



## PREVAILING PRACTICES IN MEDICO MARKETING

Professor (Dr.) N. S Bisht\* Sabita Sapkota\*\*

\* Professor, Department of Commerce, D.S.B. Campus, Kumaun University, Nainital, Presently the Chairman of Uttarakhand Public Service Commission (UPSC), Haridwar.

\*\*Assistant Professor, Namchi Government College, Sikkim University, Sikkim.

### Abstract

The concept of medico marketing is gaining popularity among marketing professionals and the practitioners. The reason is that, the pharmaceutical companies cannot ignore the fact that marketing is needed even if the products and services they provide are of high standards. Therefore, to position their products in the market and for the recommendation of the same the pharma companies adhere to the best practices. The concept of medico marketing provides a firm with a better understanding of the change in marketing practices. This paper seeks to understand the changes that are taking place in pharmaceutical marketing. The study has revealed that the industry have witnessed newer practices that delivers the information at a cost saving and in a lucid manner.

**Key Words:** Medico Marketing, Digitalisation, Prevailing Practices.

### Introduction

In pharmaceutical promotion, it is seen the development of a number of new and innovative ways to advertise and promote products. Pharmaceutical companies also invest in new technologies and strategies to make their audiences aware of a product features. More attention is focused on drug benefits and controlling costs through pharmacy and therapeutic committees, drug formularies and drug utilization review. (Reynolds, 1992)<sup>i</sup>

The main objectives of the study are as follows:

1. To study the prevailing practices in pharmaceutical marketing.
2. To understand the changes that have taken place in the medico marketing.

### Research Methodology

To achieve the objectives of the study, both primary data and the secondary data are used. The primary data and secondary data have been collected to cover the every aspect of the study. These data are used in combination as per need of the study.

### Conceptual framework

In the 1950's and also in 1960's, pharmaceutical communication essentially was comprised of three basic media: sales force, medical journals and direct mail. But with increasing competition, these media have expanded in virtually every direction for delivery of a message. (Cernal, 1992)<sup>ii</sup> Thus, from a recent study conducted to better understand the impact of investments in sales force effectiveness (SFE), ZE Associates undergone and Explorer Study, a rigorous, cross industry analysis of the value that SFE investments can generate. The central finding of the study is that investments in a single force initiative can yield an average increase in revenue of 4-8 per cent and investments in multiple initiatives, through a sales force transformation see average increase in revenue and profitability of 9-10 per cent with ramps up to 30 per cent in a single year. (Pratab Khedkar, 2016)<sup>iii</sup>

The classic area of sales and promotion are moving closer to medical education. They are, in fact, beginning to overlap. This is understandable because the world of the 1990's was a much more complicated one. The product concepts to be communicated were more complex and required a much greater educational component. (Cernal, 1992)<sup>iv</sup> Explorer Study conducted also reveals the way in which pharmaceutical companies can boost their investments. As representatives access to physicians become more difficult, strategic SFE investments in evolving engagement models such as key account management and the orchestrator representative- a single point of contact who can coordinate all sales and marketing outreach, across all channels for individual physicians to improve the customer experience are helping pharmaceutical companies improve their models to increase the impact from each customer interaction.<sup>v</sup>

As audience become more sophisticated, they demand a higher level of information before making a decision. This means, that solid data-base information, organized, prioritized and integration is required to ensure cost effective communication.<sup>vi</sup> Therefore, pharmaceutical companies shape their learning through the latest technology possible and deliver message to the audience in an easiest, less time consuming and ensures quality delivery standards to market their products. In the research carried on by William J Reynolds (1992) it was found that the physician and the pharmacists in the pharmaceutical industry listed their most important sources of information (not necessarily ranked in order):

- Journals



- Continuing Medical Education Courses
- Conferences and Conventions
- Colleagues
- Directories and Reference Books
- Pharmaceutical Representatives
- Dealers and Wholesalers
- Government Bulletins and Literatures
- Direct mail from Pharmaceutical Companies
- Videotapes/ Films
- Radio Network
- Cable Televisions
- Study Clubs and Discussion Groups

Advertising to the pharmacist is also becoming increasingly important, since he is evolving as a gate keeper of the pharma industry and are the healthcare professional with the most direct link to the consumer.<sup>vii</sup> On the other hand, well timed advertising directed to doctors tends to boost sales of the brand that spent the marketing dollars, according to a recent study of pharmaceutical advertising and its effects on revenue. (LaPlante, 2006)<sup>viii</sup> This makes pharmaceutical companies to direct their marketing strategies towards both the parties as they are considered the big players for any pharma products and services to sustain.

Traditional methods of drug promotion, such as print advertising, personal selling, and the distribution of detailing pieces at professional meetings have been supplemented by a new mechanisms of information dissemination, such as symposia and seminars, continuing healthcare education programs, and contemporary technologies such as audio-visual presentations and closed circuit or cable television and interactive computer programs. (Dev S Pathak, 1992)<sup>ix</sup> Though new information technologies have arrived, however detailing still does make a positive difference. (Chakrabarti, 2016)<sup>x</sup> During the 1991's when pharma companies got globalised by the LPG regime introduced by the then Finance Minister Mr. Manmohan Singh, led pharma companies to go global thereby leading to the utilization of more powerful techniques for the promotional activities. The marketing practices were shifted to more genuine decision maker's viz., the pharmacists, nurses, dentists and all such organisations that are directly or indirectly linked with the development of a healthcare. This further led to the rise in prescription sales by the private, government, physicians and the pharmacist. Therefore, pharma companies started focusing more on medical practioners.<sup>xi</sup> Consumers who are driven by advertising will most often seek the advice of medical professionals, asking if the product is good for themselves and their families. At this critical point, medical professionals hold the success of the product in their hands.

Another example of the healthcare professionals influence came out of a survey Drug Topics conducted on pharmacists and patient relations William J Reynolds, the data confirmed that the consumer continues to seek out the pharmacist for the over the counter drug recommendation. Four out of five times, the average pharmacist recommends specific brand name products to consumers and 87 per cent of the time the consumer purchases the brand recommended by the pharmacist.<sup>xii</sup> Hence, pharma companies have started educating pharmacist

The pharmacist's role is also changing in the present environment. He/ She is being encouraged to move closer, up front, in the work station to encourage conversation with the patient. For years, the pharmacist's role was just in the preparation of the drug product, with the transfer of drug information being the responsibility of the physician. Today, the pharmacist is recognised as the expert for drug information and is involved in selecting drugs, monitoring their use, and counselling the patient. The pharmacist in both independent and chain store environments is encouraged to talk with the consumer.<sup>xiii</sup> To put it more professionally, the pharmacist has become the gate keeper for pharmaceutical promotional activities so the company invests and implements numerous technology to educate them regarding their products and services unlike their traditional methods wherein only doctors were focused.

Advertising is of assistance to the consumer in making product choices. The OTC product shelf display that is often seen by the consumer in a typical drugstore can create confusion because of the numerous choices offered and the competitiveness of the brands, the consumer can be confused about product selection. Advertising helps the consumer make a choice. Advertising to health care professionals provides them with information on product difference, ingredients, side-effects, and dosage, all of which aid in the recommendation and choice of a product.<sup>xiv</sup> However, pharmaceutical companies do not just rely on traditional methods of promoting their drugs but they take extra effort to acknowledge their products and services by



the doctors and the pharmacists by giving them the insight into the medicine through modern technologies such as internet based drug promotion, electronic detailing and direct to consumer advertisement of prescription drugs. He further adds, Tele Marketing and seminars are becoming more important.(Sharma, 2017)<sup>xv</sup>

There is also a talk of marketing workstations. These stations will draw on graphics, video, audio and other research information from a variety of databases. From the workstation, the marketer will be able to create and test advertisements, evaluate media options, and analyse viewer and readership data. Marketers will be able to obtain instant feedback on concepts and plans. Thus, the consumer will be both designer and consumer of a product.<sup>xvi</sup>

### Conclusion

The pharmaceutical companies are updating themselves to the latest practices to bring their products in the market. In pharmaceutical marketing, a significant change is seen over the years. Earlier, sales representatives were big asset to the companies but with the world getting digitalised, major of the promotional activities are met by the technologies that are easily accessible to the doctors or any other potential holders whose recommendation has a major impact in increasing the sales of the product. However, symposium and doctors meet still do prevail as they are one specific key practices which can accomplish the purposes.

### End Notes

<sup>i</sup>Reynolds, W. J. (1992). Trends in Advertising Pharmaceuticals: A Publisher's Perspective. *Journal of Pharmaceutical Marketing and Management*, 7(1), 15.

<sup>ii</sup>Cernal, M. E. (1992). Medical Marketing Communication Today: Use and Abuse. *Journal of Pharmaceutical Marketing and Management*, 7 (1), 23-24.

<sup>iii</sup>Pratab Khedkar, N. K. (2016). *Sales Force Effectiveness in Pharma is no Placebo*. Retrieved February 11, 2017, from <https://www.zs.com/-/media/files/publications/public/zs-salesforce-effectiveness-in-pharma-is-no-placebo.pdf?la=en>

<sup>iv</sup>Cernal, M. E. (1992). *Op cit.*, pp 24.

<sup>v</sup>Pratab Khedkar, N. K. (2016). *Sales Force Effectiveness in Pharma is no Placebo*. *Op cit.*, .

<sup>vi</sup>Cernal, M. E. (1992). *Op cit.*, pp 24-25.

<sup>vii</sup>Op cit William J Reynolds (1992) pp 6.

<sup>viii</sup>LaPlante, A. (2006, August 1). Marketing, Health Care: Marketing to Physicians Reaps Higher Returns for Drug Company. Stanford, California, USA.

<sup>ix</sup>Dev S Pathak, A. E. (1992). Pharmaceutical Promotion: Information or Persuasion. *Journal of Pharmaceutical Marketing and Management*, 7 (1).

<sup>x</sup>Chakrabarti, S. (2016, April Thursday). Changes in Marketing Practices of Pharmaceutical Firms. (S. Sabita, Interviewer) S.F Road, Siliguri, West Bengal, India.

<sup>xi</sup>Reynolds, W. J. (1992). *Op cit.*, pp 18.

<sup>xii</sup>*Ibid.*,

<sup>xiii</sup>*Ibid.*, pp 19

<sup>xiv</sup>Reynolds, W. J. (1992). *Op cit.*, pp 18.

<sup>xv</sup>Sharma, R. K. (2017, February 9). Newly integrated marketing practices by the pharmaceutical firms. (Sapkota, S, Interviewer) Delhi, India.

<sup>xvi</sup>*Ibid.*, pp 20.