly administration being the main approach. Although these therapies provide significant clinical benefits, substantial unmet needs remain, creating opportunities for further innovation. The emergence of oral GLP-1s, once-monthly injectables, dual- and triple-receptor targets and combination therapies has enhanced patient convenience, improved adherence and broadened clinical utility, bringing healthcare practitioners more options for individualized treatment. In China, domestic companies are closely aligning with these global trends, and leading players are actively advancing in this direction. For example, Hengrui is developing the oral GLP-1 HRS-7535 alongside dual- and triple-receptor targeted therapies, focusing on the GIP/GLP-1 and GCGR /GIP/GLP-1 pathways. Similarly, Gan & Lee is progressing GZR18, a biweekly injectable, as well as GLP-1 + insulin candidates.

As R&D investment continues, next-generation GLP-1 products will reinforce the class's role as a transformative force in the treatment of metabolic diseases, including diabetes, obesity and related conditions.

2. Escalating competition and the need for differentiation

2.1 Brand differentiation beyond GLP-1 class

The molecules landscape in China is expected to become even more competitive than in developed markets, where the GLP-1 category is primarily dominated by leading multinational pharmaceutical companies. As of February 2025, China already had 60-70 late-stage (Phase 2 or later) pipeline assets, directly competing with semaglutide, tirzepatide and other candidates in diabetes and weight loss. Additional early-stage pipeline assets and global candidates that have not started clinical trials in China yet can further intensify the competition in the future.

Within the late-stage pipeline assets (around half of which are targeting weight management), eight are oral ones, aiming to solve the inconvenience of injections, and approximately 20 are dual-target or triple-target, aiming to achieve superiority in clinical effectiveness.

In China, beyond the in-market products such as semaglutide and tirzepatide and promising global pipeline assets including orforglipron (oral), MariTide (monthly injectable) and retatrutide (triple agonist), a range of China-only molecules is also emerging with strong competitiveness (see Table 2). These candidates demonstrate clinical differentiation and innovation, moving beyond traditional biosimilar or fast-follower strategies.

Table 2
Examples of in-market and pipeline molecules in China (nonexhaustive)

Molecule types	Global MNC	Chinese pharma
Oral GLP-1 small molecules	• Orforglipron (Lilly)	• HRS-7535 (Hengrui) • HDM1002 (Huadong) • VCT220 (Vincentage)
Biweekly/ monthly injectables	• MariTide (Amgen)	• Supaglutide (Innogen) • RAY1225 (Zhongsheng) • GZR18 (Gan & Lee) • ZT002 (Zhitai)
Dual- and triple-receptor targets	• Tirzepatide (Lilly) • Survodutide (Boehringer Ingelheim) • CagriSema (Novo Nordisk) • Retatrutide (Lilly)	• Mazdutide (Innovent) • HRS9531 (Hengrui) • RAY1225 (Zhongsheng) • MWN101 (Lepu)

Note: MNC=MultiNational Corporation; GLP-1=Glucagon-Like Peptide-1 receptor agonist
Source: Trial database, public release, L.E.K. analysis

This rapidly diversifying market will shift the focus from general awareness of the GLP-1 class to the evaluation and selection of dozens of differentiated options. Pharmaceutical companies must clearly define and articulate their advantages in efficacy, safety, delivery and overall value to earn patient and HCP trust in an increasingly crowded market.

2.2 Imminent generics entry

Semaglutide, the biggest blockbuster product in the GLP-1 market today, is expected to lose patent protection in China in 2026, earlier than in most developed markets. Given its popularity and clinical reputation, interest from biosimilar manufacturers is already high. Some 15-20 semaglutide biosimilar/generic pipeline assets are already racing for the first abbreviated new drug application approval.

The introduction of biosimilars will increase pricing pressure and challenge the market share of originator brands. Additionally, semaglutide may be subject to volume-based procurement (VBP) as the biosimilars/generics entry could be as early as 2026, potentially impacting the pricing of Ozempic and Wegovy. This will force other GLP-1 originators, such as tirzepatide and mazdutide, to reevaluate their pricing and market entry strategies and compel pipeline developers to recalibrate their China launch plans accordingly.

3. The winning formula: A patient-and customer-centric strategy

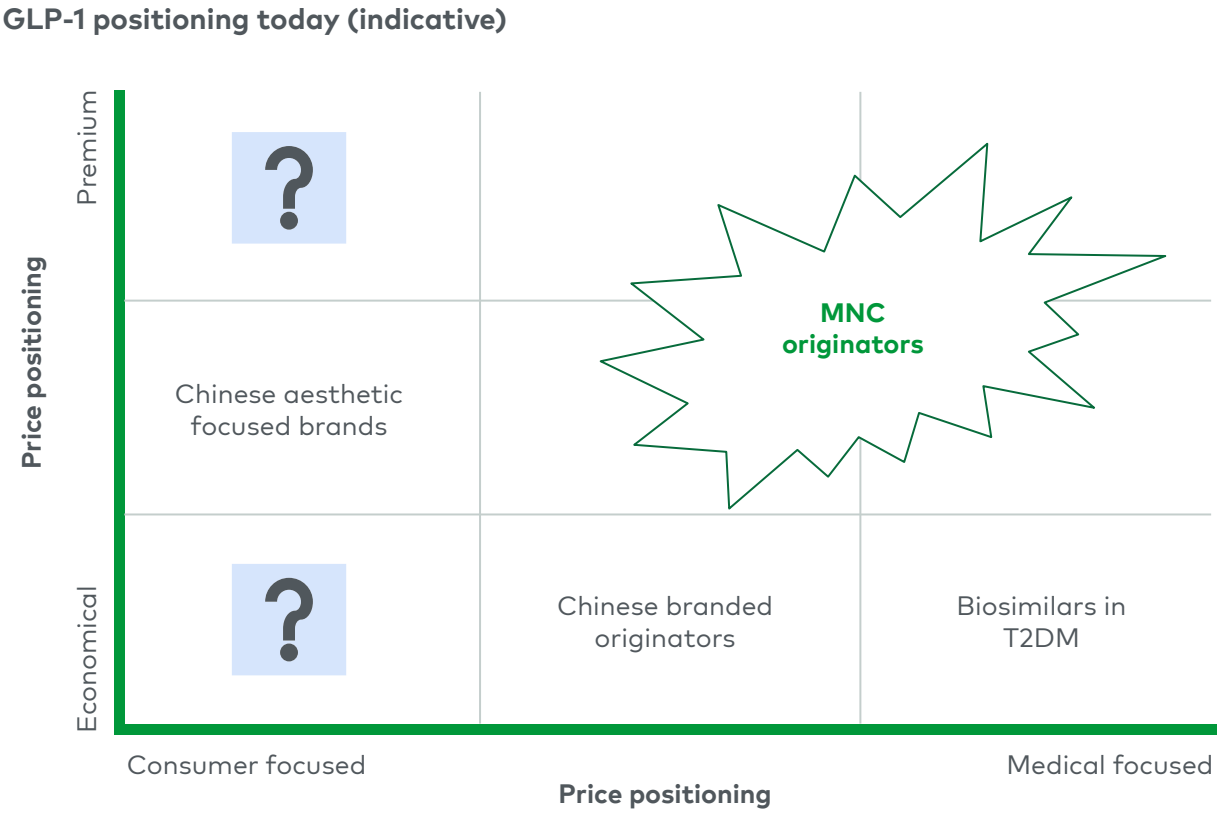
In China, the national reimbursement system typically covers treatments for chronic diseases such as diabetes, cardiovascular conditions and kidney disorders, reflecting both the long-term health burden of these illnesses and their priority in public policy. In contrast, weight management therapies — including GLP-1–based treatments for obesity — are explicitly excluded from reimbursement. This regulatory divide creates a dual-track market for GLP-1 therapies that compels the careful calibration of branding, pricing and access strategies.

To participate in a fast-growing but competitive and complicated market, GLP-1 originators will need to adopt a differentiated patient- and customer-centric strategy — leveraging both internal and external resources to optimize product positioning, building brand equity, integrating software and device solutions beyond the drug itself, and exploring innovative channels. New-indication exploration ahead of competitors is the best way to work around direct competition in a crowded market.

3.1 Optimizing product positioning in competition

In this increasingly crowded environment, direct price competition is inevitable — particularly in the self-pay weight management segment. For GLP-1 players looking to sustain market position and capture long-term value, strategic differentiation beyond pricing thus becomes essential. A simplified framework based on price and product positioning can help originators map out their direct competition and tailor value propositions accordingly. For companies with broader ambitions in GLP-1s, a multibrand portfolio strategy may enhance overall competitiveness (see Figure 1).

Figure 1
GLP-1 price x product positioning



Note: GLP-1=Glucagon-Like Peptide-1 receptor agonist; MNC=MultiNational Corporation; T2DM=Type 2 Diabetes Mellitus
Source: L.E.K. experience

When considering product positioning of each brand, a wide range of dimensions can be considered to fit the positioning within a company's portfolio and the competition (see Table 3).

Table 3
GLP-1 product positioning dimensions

Efficacy	5% weight loss	10% weight loss	15% weight loss	20% weight loss	>30% weight loss
Safety and side effects	Nausea	Muscle wastage	Weight rebound	Hypoglycemia	...
Route of administration	Subcutaneous	Oral (peptide)	Oral (small molecule)	...	...
Duration of treatment	Chronic	Cyclic	Acute	Maintenance	Induction
Body mass index	<25 (healthy)	25-29.9 (overweight)	30-39.9 (obese)	>40 (severely obese)	...
Comorbidities	0	1	2	>3	...
Brand positioning	Premium	Economical	...	...	...
Partnering	Go alone	Codevelop	Licensing	Cocommercialize	...
Dosage and administration	100% of dosage	75% of dosage	50% of dosage	25% of dosage	Flexible
Lifestyle	Metabolic syndrome	Busy sedentary professionals	Social media influencers	Health-conscious individuals	...
Call-point specialization	Endocrinology	Obesity clinic	Medical aesthetics advisers	Social media influencers	...
Distribution channels	Public hospitals	Private hospitals	Medical aesthetics institutions	Pharmacies	Online
Monotherapy vs. combination	Monotherapy	Double	Triple	...	...
...	...	...	...	...	...

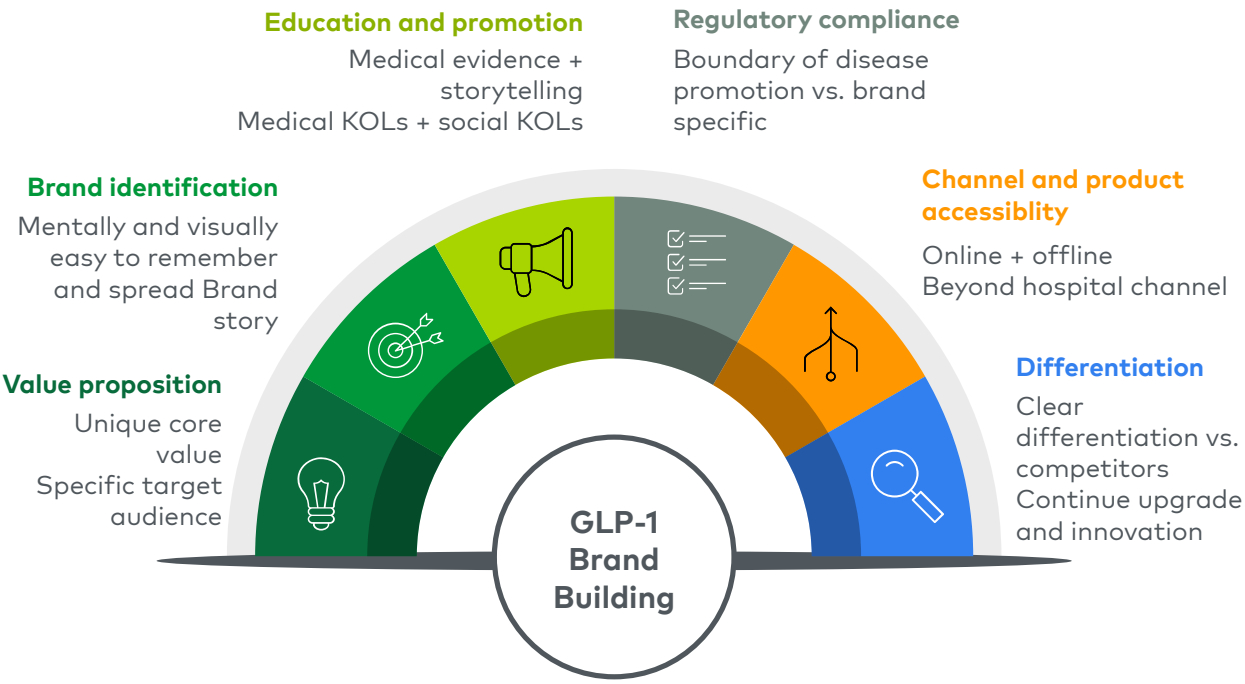
Source: L.E.K. analysis

3.2 Branding as a competitive edge

GLP-1s' consumer-oriented nature makes branding unusually important for such prescription therapy. For example, despite superior efficacy in head-to-head trials, tirzepatide lags semaglutide in public awareness today in China. Moreover, the public often struggles to distinguish between Ozempic and Wegovy and between GLP-1 monotherapy and combination agents.

L.E.K. Consulting has developed a proprietary branding framework for prescription products — highly applicable to GLP-1 therapies — emphasizing value propositions that are identifiable, memorable, sensible and shareable (see Figure 2). A DTC model with sustained innovation is critical to communicate this effectively.

Figure 2
GLP-1 branding framework



Note: GLP-1=glucagon-like peptide-1 receptor agonist; KOLs=key opinion leaders
Source: L.E.K. experience

In addition, GLP-1 players in China often face a complex strategic decision between a single-brand approach (such as Mounjaro for tirzepatide) and a dual-brand approach (such as Ozempic and Wegovy for semaglutide) across different indications.

The choice is clear: Should GLP-1 originators maintain a dual-brand strategy, which allows for premium pricing in the self-pay weight management segment while enabling reimbursement for Type 2 diabetes, but also requires greater investment in brand differentiation and market education? Or should GLP-1 originators pursue a single-brand strategy, which may support broader hospital access and unified brand equity but comes with the trade-off of lower reimbursement pricing across all indications? These are critical, nuanced decision points for all GLP-1 players operating in China to consider.

3.3 'Beyond drug' integration

GLP-1 therapies offer a unique opportunity to build ecosystems beyond the drug itself. Integrating software and smart devices for personalized monitoring and adherence can increase loyalty and improve outcomes especially in self-pay contexts.

These digital ecosystems are emerging as a key differentiator, fueled by excellent integration with the following examples of software and smart devices.

- **Software:** telehealth (including artificial intelligence chatbots and virtual assistants), digital engagement, personalized patient treatment and management, gamification , and big data and predictive analytics for drug usage, etc.
- **Smart devices:** fitness and medication trackers, continuous biometric monitoring, medication reminders, smart pens and evidence generation (with compliance restrictions to be considered)

3.4 Innovative channel strategy

The patient journey is no longer confined to hospitals, especially for self-pay weight management patients. A multiple-touchpoint omnichannel approach is essential for broad market penetration. Companies should identify the most influential stakeholders for their brand — whether HCPs, influencers and/or digital platforms — and build partnerships that enable scalable awareness and adherence.

Examples of potential influencers along a consumer-oriented patient journey:

- **Awareness and interests:** health checkup centers, wellness clubs, social platforms
- **Research and consultation:** aesthetics hospitals, medical social platforms and internet hospitals
- **Diagnosis and treatment selection:** hospitals, private clinics, internet hospitals, online-to-offline testing service providers
- **Follow-up purchase:** retail pharmacies, online pharmacies
- **Chronic management and behavior change:** commercial insurance companies and third-party administrators, digital patient management platforms

3.5 Horizontal and vertical partnership

No single company can succeed alone. Pharma players should explore both horizontal (e.g., biotech in-licensing, M&A) and vertical (e.g., contract development and manufacturing organizations (CDMOs), device suppliers) partnerships to enhance capabilities.

- **Horizontal:** Late-stage GLP-1 assets from Chinese biotechs may complement global portfolios; companies specialized in GLP-1s/endocrinology can also be potential acquisition targets for large pharmas with ambitions in such therapeutic areas

- **Vertical:** Collaborations with local active pharmaceutical ingredient/CDMO providers, injection pen manufacturers and injection needle suppliers can improve cost-efficiency and user experience

4. Next-steps thinking

With rising innovation and increasingly sophisticated stakeholder behavior, China's GLP-1 space has become both high potential and highly contested. Success will depend on a combination of strategic vision and flawless execution.

As you are continuously refining and evolving your China GLP-1 strategy, consider the following critical questions:

Pharma companies

- How can we differentiate our GLP-1 product beyond clinical efficacy — through branding, patient experience or ecosystem solutions?
- How can we sufficiently prepare for the upcoming pricing pressures from other innovative pipelines and from VBP with semaglutide biosimilars?
- What is our strategy to expand indications (e.g., obesity, MASH, CKD) ahead of the competition?
- How can we build a sustainable omnichannel presence, efficiently reaching patients beyond traditional hospital settings?
- Should we pursue horizontal (pipeline acquisition) or vertical (supply chain) partnerships to enhance our GLP-1 competitiveness?

Investors

- Which GLP-1 assets or innovators are best positioned to defend or grow market share in an increasingly crowded Chinese market?
- What pricing and reimbursement risks (e.g., VBP, biosimilar entry) could impact revenue forecasts after 2026?
- Are China-originated assets (oral GLP-1s, multitarget agonists) positioned for regional or global expansion opportunities?
- What postacquisition initiatives (e.g., development, go to market) are required to accelerate the realization of full potential?

Channel players

- With what capabilities (e.g., digital engagement, adherence programs) can we differentiate ourselves as the key enabling partner for leading GLP-1 players?
- What types of partnerships with which pharma or healthtech companies should we pursue now to secure a leadership position?

In a GLP-1 market poised for rapid expansion and fierce competition, now is the critical moment for every stakeholder — from pharma companies to investors to channel players — to rethink their strategies, partnerships and competitive edge.

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