



# **iJRASET**

International Journal For Research in  
Applied Science and Engineering Technology



---

# **INTERNATIONAL JOURNAL FOR RESEARCH**

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

---

**Volume: 9      Issue: I      Month of publication: January 2021**

**DOI: <https://doi.org/10.22214/ijraset.2021.32803>**

**[www.ijraset.com](http://www.ijraset.com)**

**Call:  08813907089**

**E-mail ID: [ijraset@gmail.com](mailto:ijraset@gmail.com)**

# A Study on Marketing of Pharmaceutical Products based on Physicians and Consumers Behaviour

Rajesh Kumar<sup>1</sup>, Akash Parmar<sup>2</sup>

<sup>1, 2</sup>Pharmacy Graduate, MBA Student, Parul Institute of Management and Research, Parul University, Vadodara, Gujarat

**Abstract:** Indian Pharmaceutical industry has rank 3<sup>rd</sup> worldwide for production in terms of volume and 14<sup>th</sup> in terms of value. Pharmaceutical marketing is different from other consumer industries, because Pharmaceutical marketing mainly focuses on doctors and pharmacists that act as a target for customers rather than patients (end users). Pharmaceutical industry is highly complex. The huge size of companies and complexities of their processes and technologies in the pharmaceutical industry resulted in many organizational and management challenges. Techniques used Pharmaceutical marketing is different from other marketing. Two factors have a high impact on Pharmaceutical marketing: 1) Physicians and Pharmacists behavior towards pharmaceutical products and 2) Consumer/customers behavior toward the products. This study focuses on the different communication and marketing strategies and tools in order to influence physician's prescriptions in favor. It is important for pharmaceutical companies to understand the preferences of their customers (also pharmacists and physicians) and allocate their marketing budget to the most effective marketing communication strategies and tools. This research study includes over 100 responses from different customers of different backgrounds from the different places of India to understand the consumer behavior in the Pharmaceutical market.

**Keywords:** Indian Pharmaceutical marketing, consumer behavior, organizational and management challenges, Pharmaceutical products, Physician's prescriptions.

## I. INTRODUCTION

The Indian Pharmaceutical industry is the world's 3<sup>rd</sup> largest in terms of volume and 14<sup>th</sup> in terms of value (revenue). India's domestic Pharmaceutical market turnover reached approximately 1.4 lakh crore (US \$20.3 billions) in year 2019. India has a very impressive growth of 24% per year in export of generic drugs. According to the annual report of UNICEF India is the world's largest supplier of generic drugs. India is now considered among the top 5 pharmaceutical emerging markets of the world. This paper examined the physician's prescription behaviour and also communication strategies and consumer behaviour in the Pharmaceutical market and various strategies to influencing them toward our product. This paper also contains a survey report on consumer behaviour and various aspects related to it. This paper also includes new innovative strategies in the pharmaceutical market. Pharmaceutical marketing sometimes called medico-marketing or pharma marketing deals with promoting the sale of pharmaceuticals or drugs. Pharmaceutical marketing not only depends on end users (consumers) but it also depends on pharmacists and physicians. So it is necessary to influence pharmacists and physicians in favor of our products along with consumers. Pharmaceutical marketing is different from other general or consumer (FMCG) based marketing.

S.NO	Pharmaceutical Market	General Market or FMCG Market
1	It deals with the supply/availability of drugs or medicinal products used for diagnosis, prevention or treatment of special medical conditions (diseases or disorders)	FMCG market deals with the supply of consumer products of repetitive use.
2	It is highly controlled & regulated market, Manufacturing, supply or use of pharmaceutical products are regulated by national regulated by various authorities e.g. USFDA, CDSCO, DCGI etc	FMCG market is not a regulated market.
3	Pharmaceutical products are available only on registered drug retail stores and must be sold by qualified registered pharmacists (OTC products) with the prescription of Registered Medical practitioners/Doctors (prescribed drugs).	FMCGs are available in every general store and can be sold and purchased by any consumer without any interference of any authority or law.
4	The concept of consumer and customer is different based on prescription of or OTC pharma products.	In the FMCG market, the buyer has full freedom to purchase and consume the desired product.

5	Advertisements of Pharmaceutical products are regulated by regulatory authorities under The Drug and Magic Remedies Act 1954. Prescription drugs cannot be advertised on social media. However OTC products can be advertised on social media with strict guidelines.	There is no regulation for Advertisement of FMCG products. while some basic guidelines must be followed by companies as per national advertisement act.
6	The end user, who is patient, is not the target customer in Pharmaceutical marketing.	The end user or the buyer is the target customer in FMCGs market

## II. PHARMACEUTICAL MARKETING CHALLENGES:

From organizational perspective the most prominent performance related challenges in marketing are listed below:

- A. Increased competition and unethical practices adopted by some of the companies.
- B. Low level of consumer knowledge (Doctors, Retailers, Wholesalers).
- C. Varying customer perception.
- D. The number and the skills or abilities of medical representatives.
- E. Very high research and development cost.
- F. High training and retraining of costs of sales personnel.
- G. Busy schedule of doctors giving less time for sales calls.
- H. Absence of communication strategies to influence customers.
- I. Less knowledge about different marketing strategies and new innovation techniques.
- J. Lack of ideal mechanism of sales forecasting at field sales level, resulting in huge deviation.
- K. Lack of new innovative ideas to interact with customers.

## III. PHARMACEUTICAL MARKETING STRATEGIES BASED ON TARGET GROUPS

Pharmaceutical marketing is basically dependent on 2 target groups: 1) Physicians and Pharmacists , 2) Consumers or end users. For effective marketing in the Pharmaceutical sector it is necessary to target these groups and adopt new strategies effectively to enhance sales. In this paper we study both target groups in detail with traditional and new innovative marketing strategies.

### A. Pharmaceutical Marketing Based on Physician's Behaviour

Physician's prescribing pattern is a very wide concept including various dimensions such as drug effectiveness, efficacy etc. To target physicians and pharmacists it is necessary to adopt better communication strategies to influence them.

Here are some different tools of pharmaceutical marketing communication that comes under communication strategies:

S.No.	Communication Strategy	Tools
1	Word-of-Mouth Marketing	Peer group / senior doctor references
2	General	Reputation of company, Price of Product
3	Personal selling	Free samples, Gifts, detail aids, Knowledge of medical representatives
4	Advertisement	Print Ads in Medical journals, Brochures and booklets of medicines provided by the company
5	Public relation events	Seminars, Sponsoring medical events, Product launch parties, ward presentation, awarding best doctors and pharmacists, CMEs (Continuing medical education),
6	Sales promotion	Gifts, exhibitions in conferences
7	Digital Methods	Emails

Pharmaceutical marketing analysts realized that the success of a brand/product mostly depends on the prescribing behaviour of the physicians. Physicians are the most crucial target customers for the different pharmaceutical enterprises.

The following table consists of secondary data that describes the opinion of Physicians regarding the various promotional tools.

S. No	Promotional tools	Always	Mostly	Sometimes	Rarely	Never
1	Visits of medical representatives	46 (16.3%)	98 (34.8%)	83 (29.4%)	41 (14.5%)	14 (5%)
2	Sales calls made by pharmaceutical companies	0 (0.0%)	32 (11.3%)	46 (16.3%)	51 (18.1%)	153 (54.3%)
3	Drug sample	30 (10.6%)	98 (34.8%)	77 (27.3%)	47 (16.7%)	30 (10.6%)
4	Promotional drug brochure	10 (3.5%)	43 (15.2%)	126 (44.7%)	68 (24.1%)	35 (12.4%)
5	Medical equipment as gift	0 (0.0%)	44 (15.6%)	117 (41.5%)	48 (17.0%)	73 (25.9%)
6	Other gifts	10 (3.5%)	10 (3.5%)	112 (39.7%)	76 (27.0%)	74 (26.2%)
7	expenses in conferences/ sponsorship for personal tour	32 (11.3%)	79 (28%)	68 (24.1%)	46 (16.3%)	57 (20.2%)
8	Direct mail	10 (3.5%)	15 (5.3%)	77 (27.3%)	95 (33.7%)	85 (30.1%)
9	Subscriptions of journals	0 (0.0%)	37 (13.1%)	98 (34.8%)	76 (27%)	71 (25.2%)
10	Participation by companies in contributing medical education conferences	21 (7.4%)	89 (31.6%)	72 (25.5%)	73 (25.9%)	27 (9.6%)

On the basis of above data the majority of physicians motivated mainly by visits of medical representatives and drug samples (34.8%) and most physicians were sometimes influenced by promotional drug brochures (44.7%).

Above data showed that pharmaceutical companies' promotional tools moderately motivated physicians. Visits of medical representatives (34.8%), drug samples (34.8%), participation by the company in continuing medical education conferences (31.6%), sponsorship for travel/expenses in conferences/sponsorship for a personal tour (28%) could be considered as the most influential tools or we can say that same promotional tools also influence pharmacists or drug retailers.

#### B. Pharmaceutical Marketing Based on Consumer Behaviour

Consumer buying behaviour of purchase medicine is different from any other product. Consumer is known as king of the market. Consumer buying behaviour is the study of the different ways of purchasing and disposing of goods and services by the individuals and organization to fulfill their tasks. There are 3 major factors that influence buying behaviour:

- 1) SOCIAL factors include reference groups, inspirational groups and members groups, family. This includes influences of others on our purchase behaviour. Social factors may give low impact on consumer decisions for purchasing medicines.
- 2) PERSONAL factors may give a high impact on consumers buying medicines. These factors include various factors such as age, lifecycle stage, occupation, economic circumstances, and personality.
- 3) PSYCHOLOGICAL factors affecting our purchase decisions include perception, learning, beliefs and attitudes. These factors may have a low impact on buying medicines.



As we know that personal factors have a high impact on buying decisions of pharmaceutical products. Some factors that may influence consumer buying decisions are given below:

- a) Discount on medicines or pharmaceutical products can influence their buying decisions.
- b) Efficacy and quality of pharmaceutical products are the main factors in the pharmaceutical industry.
- c) Cost of Pharmaceutical products has a high impact on buying decisions.
- d) Some combo packs on OTC products can influence their buying decisions.
- e) Consumers prefer generic drugs instead of branded drugs which are cheaper in cost and have the same therapeutic action.
- f) Pharmacists or drug retailer suggestions on different pharmaceutical products (switching one brand to another brand) can also influence consumer buying decisions.
- g) Consumer counseling by pharmacists also influences their buying decisions.
- h) Advertisements also have a high impact on consumer buying decisions regarding OTC products.

#### IV. RESEARCH METHODOLOGY

This research includes data and its sources. Sample of study and many things which are covered in the primary research methodology. Detailed information given below:

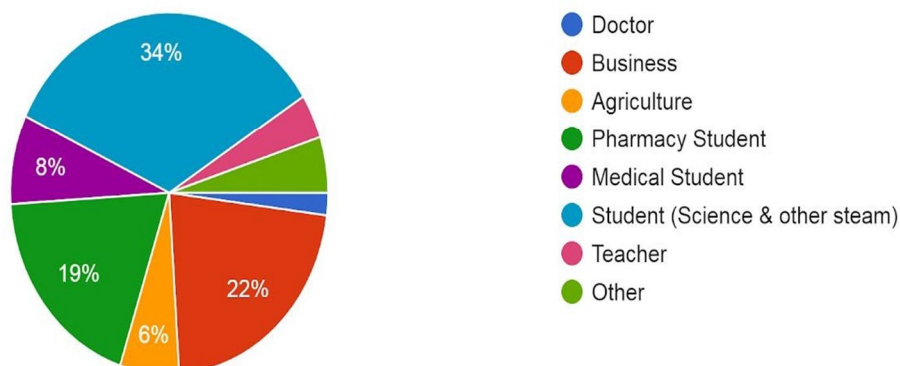
- 1) *Primary Data*: The primary data is collected by the survey or fieldwork. The survey was done through a structured questionnaire which is done by Google form.
- 2) *Secondary Data*: The source secondary data is journals, articles, research papers, online sites, websites and other sources available offline and online.
- 3) *Sample Size*: The sample size of this research is 100 peoples who have been randomly selected for this study.
- 4) *Sampling Method*: The method is simple random sampling was used to collect the primary source of data based on the time available and respondents.
- 5) *Statistical Tools For Analysis*: Percentage method and graphical method (pie charts) have been used to analyze the data.

#### V. ANALYSIS OF DATA

Following are the responses of respondents on important questions which can help to understand consumer behaviour regarding pharmaceutical products.

Occupation

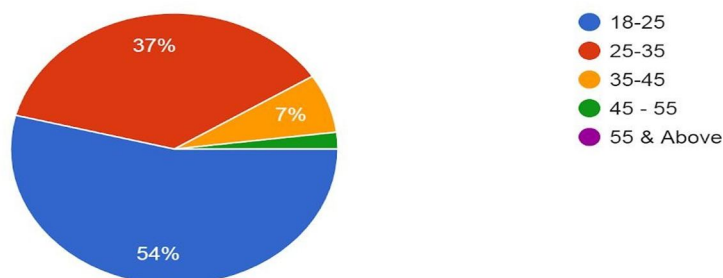
100 responses



The above chart shows the occupation of respondents. We can say that 34% are students (science & other steam), 8% medical students, 19% pharmacy students, 6% agriculture, 22% business, 2% doctors, 4% teachers and 5% others. In other ways we can say that 61% are students from total respondents.

### Select age group

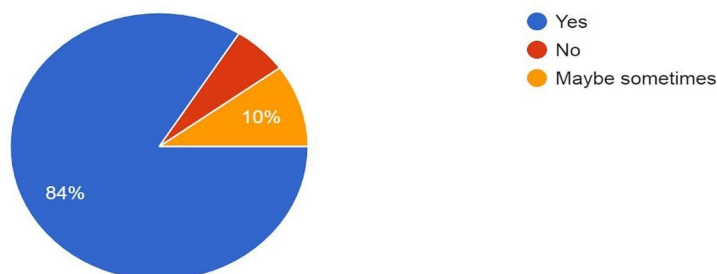
100 responses



On the basis of above data maximum respondents (54%) belong to age group 18-25 or having age between 18-25 while least no. of respondents (2%) having age between 45-55 and no respondent have age 55 and above.

### 1. Do you really think about cost of Medicines/Pharmaceutical products at the time of buying?

100 responses

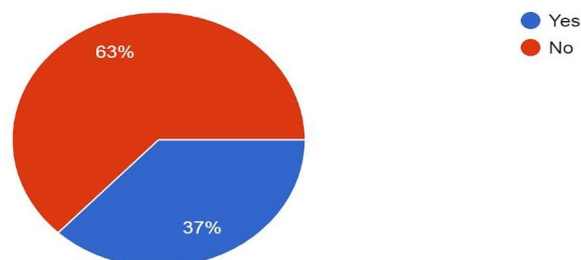


The above chart shows how many people think about prices of pharmaceutical products. We can say that 84% people think about price and 6% people don't consider price when purchasing. On the basis of the above data we can say that prices of pharmaceutical products have a high impact on consumer/customer buying decisions.

**Strategy:** On the basis of above data to compete with pharmaceutical companies we should have to reduce our manufacturing and testing costs to reduce market prices of pharmaceutical products. It can enhance sales of OTC or non-OTC drugs.

### 2. Do you think digital marketing is effective in Pharmaceutical market or do you prefer online buying of Medicines/Pharmaceutical products?

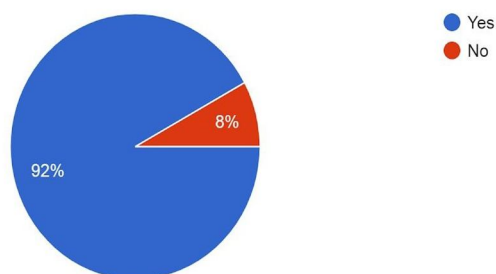
100 responses



The above chart shows consumer behaviour regarding online buying decisions of pharmaceutical products. We can say that 63% of people don't prefer online selling of medicines. Online selling or buying medicines is related to privacy issues and online/digital frauds. Most people think that online medicines may have poor quality of products. Digital marketing is only work in the case of OTC products. Digital marketing is not effective in prescribed drugs due to drugs and magic remedies act.

3. Do you prefer generic pharmaceutical products instead of branded pharmaceutical products/medicines?

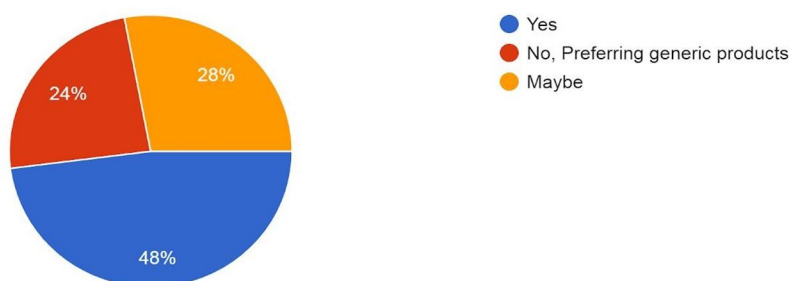
100 responses



Above chart shows the preference of people regarding generic medicines. We can say that 92% people prefer generic products instead of branded due to less price of generic products. **Strategy:** We should adopt new strategies in the generic market of the pharmaceutical industry to enhance sales of pharmaceutical products.

4. Do you buy same brand of medicines/pharmaceutical products according to your physicians/doctors?

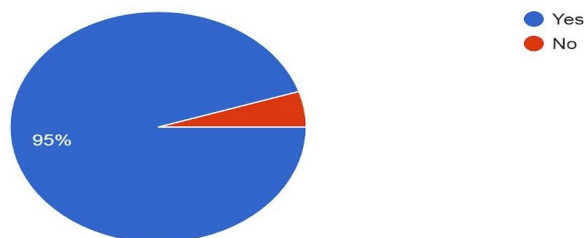
100 responses



Above chart shows consumer behaviour regarding physicians' prescription. We can say that 48% of people buy the same brand of drug that has been prescribed by a physician, 24% people prefer generic medicines instead of prescribed branded medicines while 28% people sometimes prefer generic products and sometimes prefer prescribed brands.

5. According to you physicians and doctors really have powerful impact on marketing of medicines or pharmaceutical products?

100 responses

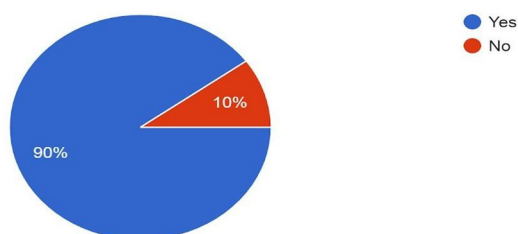


According to the above chart 95% people think that physicians and doctors have a powerful impact on marketing of medicines or pharmaceutical products.

- **Strategy:** On the basis of above data we should make strategies to influence physicians in favor of our products.

6. According to you pharmacists and drug sellers have impact on pharmaceutical marketing or do you consider pharmacist/drug seller opinion at the time of buying medicines?

100 responses

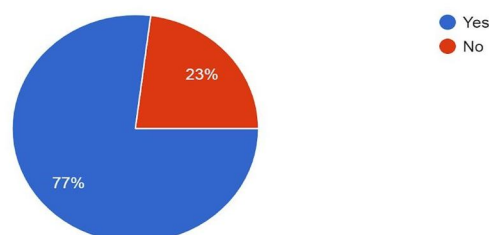


According to above data we can say that 90% people think that pharmacists and drug sellers have a powerful impact on pharmaceutical marketing or 90% people think that pharmacists and drug sellers can change or shift their buying decisions.

- **Strategy:** we should influence pharmacists and drug retailers by giving them various benefits. We also make some strategies focused on pharmacists and drug sellers.

7. Advertisements of OTC medicines or pharmaceutical products change your buying decisions?

100 responses

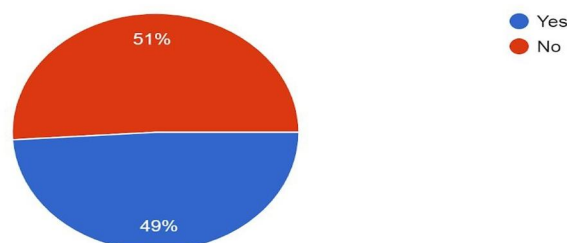


According to above data 77% people think that advertisements of OTC products or medicines can change their buying decisions while 23% people do not consider that advertisement can change their buying decisions.

- **Strategy:** According to above data advertisement has a powerful impact on OTC product marketing. We should focus on the advertisement of OTC products to enhance our sales. Advertisements of the OTC products can build a different image in consumers mind which can build a trust between consumer/customer and the company. This can be helped in marketing of non OTC drugs indirectly after building an image in customers mind by advertisement of OTC products.

8. According to you packaging of Medicines have impact on buying decision of customers?

100 responses



According to above data 51% people think packaging don't have an impact on marketing and 49% people think that packaging of pharmaceutical products has an impact on buying decisions.

- **Strategy:** Packaging can have impact in case of OTC products while in case of prescribed drugs packaging of drugs have no such effect on marketing but packaging must be according to standards and safety measures.



## VI. PHARMACEUTICAL MARKETING STRATEGIES:

Here are some important marketing strategies adopted by many pharmaceutical companies.

S. No.	Strategy	Explanation
1	Core model	Marketing a large no. of drugs from the acute therapy area (Analgesics) to big diversified markets. This strategy was adopted by Abbott, Pfizer and Cipla etc.
2	Super core model	Marketing of small no. drugs from the chronic therapy area (Oncology). This strategy was adopted by Sunpharma, Dr. Reddy Laboratories. etc
3	Niche strategy	To obtain a commanding position within a particular segment of the overall market.
4	Target strategy	Targeting different groups of consumers/customers in the market. Eg. 1. Physician/Pharmacist Target strategy, 2. Consumer target strategy, 3. OTC market target.
5	Price strategy	Offering lower prices than your competitors or running a reduced price campaign.
6	Market Expansion	1. Grow sales with existing products. 2. Grow sales with new launched products.
7	Invest in Generics	Introducing own generic products in the generic market.
8	Innovation/Product development strategy	Pharmaceutical companies can innovate by launching new dosage forms or by demonstrating effectiveness for new indications.
9	Customer Acquisition strategy	Try to target or catch up new customers
10	Customer retention strategy	Focuses more on keeping current customers/consumers who are happy, loyal and buying from you
11	Customer engagement strategy	Increase customer engagement by offering different benefits.

## VII. FUTURE STRATEGIES FOR PHARMA MARKETING (FUTURE IMPLICATIONS)

- A. Companies must be dependent on multiple supply chains instead of a single supply chain.
- B. Assure core operations.
- C. Enhances interactions between medical representatives and physicians or pharmacists.
- D. Reevaluate sales forecasting and sales plans.
- E. Enhances customer acquisitions.
- F. Analyze the communication gap between organization and customers and try to overcome the problems.
- G. Adjust the cost structure and cost cutting.
- H. Give better knowledge about all strategies to influence customers.
- I. Developed customers focus sales structure.
- J. Adopting new technologies in the marketing sector.

## VIII. CONCLUSION

The study reveals the various impacts of physicians' behaviour & consumer behaviour or buying decisions on Pharmaceutical marketing. We also observed different marketing strategies adopted by Pharmaceutical companies. We observed that doctors vary their views on the influence of marketing promotional efforts on drug prescription. On the other hand consumer buying decisions mainly depend on the cost of products. Consumer buying decisions can easily be influenced by pharmacists and physicians, resulting physicians and pharmacists can easily change buying decisions of consumers. A large portion of consumers are slowly shifting toward generic products due to less price. Thus the essence of present study is to understand consumer and physicians buying decisions in the pharmaceutical market according to which companies can make strategies to enhance their marketing outcomes.

## REFERENCES

- [1] Arif M. A. & Qurashi K. A. (2015). Pharmaceutical Marketing Communication Strategies and Tools - Analysis of influence over physician prescribing preferences. *Scholars Academic Journal of Pharmacy (SAJP)*, 4(4), 232-239.
- [2] Khazzaka M. (2019). Pharmaceutical marketing strategies influence physicians' prescribing pattern in Lebanon: ethics, gifts and samples. *BMC Health Services Research*, 19:80. <https://doi.org/10.1186/s12913-019-3887-6>.
- [3] Alowi M. & Kani Y. (2018). Impacts of Pharmaceutical Companies' Promotional Tools on Physician Prescription Patterns: A Systematic Review. *Journal of Applied Pharmacy*, 10(3): 267. <https://doi.org/10.4172/1920-4159.1000267>.
- [4] Kayle G. J., Nissen L.M. & Tett S.E. (2008). Pharmaceutical company influences on medication prescribing and their potential impact on quality use of medicines. *Journal of Clinical Pharmacy and Therapeutics*, 33, 553-559.
- [5] Kalotra A. (2014). MARKETING STRATEGIES OF DIFFERENT PHARMACEUTICAL COMPANIES. *Journal of Drug Delivery & Therapeutics*, 4(2), 64-71.
- [6] Saxena S. & Dr. Parmar S. (2017). Conceptual paper on study of FMCG & Pharmaceutical Market: Identifying the differences and similarities. *International Journal of Business and Management Invention*, 6(3), 29-31.
- [7] Civaner M. (2012). Sale Strategies of Pharmaceutical companies in a pharmerging country: The problems will not improve if the gaps remain. *Health Policy* 106, 225-232.



10.22214/IJRASET



45.98



IMPACT FACTOR:  
7.129



IMPACT FACTOR:  
7.429



# INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Call : 08813907089  (24\*7 Support on Whatsapp)