Doctor's expectations from pharmaceutical products (medicine) which will influence their prescription behaviour

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ABSTRACT

The Indian pharmaceutical industry's biggest challenge lies in reinventing communication. It has become extremely crucial to differentiate in the pharmaceutical market place through your communication. Pharmaceutical companies have to primarily depend on personal selling to promote (communicate) their medicines in the market as the target audience and customers are different, who are not the end users but merely influencers. These influencers are medical practitioners referred to as 'doctors' or 'physicians' by general public. Medicine provide relief to the patients and so some time calling it as a product may be wrong, however in marketing term it is a product offered by the pharmaceutical company to the doctors. and pharmaceutical companies put lots of effort in marketing of their products through medical representative. Its very important to understand the attributes of a product which a customer is looking for. This will be helpful to the pharmaceutical companies for making more focused marketing strategies. This paper is intended to give insight on the same.

***Keywords*:** Pharmaceutical Marketing, Doctors expectation, Medicine, Customer Need.

INTRODUCTION

The Indian Pharmaceutical Industry today is in the front rank of India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. It ranks very high in the third world, in terms of technology, quality and range of medicines manufactured. From simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicine is now made indigenously.

Indian Pharma Industry is having quality producers and many units approved by regulatory authorities in USA and UK. International companies associated with this sector have

stimulated, assisted and spearheaded this dynamic development in the past many years and helped to put India on the pharmaceutical map of the world. India's pharmaceutical industry is now the third largest in the world in terms of volume. Its rank is 14th in terms of value. Between September 2008 and September 2009, the total turnover of India's pharmaceuticals industry was US$ 21.04 billion. The domestic market was worth US$ 12.26 billion. This was reported by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers. As per a report by IMS Health India, the Indian pharmaceutical market reached US$ 10.04 billion in size in July 2010. A highly organized sector, the Indian Pharmaceutical Industry is estimated to be worth $ 4.5 billion, growing at about 8 to 9 percent annually. [7]

India currently represents just U.S. $6 billion of the $550 billion global pharmaceutical industry but its share is increasing at 10 percent a year, compared to 7 percent annual growth for the world market overall.1 Also, while the Indian sector represents just 8 percent of the global industry total by volume, putting it in fourth place worldwide, it accounts for 13 percent by value,2 and its drug exports have been growing 30 percent annually. The "organized" sector of India's pharmaceutical industry consists of 250 to 300 companies, which account for 70 percent of products on the market, with the top 10 firms representing 30 percent. However, the total sector is estimated at nearly 20,000 businesses, some of which are extremely small. Approximately 75 percent of India's demand for medicines is met by local manufacturing. According to the German Chemicals Association, in 2005, India's top 10 pharmaceutical companies were Ranbaxy, Cipla, Dr. Reddy's Laboratories, Lupin, Nicolas Piramal, Aurobindo Pharma, Cadila Pharmaceuticals, Sun Pharma, Wockhardt Ltd. and Aventis Pharma. Indian-owned firms currently account for 70 percent of the domestic market, up from less than 20 percent in 1970. In 2005, nine of the top 10 companies in India were domestically owned, compared with just four in 1994. [8]

India's potential to further boost its already-leading role in global generics production, as well as an offshore location of choice for multinational drug manufacturers seeking to curb the increasing costs of their manufacturing, R&D and other support services, presents an opportunity worth an estimated $48 billion in 2007.

The Indian pharmaceutical industry's biggest challenge lies in reinventing communication. It has become extremely crucial to differentiate in the pharmaceutical market place through your communication. Pharmaceutical companies have to primarily depend on personal selling to promote (communicate) their medicines in the market as the target audience and customers are different, who are not the end users but merely influencers. These influencers are medical practitioners referred to as 'doctors' or 'physicians' by general public. The medium of communication, i.e. the 'medical representative' is the face of the pharmaceutical company and only he can create an impact on the prescriber of the medicine. It is very important to see that the medical representative delivers the message appropriately. Pharmaceutical companies direct all their efforts to promote their medicine to these distinct classes of customers and train the field sales force to take on the task of promoting medicines to highly skilled and knowledgeable customers (doctors). Hence pharmaceutical selling is distinct from other kinds of selling. We understand the importance of simple, creative, and effective communication in pharmaceutical selling/promoting. The objective of pharmaceutical marketing is to make profits through satisfying customer needs and wants.

Hence, the marketers have to understand the real needs, wants, belief and attitude of customers towards products and services. A strong and different approach of promotion as compared to the competitor may be required for sustaining and growing the business.

RATIONALE OF THE STUDY

Doctor's relationship with pharmaceutical companies is receiving a good attention since last few years. The reason is simple, pharmaceutical marketing of branded formulation start and ends at doctor's place. As discussed, Many a time's, personal selling is considered as one of the most important part of pharmaceutical marketing. Though this is true, one important aspect of pharmaceutical marketing is that the customer and consumer are totally different. It is the doctor who decides which medicine a patient will purchase and consume. That's why doctors become most important part in the pharmaceutical marketing and so all companies make all efforts to have good relationship with them. In pharmaceutical marketing, communication is most important part and the main objective is to make an impression, an impression which is long lasting. In today's competitive environment, many national and multinational pharma companies have gained remarkably for their exceptional marketing communication strategies for relationship building and sales promotion. As discussed above in pharmaceutical marketing, relationship with doctors is very important and we cannot make a good relationship till we understand the customer well. For this few questioned should be answered like what are customers'needs. What can be done so that he will make a good image for company and what can be done to make a good rapport between sales person and doctors? If company will understand how a doctor will receive them well, half battle is already won. The ever increasing number of companies, molecules and brands will force the companies to have a good bonding with doctors. This bonding will come by fulfilling the customer's desire by giving exactly what he wants in terms of knowledge, communication, and updates on recent innovations. In this study we have made an effort to understand the same. If industry understands how to satisfy their customer we are confident that it will helpful for developing a long lasting relationship with their customer.

OBJECTIVE OF THE STUDY

This study focuses on finding the need of customer and giving a focused approach to the marketing team so that efforts will be directed at most important factors. The research has done to find out the expectation of doctors from pharmaceutical products (medicine).

LITERATURE REVIEW

In our literature review we found that lots of work has been done on role of medical representative however the pharmaceutical product is one area which is not given enough attention from the view of doctors. Though the literature gives enough research information on the doctor's expectation from companies and sales team of pharmaceutical companies, the product as a marketing tool not been used extensively.

(Maguire 1999)Despite the boom in consumer ads, doctors are still king" [9]

(Stinebaugh and Sabin, 2003). The physician may not be responsive to details that consist of (increasing) sample drop-offs. This is borne out by industry studies which note that sales representatives use samples to gain admission to the physician's office (since samples are

attractive to the physician – as suggested by the positive main effect) and therefore do not add any "value" to the detail [10]

(Marc States, Roger Green) Determining how doctors perceive your product is very important. Knowing those product attributes that you are winning on and those you are losing on is important in positioning your product in the market. Using an analysis like this, you will be able to determine the attributes that drive physicians' preference for your product when they are treating patients. [11]

(Saurabh Kumar Saxena) his article presented the changing marketing strategies when a pharma company shift Acute base to Chronic therapy base. This research paper also give an insight about shift in supply chain process and customer and end-customer perception which is the base of formulation of different marketing strategies. [12]

(Joan Buckley) This paper reviews current marketing practices in the pharmaceutical sector, and their impact on consumer and doctor behaviour. [13]

RESEARCH METHODOLOGY

For this study we have used both Primary as well as secondary data. A group of 117 respondents (who all are practicing doctors) were identified who were willing to participate in the study. The group majorly consists of general physicians and few consultants. They are practicing in private clinics and some of them are also having small hospitals and few are also associated with big hospital groups. A questionnaire was designed to gather the primary data from the doctors. 21 attributes (variables) of pharmaceutical product were selected after doing a pilot survey and respondents were asked to give the response as per the degree of importance ranging from 1 to 5. Data tabulation had been done attributes wise which is used for interpretation and analysis. Factor analysis is done for arriving at the results.

Sample Design

Non probability Convenient Sampling method is used. It is difficult to get the time from the busy schedule of the doctors; however doctors are selected who are having good practice and are also willing to give time for filling the questionnaire. 117 doctors were ready to help for the same and so the sample size is 117 and area is Pune City.

Result Analysis

We have used the method Principal Component analysis. After applying the same on the data collected from the respondents we got results which are presented in tabular format as shown below.

Table 1. Total Variance Explained

Comp-onent	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumul-ative %	Total	% of Variance	Cumul-ative %	Total	% of Variance	Cumul-ative %
1	3.075	30.749	30.749	3.075	30.749	30.749	2.346	23.459	23.459
2	1.728	17.282	48.031	1.728	17.282	48.031	1.909	19.088	42.547
3	1.128	11.279	59.309	1.128	11.279	59.309	1.676	16.763	59.309
4	0.961	9.613	68.922						
Extraction Method: Principal Component Analysis.									

As per table 1 there are 3 factors which have Eigen value of 1 or more than 1.The last column in the table (looking at the cumulative Pct.) shows that the three factors extracted together account for 59.30% of total variance. Hence we have reduced the factors from 21 to 3 and by doing so we have lost only about 40% of information contents, while 59.30% is retained by the 3 factors extracted out of 21 original variables. So these first three factors seem to be most important factors (of pharmaceutical product) for influencing doctors to prescribe.

Table 2. Rotated Component Matrix

Sr. No		Component		
		1	2	3
1	product efficacy	**0.767**	0.176	0.026
2	short & easy to remember names	0.064	**0.758**	0.176
3	Economical price	0.25	**0.677**	0.022
4	attractive & safe packaging	0.022	**0.622**	0.108
5	quality of medicine	**0.651**	0.289	-0.165
6	availability at all chemist shop	0.36	0.265	**0.551**
7	long expiry dates	-0.131	0.533	**0.634**
8	easy to consume	0.06	0.052	**0.868**
9	safety of drugs	**0.824**	0.011	0.13
10	well accepted by the component authority like FDA etc.	**0.662**	-0.135	0.361
	Extraction Method: Principal Component Analysis.			
	Rotation Method: Varimax with Kaiser Normalization.			

Naming of Factors

Factor 1: Core product (medicine) benefit

The rotated matrix has revealed that respondents have perceived this factor to be the most important factor with the highest explained variance of 23.45 %. Three out of twenty one variables load on significantly to this factor. Researcher has named this factor as 'Core product benefit' as it includes Safety of drugs, quality of medicine, product efficacy. The doctors are looking for core product attributes like safety for patients from side effects of

drugs, assured results with excellent medicine efficacy and quick relief with good quality medicine.

Hence it can be concluded that Core product (medicine) benefit'influences the doctors most while prescribing medicine of a particular company.

Factor 2: Basic product (medicine) benefit

The rotated matrix has revealed that respondents have perceived this factor also to be the most important factor with the second highest explained variance of 19.08 %. Three out of twenty one variables load on significantly to this factor. Researcher has named this factor as 'Core product benefit' as it includes Economical Price, Short and easy to remember names and attractive and safe packaging. Once satisfied with the core product benefits, doctors are looking for basic product attributes like price, packaging and product name.

Hence it can be concluded that basic product (medicine) benefit influences the doctors while prescribing medicine of a particular company.

Factor 3: Product Convenience

The rotated matrix has revealed that respondents have perceived this factor also to be the most important factor with the third highest explained variance of 16.76 %. Three out of twenty one variables load on significantly to this factor. Researcher has named this factor as 'Product Convenience' as it includes Availibilty of medicine at all chemist shop, long expiray dates and easy to consume Once satisfied with the core and basic product benefits, doctors are looking for convenience in purchasing storing and consuming the medicine.

Hence it can be concluded that Product convenience (medicine) benefit influences the doctors while prescribing medicine of a particular company.

CONCLUSION

Normally consumer looks for basic products like packaging, brand names and other augmented product benefit however in case of medicinal product doctors have given more importance to the core product benefit. This fact in any case is well known, however our results are giving the important attributes which doctors looking for. Attributes like economical price, good packaging which should also be safe and short easy names comes out to be important one. Along with low price doctors feel that packaging should be good and safe so that the medicinal properties will be retained till expiry date. Normally pharmaceutical names are very confusing and it may lead to create some misunderstanding at chemist level also, good names may help in this regards

Pharmaceutical companies are giving lot of efforts in making good medicine. If they give some more focused approach on other products attributes this will be helpful to the doctors and so to the pharmaceutical companies also.

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