3.1. INTRODUCTION:

Indian pharmaceutical industry is undergoing fast paced changes. The Indian Generics market is witnessing rapid growth opening up immense opportunities for firms. This is further triggered by the fact that generics worth over $40 billion are going off patent in the coming few years, which is close to 15% of the total prescription market of the US. The Indian pharmaceutical companies have been doing extremely well in developed markets such as US and Europe, notable among these being Ranbaxy, Dr. Reddy's Labs, Wockhardt, Cipla, Nicholas Piramal and Lupin. The companies have their strategies in place to leverage opportunities and appropriate values existing in formulations, bulk drugs, generics, Novel Drug Delivery Systems, New Chemical Entities, Biotechnology etc.

Pharmaceutical marketing is a specialized field as the marketing personnel should not only know about the product but also be able to influence the decision maker - doctors & to some extend retailers. Pharma promotion today has undergone a change. With more than 6526 products and 45000 formulations available it is becoming more difficult for pharma marketing people to promote the products. The pharmaceutical promotion and marketing expenditure averages about 20-30% of total net sales turnover or about 2 to 3 times the average expenditure on R & D. In UK, the estimated industry expense was 200 million pounds.

With the advent of the post-2005 era, when India joins the major league of patent-strong countries with a harmonised patent system consistent with the provisions under TRIPS and WTO, the face of the Indian industry needs to change, if it is to survive and grow. And that growth has to come not merely by being a supplier of generic (off-patent) products, but also from new patented products developed through Indian R&D efforts.

Pharmaceutical detailing is a marketing method that involves individual pharmaceutical sales representatives (detailers) meeting with doctors to promote specific medications. Detailing is a multi-billion dollar business with closely monitored targets and carefully crafted promotional presentations. The process begins when drug companies buy – often without the knowledge or prior consent of doctors – the prescribing histories of individual physicians. Purchased from
retail pharmacies and then aggregated by data processing companies, this information gives detailers precise information about which classes, forms and dosages of drugs each physician prescribes. Drug companies use this information for direct mail marketing to medical offices and detailers use it to specifically target their sales pitches when they meet with doctors. Industry, in contrast, has clear obligations to achieve financial gains for stockholders as well as to provide the public with safe and effective medications. Marketing is an essential part of that process and allows companies to inform physicians and patients of the availability of newly developed (or newly approved) treatments, train physicians in their appropriate use, and warn physicians and patients of their potential hazards. Marketing may also include a motivational component to encourage potential customers to consider options different from those currently in use or to preferentially select one agent over another when there is no substantive difference between the two. No conflict of interest need arise if a drug is marketed exclusively to those who would legitimately benefit from it. Conflict often occurs, however, when there is the potential for increased profits by inappropriate promotion of the drug. These conflicts are handled primarily by government regulation and oversight and by education of prescribing physicians.

Conflict may also arise when there are direct interactions between physicians and industry. When the interaction is limited to the candid sharing of information, problems are few. When confounding factors are introduced, such as financial incentives, gifts, or emotional marketing appeals, clinical decision making may be compromised. This interface has been the focus of extensive, often rancorous, debate within the profession and in the media. Much of this debate has suffered from its narrow focus, without consideration of the larger context and issues involved.

Gulbahar Grover & Ruchi Katiyar (2005) in an article mentioned that Indian pharmaceutical industry is growing leaps and bounds but there is some sort of apprehension amongst the Indian pharma industry as to whether it would be able to sustain the past growth level in the coming years, in the light of the impending patent regulations and the liberalized global trade. While a few such as Ranbaxy, Dr. Reddys, Orchid, Lupin and others have done extremely well, a large number have failed miserably. General view is that success of the Indian pharma industries is only due to it's capability in reverse engineering. But truth is that on one hand they have stood against severe competition from well established multi national companies and on other it enjoys
excellent credibility and faith among consumers, particularly in India. Over and above that, it has also practiced reasonable level of fairness in price fixing and has exhibited responsible corporate behavior. Considering ever increasing population and diseases, low per capita consumption of drugs and very small penetration of modern medicine in rural areas; Indian medical needs for drugs are bound to grow phenomenally in the coming decade. Also India, by virtue of its technological ability to produce cost-effective bulk drugs and formulations matching in quality with the very best in the World, also has the opportunity of being a major exporter of these items, particularly of generic products for the global markets.

Chandrasekar (2001) quoted in his book that the measure of a product's promotional expenditure is its share of the total market (therapeutic class) promotion expenditure. This is considered to be a more meaningful measure than percentage of product sales in a competitive market situation. The level of promotional expenditure was so high that only 5 out of 22 brands succeeded in reducing their promotional expenditure to average market levels (as indicated by share of promotion equaling share of sales) within three years of entering the market. Products that achieved market shares of between 5 and 15 percent were not promoted intensively as those achieving market share of 15 percent or more. However, in most cases the share of promotion expenditure was considerably in excess of sales shares in the initial years. Pharmaceutical manufacturers usually aim to reduce that level of promotional support they give to individual products over time. If the product is an obvious failure, management is quick to cut its losses and reduce promotional expenditure to a level the product will support. For successful products, management will usually sustain relatively high levels of promotional expenditure until such time as the product market share has peaked or levelled off. and competition ceases to be threat to the product's market share. Broad-spectrum antibiotics are good examples of therapeutic classes where the old-established products have a declining sales position, and have less promotional support than the more recently introduced products.

Scott- Levin (2001) a pharmaceutical tracking firm indicated that pharmaceutical detailing is on the rise. Between 1996 and 2000, the number of pharmaceutical sales reps in the U.S. more than doubled from 41,800 to 83,000.
According to NIHCM (2001) excluding drug samples, pharmaceutical companies spent a total of $4.8 billion in one on-one promotion in 2000. With samples included, total detailing expenditures topped $12.7 billion in 2000.

Emily Clayton (2004) cites that as the practice of pharmaceutical detailing becomes more popular, it becomes increasingly competitive. Detailers have a harder time keeping a doctor’s attention or even getting through the medical office door. To make a lasting impression, detailers commonly bring gifts and meals along with their promotional information. These gifts and meals can range from pens, notepads and pizza to watches, golf trips and five star dining. Given the unique doctor-patient relationship and the already extraordinarily high cost of prescription drugs, this gift giving practice is a cause for concern for a number of reasons. The first problem is one of perception. Regardless of any effect that the promotion may have on the prescribing patterns of a given physician, accepting gifts from pharmaceutical salespeople can create the appearance of impropriety.

Harris, Gardiner (2004) in a New York Times article reports that five and even six figure checks have arrived, unsolicited, in doctor’s offices as a means of inducing prescriptions. Several studies have demonstrated that this gift giving is having its desired effect – increasing the number of prescriptions written for the drugs that are promoted in meetings with detailers.

According to research conducted by Dr. Margaret Chren (1994) of the University of California, San Francisco, “physicians were more likely to have requested drugs manufactured by specific companies if they had met with pharmaceutical representatives from those companies or had accepted money from those companies.”

Another study by J.P. Orlowski and L. Wateska (1992) showed that doctors exhibited a “significant increase” in prescribing a company’s drugs after attending an all-expenses paid trip to a drug company symposium.

Dr. Michael Steinman(2000) in the Journal of the American Medical Association quotes that surveys show that as many as 70% of patients believe these gifts significantly impact prescribing, and as many as two thirds believe they increase the overall cost of medications for the public. Because physicians are in the unique position of choosing a specific product that
someone else must purchase and use, patients must have absolute confidence in the process that leads a doctor to a prescribing conclusion. The fiscal impact of these promotions manifests itself directly in patient prescription costs as well. As indicated by a wide range of studies and the ever-increasing prevalence of the practice, this type of promotion is highly effective at changing the prescriptions that physicians write. Because companies focus their promotions on their newest, most expensive medicines, virtually any time that a physician switches to a promoted drug, the price increases. Thus, whenever a physician-oriented promotion is successful, consumers, insurers and government programs pay a higher price for their medications.

Ziegler et al (1995) quotes that in addition to the public perception and financial considerations raised by the practice of pharmaceutical detailing, the quality of the information presented by detailers is of significant concern. Numerous academic articles have criticized the incomplete nature of presentations from detailers, and research shows that much of the information presented during these interactions is actually inaccurate. found that 11% of all statements made by detailers during monitored presentations were inaccurate and that only 26% of doctors who had seen the presentations were able to recall any false statements. The lack of complete and accurate information from detailers is particularly troublesome because companies promote their drugs most heavily as they first enter the market – a stage when little outside information is available for comparison and doctors are forced to rely more heavily on company sponsored materials and presentations.

Roughead et al (1998) quotes that pharmaceutical representatives are adept at taking advantage of people's aspiration to meet someone who is impressed by their knowledge and sympathetic about the challenges they face and who will therefore shower them with gifts. This aspiration may be universal in the workplace. It seems that general practitioners are willing accomplices in their own exploitation.

Richard A. Bravasso (2004) quotes that although many people argue that physician detailing is inefficient, is often unproductive, and is difficult to do effectively, it is still the best way for a doctor to find out about a product.

According to Balakrishnan (2005), core competence will play an important role in determining the future of many Indian pharmaceutical allied companies in the post product-
patent regime. Recently, the US Food and Drug Administration (FDA) outlined new steps in its strategic initiative to modernise the regulation of pharmaceutical manufacturing and product quality. This initiative has been aimed at ensuring that the regulatory review, compliance and inspection policies are based on state-of-the-art pharmaceutical science, and do not impede rapid adoption of new technological advances by the pharmaceutical industry. It also promised to enhance safety and quality in drug manufacturing while increasing efficiency. Soon, the Indian pharmaceutical ancillary segment comprising more than 10,000 units, including small and medium scale, will have to adhere to such regulations. These units, which form the core of the pharmaceutical industry in India, produce the complete range of pharmaceutical ancillary including pharmaceutical machinery, packaging material and equipment, polymers, tablet coating materials and excipients. A large part of such small units, however, function in dingy spaces which leaves much to be desired in terms of good manufacturing activity.

The allied industry has been playing a crucial role in the functioning of pharma industry which discovers, develops, manufactures and distributes quality medicines. It meets a substantial per cent of the country’s demand for ancillaries used in the pharmaceutical industry. With state-of-the-art technology and total self-reliance coupled with low costs of production, low R&D costs, innovative scientific manpower, strength of national laboratories and an increasing balance of trade, the ancillary industry has a great potential to be a leading global player. Notwithstanding this, the WTO led trade measures and the TRIPs driven patent regime could pose new challenges for the national pharma allied industry. During the early years, the pharmaceutical industry in India witnessed establishment and growth of a large number of companies engaged in, at first, in effective distribution, and later on in the manufacture of drugs, and ancillary products. Later, as the industry grew, it became increasingly evident that only through the creation of suitable conditions, would it be possible for the industry to maintain a healthy rate of development.

Creation of conducive climate — beneficial to both the industry and the consumer — can only be brought about through the active co-operation and concerted actions of individuals and firms connected with the pharmaceutical and allied industry. The pharma allied segment, which is passing through a very crucial period of its growth, is in need of meaningful representation with various governmental authorities. Core competence will play a prominent role in
determining the future of many Indian pharmaceutical allied companies in the product-patent regime after 2005. Indian companies, through acquisition options of either companies or products, can offset loss of new product options, improve their R&D efforts and improve distribution to penetrate markets.

In order to stay competitive in the future, Indian companies will have to refocus and invest heavily in R&D. The pharmaceutical allied industry also needs to take advantage of the recent advances in information technology. The future of the industry will be determined by how well it markets its products in several regions, its forward and backward integration capabilities and R&D.

Rose (2002) quotes that the pharmaceutical industry spends more than $5.5 billion to promote drugs to doctors each year — more than what all U.S. medical schools spend to educate medical students. Major drug companies employ about 90,000 sales representatives — one for every 4.7 doctors in the United States, according to the American Medical Association. Although substantial marketing expenditures are common in many industries, the potential effect of drug marketing on health raises special concerns. For years, the industry has justified these expenditures on the grounds that they fund essential education for doctors.

Public Health News (2004), pharmaceutical drug companies spend upward of $25 billion per year in the USA on promoting new drugs and distributing free samples to doctors, but new research shows such marketing devices have little impact on physicians and their prescribing behavior. Direct-to-physician activities accounted for the bulk of spending, with $5.3 billion spent on a practice called "detailing" - visits to physicians by pharmaceutical sales representatives in order to promote their firm's drugs. Free drug samples distributed during these visits were valued at roughly $16.4 billion.

According to the Web site of the Pharmaceutical Manufacturers and Research Association, "many physicians learn about new drugs — indeed, about ongoing research in their areas of specialization — largely through information provided by the companies that market new products." But if the primary goal is sales, not education, and the information provided to physicians is slanted or misleading, the health consequences for patients can be serious.
Carolyn K. Lewis (2004) mentions that medical societies in USA offer a unique venue for the promulgation of important medical information and education. When a pharma company has clinical data and information that qualify, a society website can focus that education to an audience more likely to participate in and benefit from the program. He also mentions that ACI and Rievent's web-based educational model demonstrates a highly sophisticated, yet intuitive ability to provide state-of-the-art real time data on knowledge needs, how the practitioner implements the knowledge to affect quality patient outcomes and further provides valuable information on participant attitudes and behaviors for future program development. This is a cutting-edge 21st century educational model for robust web-based online education.

Mick Majid (2004) quotes that physicians want more from pharmaceutical sales representatives than just a quick sales pitch and drop-off of samples. They want a collaborative relationship with sales reps as trusted partners to gain access to relevant information and tools that will help their practice.

Bob Sweeney (2004) quotes that managing relationships with physicians is critical to successful pharmaceutical product positioning. Physicians are likely to respond to marketing and sales programs that offer them real value for their practices and their patients. Conflicts of interest between physicians' commitment to patient care and the desire of pharmaceutical companies and their representatives to sell their products pose challenges to the principles of medical professionalism. These conflicts occur when physicians have motives or are in situations for which reasonable observers could conclude that the moral requirements of the physician's roles are or will be compromised.

Versipan Press Release mentions that pharmaceutical meetings and events have become an integral component of the drug industry's promotional efforts used to gain face time with physicians. According to a Versipan Sales Force Effectiveness audit in 2004, 63% of physicians surveyed considered rep-arranged meetings and events to be more or much more effective than a traditional detail. Only 12% characterized events as less or much less effective. The problem with pharma marketing to physicians is that it combines gift-giving with a hard-sell approach. Often, the sales rep does not or cannot deliver any useful, believable evidence-based information to doctors.
According to Michael Kessler (2005), MD, VP of Metamorph Doctors, a methodology for evaluating pharmaceutical sales rep effectiveness is reviewed. The methodology centers on using trained physicians to score sales reps on a number of parameters such as building rapport and product knowledge. Representatives, in general, are scoring lower in their ability to communicate clinical information in a way that is palatable and understandable to the doctor.

Devlin J, Hemsley (1997) in an article mentioned that drug companies spend on average around 35% of sales on promotion. Companies would not spend such massive amounts on promotion if it were not effective at influencing prescribing. In Australia spending on drug promotion has now reached somewhere between $1.3 billion to $2.0 billion per year. Promotion influences prescribing much more than most health professionals realize.

Wilkes MS (1992) quotes that many advertisements and statements from pharmaceutical representatives are misleading. Promotion which exaggerates benefits and glosses over risks, threatens optimal treatment. Reliance on promotional information may endanger lives and expose prescribers to the risk of litigation.

Thirteen observational studies as quoted by Watkins (2003) have found that exposure to pharmaceutical promotion and doctors positive attitudes towards pharmaceutical promotion both correlate with harmful use of pharmaceuticals.

According to Ziegler (1992) physicians should be cautious about drawing conclusions based on data presented on brochures provided by pharmaceutical companies. It would be prudent for physicians to review the original study prior to changing prescribing behavior based on promotional brochures only. Further, physicians should be familiar with and utilize the principles of evidence based medicine in assessing the validity of published studies.

John Mack (2004) in his article mentions that Instead of talking about gaining "physician access" by sales reps, pharmaceutical companies might provide more access to the kind of representative physicians seem to want -- the Medical Science Liaison or MSL. What doctors seem to want are pharma representatives that keep them informed about the product, talk to them without regulatory constraints, and maintain their sample closet. MSLs play, at best, second fiddle to the sales reps. The MSL should be the primary contact and call in the rep when the
physician asks for samples. Sample delivery is the primary reason sales reps gain access to physicians anyway. Much fewer MSLs than sales reps would be needed. Docs would be more eager to see MSLs and not make them wait in the office or turn them away. Less time would be spent on unproductive calls and each MSL could service many more docs than a sales rep. The sales rep's time would also be better managed because the docs would request reps to deliver the samples. At that time, the rep can still make the pitch without having to explain the value of the product -- the MSL would have already done that.

Brennan et al (2006) proposed that Conflicts of interest between physicians' commitment to patient care and the desire of pharmaceutical companies and their representatives to sell their products pose challenges to the principles of medical professionalism. These conflicts occur when physicians have motives or are in situations for which reasonable observers could conclude that the moral requirements of the physician's roles are or will be compromised. Although physician groups, the manufacturers, and the federal government have instituted self-regulation of marketing, research in the psychology and social science of gift receipt and giving indicates that current controls will not satisfactorily protect the interests of patients. More stringent regulation is necessary, including the elimination or modification of common practices related to small gifts, pharmaceutical samples, continuing medical education, funds for physician travel, speakers bureaus, ghostwriting, and consulting and research contracts.

According to R K Srivastava (2000), the amoxycillin market, which overtook ampicillin segment, saw a decline for the first time in the recent year. Ampicillin and amoxycillin segment is now shifting to amoxycillin + cloxacin segment. This change in scenario has resulted in to 16.2% growth rate for the amoxycillin and cloxacin combination. Amoxycillin + cloxacin combination is dominated by Novaclox - a product introduced by Cipla. This combination takes care of betalactamase producing bacteria and is a drug of choice in many indications. Success of Ampoxin - a combination of Ampicillin and Cloxacillin led to introduction of Novaclox by Cipla. Novaclox has become a Rs 15.4 crore product. Success of Novaclox was due to identifying the right customers' needs and translating it into a product. Right selection of doctors resulted into prescriptions. Novaclox is prescribed by larger segments of doctors due to Cipla's wider coverage of areas but the number of prescription per doctor is less compared to Suprimox of Rexel or Tresmox of Sarabhai. Therefore, the company should take a second look at Novaclox
strategy and revamp the input plan. Doctors today are more interested in prescribing Amoxycillin + Cloxacillin with Lactobacillus. Slow reaction of Cipla resulted in lower growth of Novaclox and Cadila's brand of Symbiotic took a good lead. It could achieve Rs 10.6 crore sales. Promotional tools employed have undergone a change with passage of time. Today, yesterday's methods are not very effective as doctors' behavior, their perception has changed. Promotional tools employed & their rank test as per doctors too have changed. This is given below:

Table- 3.1- Sales Promotional tools Rank test

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MR Visits</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Leave Behind Kit</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Visual Aid</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Samples</td>
<td>NA</td>
<td>4</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Gifts</td>
<td>NA</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Clinical Meets</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: data

Medical rep's visit as per the study continues to influence the influencer - doctors. But, ranking of other tools have changed dramatically. Visual aid is sliding down in terms of ranking. Clinical meeting has gained importance in 1999.

Research carried out revealed that even in 1999 reps continue to influence prescriptions pattern. In India, an estimated 40,000 representatives are employed by the industry (Scrip 1990, 1508, II). Doctors may deny that their attitude changes with the visit of a MR. But, studies in India revealed that the visit of MR influences prescription behavior of doctors. In UK, a survey of GP 58% mentioned sales representative visit as a source of new product information (Scrip 1991, 1596,4). 80% of the total pharma promotional budget in Italy as per Scrip-Sep 1997 is spent on reps which is similar to Indian percentage. In India it is estimated that 12-20% of total budget are accounted for by Medical representatives. In fact, as per one study, 65-70% of total
promotional budget too account for MR salary / expense in India. Therefore, optimizing the effectiveness of MR will enable the company to march ahead.

MR profile too has changed. It is very difficult to get good representatives as many people come to this profession only if other jobs are not available. The following changes have been noticed:

Table 3.2 – Qualities of executives skills

<table>
<thead>
<tr>
<th>Expected</th>
<th>Reality Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sincerity for job</td>
<td>Less sincere</td>
</tr>
<tr>
<td>Liking for job</td>
<td>Commitment is less. Working as he got a job.</td>
</tr>
<tr>
<td>Regularity in visit to doctors</td>
<td>Missing in many cases.</td>
</tr>
<tr>
<td>Knowledge of product</td>
<td>Not up to the mark</td>
</tr>
<tr>
<td>Demanding</td>
<td>More demanding than past</td>
</tr>
<tr>
<td>Less militant behaviour</td>
<td>Active once again after 2 years</td>
</tr>
<tr>
<td>Not doing side business</td>
<td>Most people are doing</td>
</tr>
<tr>
<td>Intelligent</td>
<td>More intelligent and smarter</td>
</tr>
</tbody>
</table>

Attitudinal change, job enrichment and continuous counselling with mature leadership to lead are required to improve the work culture & productivity. Yesterday’s method of policing MR or autocratic style may not work. Behavioral change is a must for MR which should be done on continuous basis through training.
According to Srivastava (2004), a doctor is very respected in India. In fact, he is considered still in rural India next to God. People have blind faith in them in cities too. Doctors used to be a family friend cum counsellor. However, such a relationship is rare today. Today their behaviour too has undergone a change. This has changed pharma promotion approach too. Yesterday doctors use to rely more on symptoms but today diagnostic test are getting more importance.

Increasing consumer movement, negligence or lack of knowledge of doctors have created a situation for relying more on diagnostic test. News papers too have exposed linkage of "Cuts" between doctors and diagnostic centres. This has devalued doctors' image specially in cites. However, it has given opportunities to pharma promotion. In fact, many pharmaceutical companies are helping doctors to:

* Set up their own small pathological lab
* Provide insurance coverage to doctors
* Computerize clinics

This interface has built a good relationship between pharmaceutical companies & doctors. At the same time, it has also lead to misuse of the same. Doctor's behaviour has changed. In fact, today, expectation of doctors from pharmaceutical industry has gone up. The following changes have been observed:

1. Asking for free travel & hotel accommodation
2. Giving green cards against donation for building fund & refusing to see MR if donation is not given.
3. Group of doctors forming companies and prescribing their products
4. Increasing liaison with chemist to prescribe a product which provides more discount to chemist
5. Asking money per prescription. This is more on prescribing tonics or Vitamins.
6. Requesting to renovate clinics etc
Earlier family doctors rarely used to send patients to consultants unless he cannot treat them or is unsure of diagnosis. Today doctors after 2 or 3 days send the patient to consultants. This changing scenario too has affected pharma promotion. Pharmaceutical companies with low number of reps but trained MR should add more consultants. Today, consultants are able to see more reps but time given is less.

One of the tools used by pharmaceutical industry is to give gift to doctors. Gift includes stationary, books folder on the desk reminder. Now the gift dimension has changed and some pharmaceutical companies are giving air conditioner, cars, refrigerator as per survey conducted & published. ABPI code advises companies to distribute gifts which are inexpensive and relevant to practice of medicine. The following disturbing trends have been noticed:

1. Household item like basmati rice, mangoes are being distributed by one of the top five companies to doctors in India
2. Imported gifts are extensively given to doctors
3. Even shirts & 'chappal' (Kolhapuri etc) are provided to doctors
4. Sponsoring doctors & their families for holidays

Rob McGann (2004) quotes that with the pressure of product recalls and price wars mounting on pharmaceutical companies, building and retaining brand loyalty through direct-to-consumer online marketing will be a key concern in the sector in 2005. The study found marketers will increase their 2005 budgets in the following direct-to-consumer tactics: e-mail marketing (67 percent); patient support programs (58 percent); Web site redesign to improve usability (58 percent); content sponsorships/advertorials (58 percent); and paid search advertising (55 percent). E-mail, the study found, is increasingly used to influence consumer behaviour and retention online, rather than simply provide disease or product information.
Table 3.3 Reaching percentage of product information to the customers

<table>
<thead>
<tr>
<th>Tactic</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail marketing</td>
<td>67%</td>
</tr>
<tr>
<td>Patient support programs</td>
<td>58%</td>
</tr>
<tr>
<td>Web site redesign to improve usability</td>
<td>58%</td>
</tr>
<tr>
<td>Content sponsorships, advertorials</td>
<td>58%</td>
</tr>
<tr>
<td>Paid search advertising</td>
<td>55%</td>
</tr>
<tr>
<td>Banners</td>
<td>49%</td>
</tr>
<tr>
<td>Web site redesign for search engine optimization</td>
<td>46%</td>
</tr>
<tr>
<td>Rich media</td>
<td>39%</td>
</tr>
<tr>
<td>Web site search</td>
<td>36%</td>
</tr>
<tr>
<td>Pop-ups, pop-unders</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: 2004 JupiterResearch

Marketers are also making integration of their various online tactics a major goal in 2005. Among respondents to Jupiter's survey, 58 percent said integrating disparate online tactics is among the key challenges they face next year. 61 percent of pharmaceutical marketers wanted to leverage database-driven customer relationship management. To successfully develop relationship marketing programs across multiple channels, Jupiter suggests marketers should closely consider three suggestions: hire outside marketing consultants; focus on consumers, rather than product life cycle; and improve efficient cooperation between legal and marketing departments. Online priorities for pharmaceuticals in 2004 were somewhat different. With a reported 62 percent of "pharma" marketers having increased their online budgets in 2004, the most widely invested in tactics for the year included: Web site redesign to improve usability (82 percent); banner ads (79 percent); Web site redesign for search engine optimization (76 percent); paid search advertising (67 percent); and content sponsorships/advertorials (64 percent).

Camozzzi (2005) quotes that relationship marketing also embraces the idea that you have to build upon previous contacts with the customer and modify your message according to unique
customer behaviour. Docs would like to see a progression in the information that reps deliver. A lot of times reps come in and start at the beginning with the same message. It would be much better if they built upon what they covered a few weeks ago. Perhaps pharmaceutical companies should consider how to better employ relationship marketing techniques in order to improve efficiencies. There is a question, however, whether pharma with its silos of information can effectively employ relationship marketing. Unfortunately not every representative has the ability to teach and some just push the sales aid. It’s not just a matter, therefore, of implementing a new technique in marketing, it also involves changes in sales rep management and training. The strategy to approach physicians and inform them about the benefits and advantages of one product in comparison to another (or others) is a “never ending story”. The reality is that physicians are human beings that can be influenced or properly informed. Apparently, during decades, the pharma industry accomplished its influential objectives to purely generate “sales”.

The issue is how to achieve the goal of providing physicians with true data that demonstrate the benefits for suffering patients. This is the ultimate objective of Medicine and the Pharma/Biotech industry is responsible to find (discovery), analyse (research) and test (development) better (more effective, more efficient and safer) therapeutic options. Are the “Super Marketing Teams” ready to assume their responsibility and act accordingly? From my side, I have another question: Are the consulting companies “ready” to sincerely advice the top Pharma Management throughout newer strategic concepts? Anyone could say that “business is business”; but “Health Business” is different and everyone involved should assume the respective responsibility. Actually, it is now the “golden” moment to re-design the whole Pharma “Business” and avoid patchy “pseudo-revolutionary” solution like laying-off “a few” thousands Reps.

Smarta (2004) in a recent study conducted reveals that more than 86 per cent of the doctors mentioned that the visit of medical representative is nothing but waste of time as they do not contribute much to the knowledge of doctors. This is a very serious shift. There is trend among the doctors to do super specialisation. This spurt in super specialisation has resulted in proliferation of many nursing homes and hospitals, which were of less importance in earlier days. An emergence of nursing homes and hospital have led to emergence of new market segments of hospital/nursing home consumer and has increased the importance of retail chemists.
attached to hospital, which can influence the prescription behavior of doctors. This had led many companies to take a re-look at the sales force deployment. In fact a few companies have already started hospital development in a big way. Many companies have introduced multiple divisions to capture different customer segments.

According to Hemaranjini (2004) understanding consumer behaviour is the key to success in the marketplace. Companies are constantly looking at customer behavioural patterns to predict future trends. Among the many tools is data analytics. Broadly speaking, data analytics can be described as the process of collecting, analysing and using data (related to demographic information, past behaviour trends, etc) to better understand and predict the behavior of existing and prospective customers for business decision-making. The common tools used to conduct data analytics range from simple cross tabulations and segmentation analysis to more sophisticated statistical methods such as multivariate and logistic regression, discriminant analysis and cluster analysis. In the last few years, optimisation tools and machine learning algorithms such as neural networks and genetic algorithms have also been used to perform advanced data analysis. The recent years have seen increased use of data analytics in driving business strategies across various industries. While the data analytics methods have been extensively used in FMCG, pharma and telecom companies, their mainstay has been the consumer finance industry.

A country of 108 million people with a tremendous market for drugs sold without prescription --the so called OTC drugs market-- is without any challenge. With this great number of formulations, a large number of products and formulation are entering into the marketing every year with regulatory approval. Those drugs are accepted in the health care systems through health professional and by self medication. Apart from registered medical practitioners, unregistered medical practitioners, i.e. "quacks" play an active role in health care system. In this situation pharmaceutical promotion can influence not only the use of a product, but also act an active role in our benefit of use of medicines. We have to make it essential that the information available with in the promotional material needs to be authentic, balanced and not misleading. In India, like other countries, the promotional information of prescription drugs and drugs sold without prescription (OTC-Drugs) is regulated by national legislation. Code of Ethics for Advertisement of Drugs, is a guideline to regulate the promotion of prescription drugs as well as
OTC drugs marketed in India. The object of this code is to ensure responsible advertising in promotion and the sale of medicines which may be purchased by public without prescription and for which therapeutic claim are made.

Considering the socio-economic condition in our country there is no way to avoid the situation of self-medication and is now important element in Indian health care systems. So promotion of medical products to the general public as well as healthcare professionals has to regulate with some code of ethics. Pharmaceutical promotion is a persuasive communication and the promotional materials are major source of drugs information to the health-professional. So this message should be factual, evidence based, unambiguous and balanced. Unfortunately in many countries, especially in developing countries, the promotion is not evidence based and also inaccurate. Inappropriate promotion leads health professionals and also the public to use of irrational use of drugs. For example, Aspirin is commonly promoted in developing countries as suitable for use of children and while antihistamines are promoted as appetite stimulants and certain other medicines as brain tonics. Many countries in the world regulate the promotion of drugs through advertisement in different media. WHO advocated the regulation of promotion among all its member countries, which are consistent with national health policy. WHO has published Ethical Criteria for Medical drugs Promotion as a model of such guideline.

It is reality in present situation that a health professional obtains the information from commercial source of different pharmaceutical manufacturer through their sales professionals. Most of the time, pharmaceutical manufacturer claims that their newly introduced formulation is superior in respect of therapeutic efficacy to the existing formulation. Sales professionals produce their promotional documents and distribute the free samples along with eye catching visual-aids to target the increase of sales. Most of the time these documents are misleading and confusing. The health professionals are initiated by such misleading documents and information to prescribe the product without justifying their claims. The relation between health professional and pharmaceutical manufacturer is very controversial subject to debate.

In recent study it reveals that the pharmaceutical industry advertises the prescription drugs directly to consumer through different media as they use in case of OTC drugs. How well do consumers actually understand direct to consumer-advertisement? Does the advertisement lead to
inform or educate the consumer? If we see the quality of direct to consumer advertisement that many TV- advertisements have been found to be in violation of Acts and Regulation and there are frequent infractions. Not only in a developing country like ours, but also in USA, it has been noted that 17 of 33 (52%) of TV advertisement violates US-FDA regulation. In 1998, the agency sent out 94 notices of violation between 1997 and mid 2001 (48 broadcast and 46 print media) the key reasons include are inadequate risk information, exaggerated benefit and unapproved use.

Drugs under Indian Systems of Medicines claim to cure the disease which are included in Schedule J, of drugs and Cosmetics Act 1940. Indication, given on label of such medicines violates the Act & guidelines which regulate the promotion of drugs. The educational value of promotional documents is very poor and doctors prescribe the drugs to their patient on the basis of relation with the manufacturer. There is no evidence of advertisement of drugs directly to the consumer have reduced the hospitalization of patient diseases and deaths. In developing countries, due to the lack of literacy most of the people are biased and get misled by such type of advertisements. The public needs access to balanced, relevant, up to date, accurate and un-biased information about drugs and non-drug treatment. Promotional activities are performed by sales personnel of pharmaceuticals manufacturer and advertisement of the product is initiated through electronic or print media. All promotional claims should be current, accurate, balanced and not misleading either directly by implication or omission. Promotional information should be in good taste and comparative and must conform to approved product information on the specific literature.

The code of conduct restricts many activities including those prescribed by legislation. Following steps can be brought to ethical code of advertisement and promotion of drugs:-

- Prescription medicine i.e., "Schedule-H drugs" cannot be promoted to the general public
- Manufacturer or traders cannot promote their product for indication that are not listed in the approved product information.
- Pharmaceutical representative or sales personal cannot promote the product over telephone unless the promotional material is marked urgent attention.
- Unsolicited reprint of journal articles must be consistent with the product information and the word "safe" cannot be used unless it is substantiated.

Code of conduct is an effective mechanism for controlling pharmaceutical promotion. In Australia a series of studies are conducted by clinical pharmacologists between 1985 to 1992 and the result shows the quality of information provided by the manufacturer was not always accurate. In every year lots of new drug and new formulations are introduced in the market, most are "me too" products, not genuine innovations. 213 drugs are listed in national medicine list meant to treat 90% of illnesses at primary, secondary and tertiary level care. Considering the situation and negative impact in respect of irrational use, it needs medical profession to be alerted. Central ethical committee has been formed to collect information unethical advertisement practice of pharmaceutical manufacturer. Currently regional committees are constituted at Chandigarh, Mumbai, New Delhi and Chennai and it may be extended to other state also to collect complaint and other information in respect of unethical promotion. Ethical committee acts as a co-coordinating centre to collect the complaint and related information with coordination to regional centre and forward to drugs control authority to pursue in the light of different laws and guidelines. The drugs control authority is empowered by this law to take necessary legal steps on this unethical promotion.

WHO's ethical criteria for medicinal drugs promotion stress the principle that the drug promotion should be in keeping with national health policies. National governments have to integrate the regulation of drugs promotion in broader health and drug policies or to consider special measure to control promotion of certain clause of drugs targeting certain groups. Enforcement of legislation and code of conduct guiding promotional practice are vital in ensuring the promotional and advertising material in accurate, balanced and not misleading. It is essential that the health professional to become a more active participant in this process. Government must be prepared to play an active role, where code of ethics appears to be failing and providing resource for strengthening the regulatory machinery to increase the effectiveness of the systems. To get more efficient results, the government has to form co-ordination group with different organizations like organization of health professional, health personnel and associations participating in health care system, regulatory bodies, academicians, consumer organization and organization of pharmaceutical manufacturers.
Balakrishnan (2005) quotes that allopathic doctors are chary of other medicine men like ayurveds and homeopaths coming in to treat patients. Some are even derisive of them. Courts of law have also frowned on cross practice. The worst fear is when completely ignorant person or quacks get in to the act. In the modern age however, inter-disciplinary treatment possibilities are being explored. Many hospitals have started looking actively at the possibility of have more than one system in place for the holistic treatment of the patient. Allopathic drug manufacturers have been not very actively or seriously looking at this issue. The first question in this is to what extent the companies have had the best interest of the consumers or patients in mind. Medicine is a classic situation where the ultimate marketing decision maker is different from the consumer. So the patients would buy the correct medicine only if the person prescribing the medicine makes the correct decision. Yet the pharmaceutical business seems to ignore this fact completely.

In contravention of the court orders, several "doctors" continue to cross prescribe the medicines. The danger is far more when allopathic drugs, which have far more potential to do damage with potential for side effects, reactions and so on. Some of these so-called doctors have qualifications in some stream of medicine and a basic understanding of the anatomy and physiology. But several are quacks with little or no knowledge. The funny part is that many such doctors are on the regular visit schedule of the MSRs of most companies. The problem is that the companies seem to adopt a rather flexible ethical standard in this matter. While it is possible that some of the MSR decide on whom they would detail, the company with the full knowledge of the supervisors and managers decides the cycle list. It is an irony that in some markets, these quacks and cross prescribers hold the key to that market. In some cases, they are the trendsetters for adoption of some formulations. The top brass of the marketing departments are also fully aware of this - they themselves would have done this when they were lower in the hierarchy.

What is the problem if these cross prescribers and quacks are detailed? No law of the land is being broken by the MSR when he steps in to the office of a quack and starts detailing him on the medicine. But I would like to believe that all the ethical standards are broken, by doing so. If this information were not provided by the MSRs, such quacks would find it difficult to function and may soon be driven out of mainstream practice. In some sense, the filed staff is responsible in keeping these quacks updated on the medicines available in the market. The surprising thing would be in case pharmaceutical companies also invite them for technical seminars and so on.
Besides the ethical issue - do the companies have anything to lose by doing this? I would like to believe so. The following are the accompanying problems in companies detailing cross prescribers and quacks.

1. The self-respect of the MSRs is severely eroded by their interaction with quacks. The self-image of the person takes a severe beating when they have to do something like this. We do not know empirically how far this is perceived as a problem by the field staff and how far.

2. Many young representatives are probably even unaware that they are doing some sharp business practice by doing this. They look at it as part of staying in business or "we have to do this if the competition is doing it" framework.

3. Any message given out to the field staff on ethical behaviour on other aspects would be severely compromised when the company is actively encouraging a macro level unethical behaviour.

4. This sometimes may encourage the field staff to cut corners in other ways as the subtle message which they may imbibe is that the how does not matter; what matters is the result.

5. Middle level supervisors would also lose their credibility when they are forced to ask the filled staff to indulge in such practice.

6. Companies are running a major PR risk in case some quack misuses the medicines and the company name is associated with the misuse.

This problem is not easily tackled by one company at a time. Every company that does not do this loses out in the game. This has to be tackled at the industry level. This would enable the MSRs to enhance their self worth and self-image. At the same, it would bring cleaner business practice to the industry. By choking the information flow to quacks, quackery would also come down dramatically.

Dibble (1979) found that there are five factors operating to increase the share of the generic prescription drug market: (1) fewer new products (2) expiration of patents (3) generic prescribing (4) maximum allowable cost on government paid prescriptions and (5) drug product selection.
Warren Keegan (1995) identified certain factors that affect marketing programs as:

- Corporate financial resources
- Technology
- Type of ownership and leadership
- Type of industry
- Expertise of employees
- R&D capabilities
- Corporate mission and vision
- Commitment to quality
- Risk taking
- Long term thinking Vs short-term thinking
- Corporate culture
- Organisational structure
- Marketing’s role in the company

David A. Aaker and J. Gary Shansby (1982) continued in their study that companies could choose from the following for positioning viz., by attributes/benefits, by quality/price, by use, by user, by product category or by competitors.

Raj Smarta (1999) identified that traditionally positioning strategies in the pharmaceutical industry have been exclusively built around the technical aspects of the product. He advocated with the relative advantage on the product not forthcoming; companies have to rely on several other positioning measures like:
- based on a specific attribute
- with respect to use or application
- with respect to the end-user
- with respect to a competitor
- with respect to a product class
- With respect to marketing mix variables etc.

Raj Smarta (1999) cites that in the case of building brand loyalty, companies need to concentrate on the following: (1) Those prescribers who have a tendency to prescribe heavily and are high on behaviour loyalty but moderate on attitudinal loyalty, rationalise and prescribe two or three competitive brands and divide their prescription share. (2) As a brand is judged on different dimensions such as side effects, contra-indications, safety, drug-interactions, sensitivity and resistance prescribing doctors need more than one brand at their disposal to treat different types of patients.

According to Suresh Sukheja (1999), product management in pharmaceutical industry is the most important function. He narrates the duties of product managers is to develop and promote the market share of his products by adopting various marketing techniques as well as strategic positioning of products, thereby putting into use the knowledge and information of the product manager concerned. In these days, where a plethora of brands is in existence in the market, a product manager’s job is one of the toughest and it takes a lot of talent to successfully devise a strategy for any product. Even after successfully launching a product in the market and establishing it, the product is susceptible to various kinds of pulls and pressures and adverse effects by other similar brands in the market and is open to threat. With the constant proliferation of me-too brands in the market, the product manager’s work has become even more important, because the strategic inputs required for making a product successful and its long term survival in the marketplace is a result of the efforts of the product manager and the sales force.
Duncan Reekie (1975) cited that drug R&D are primarily directed at obtaining only minor technological advances. Such advances may be embodied in either representations of an existing drug or in the combination of two or more existing products into one or by a slight alteration of the chemical structure of the drug, molecular manipulations, so that commercial advantages of uniqueness may be claimed without sacrificing any of the therapeutic qualities of the original medicine and also that the drug firms are concerned more with performing process research with a view to lower production costs and possible lowering of prices. He also quoted that Product differentiation advantages are the most obvious entry barrier in the industry and probably also the most effective.

With process patents becoming common, McCraine and Martin (1978) indicated that there is a proliferation of me-too products is widely recognised. Only a fraction – perhaps 10 to 25% - of all new products introduced each year represented new chemical entities.

Peltzman (1975) quoted that the development of the major tranquilizers represents an area in which relatively low cost drug therapy replaced the comparatively costly hospital treatment of many forms of mental illness. These tranquilizers significantly reduce the number of hospital beds for persons with mental disease.

Hansen (1979) found the cost of innovating and developing a new single chemical entity is in excess of 50 million dollars in 1976 alone. In 1980, it is estimated to be around $70 million.

Cocks (1975) identified that there is a high degree of market instability among the leading firms in the pharmaceutical industry. A basic question then arises as to the forces that causes this kind of instability. Results of a previous study indicate that an important source of this instability is the innovative activity of drug firms as represented by the introduction of new chemical entities (NCE). It was noted that firms gaining or maintaining market position did so by introducing more new products than the firms that lost the market position.

Eisman and Wandell (1981) found that the FDA regulation reduces the effective life of pharmaceutical patents to approximately 9 to 10 years.
Cooper (1966) mentioned in his book that the market dominance of any one company tends to be short lived although a few companies have been able to introduce successful replacement products to maintain their market dominance.

NEDO (1973) in their report quoted that the market success is measured in terms of the market share that a product achieves within its own therapeutic class. The use of market share as a measure of product success instead of annual sales value obviously excludes some products in large therapeutic classes, which would otherwise have been included as successful products. It is also identified that highly successful products within their therapeutic subgroup but which are nevertheless too small to achieve significance in the total market. They also quote that a new product eventually to become a market leader does not now generally realise its full potential until at least five or six years after the introduction.

UN centre on Transnational Corporations (1984) mentioned that the demand for ethical pharmaceuticals is highly price inelastic, price competition tends to be relatively less important in the pharmaceutical sector than other forms of competition. Physicians usually prescribe by brand name and have little motivation to prescribe the “lowest priced drugs for their patients”.

V.Venkateswaran (1981) acclaimed that the Indian drugs and pharmaceuticals industry has made significant progress both in the public and private sectors despite many difficulties in the shape of non-availability of raw materials, power shortage and strained labour relations. He in 1982 cautioned that the pricing policy is the main determinant of the industry’s fortunes. According to a former President of OPPI, if prices are to be contained at reasonable levels, manufacturers must be given opportunities to reduce costs of production by increasing the scale of manufacture, modernisation of plant and machinery and other measures. Particularly, they should not be asked to undertake basic production of bulk drugs in uneconomic quantities.

Reekie (1978) found that there is an empirical evidence that physicians are responsive to price. Physicians are indeed aware of the relative prices, especially in the context of comparative therapeutic advantages of different drugs.

Hermann Simon (1992) stated that price reflects a product’s strengths and weaknesses – its value, competitive positioning, and distribution power. Never view price in isolation. Price
determines the economic sacrifice a buyer has to make to acquire the product. The buyer compares this sacrifice with the product’s perceived value. Price and value are the cornerstones of every transaction. Price changes unlike product, advertising or distribution changes can be made quickly. The sales effect of a price change also shows up quickly, whereas other actions take time to affect sales. Pharmaceutical companies are just now learning that pricing strategies for innovative and for me-too products have to be fundamentally different. A skimming price is close to or higher than the short-term profit maximising level, that is, a price usually perceived as relatively high. A penetration price is considerably lower. In the pharmaceutical industry, effective patent life has decreased from sixteen years in 1964 to less than ten years in the late 1980s. As a consequence prices in the early life cycle stages should be closer to the short term profit maximum than traditionally, that is skimming must be more pronounced in order to reduce the payoff period.

Elliot Ross (1984) quoted those pricing strategy aims at shifting the price band and the company’s relative competitive position. Such shifting may entail changing the product, the customer group, the distribution channels or the sales strategy – all with the objective of bringing about a movement of the industry price level. The degree of strategic pricing freedom open to any supplier depends on both the product’s perceived value to the customer and the competitive intensity of the business, as defined in terms of either the uniqueness of the product or the number of suppliers bidding on a typical order. At one extreme of the competitive intensity scale is the specialty manufacturer of a patented product with unique performance characteristics. The company can virtually set a price at any level it wishes and in effect choose a position on the demand curve.

Newport (1985) explained that Ciba Geigy’s double pronged approach on the US pharmaceutical market under its own brand and the Geneva generic line is a good example for non-linear pricing.

Raymond Corey (1982) identified that all of marketing comes to focus in the pricing decision. In most firms’ intuition, opinions, and rules of thumb, outright dogma, top management’s higher wisdom or internal power fights determine prices.
For David Ogilvy (1988), pricing is only guesswork. It is usually assumed that marketers use scientific methods to determine the price of their products. Nothing could be further from the truth. In almost every case the process of decision is one of guesswork.

Bhadury (1997) identified the areas of concern for pricing and came up with the findings:

1. Investment needed for growth is inhibited because of the uncertainty of administered pricing.

2. Quality, which is the hallmark of the industry, is not appropriately recognised and the standards are driven to the lowest common denominator level.

3. Consumer suffers because of the natural tendency to “sell up” to a more costly treatment of decontrolled formulations and cheaper price controlled remedies go off the market.

4. Un-remunerative prices create periodic and sometimes even long-term shortages of essential medicines.

Barjatya (1999) explained that price of drugs has always been a subject of discussion for the common man and it is the contention of many of us that we pay for higher prices for medicines. The high cost of medicines and the excessive profits made by drug manufacturers have been the main points of criticism against the industry. Manufacturers contend that the rising cost of materials and inflationary pressures have been eating into their profits. Compared to the behaviour of prices of all other commodities, the prices of drugs and pharmaceuticals are definitely lower over the 25 years period from 1975-76 to 1997-98, the average movement of the prices of 5.2 percent in all other commodities.

Francis (1999) found that the government intervention in pricing of drugs is relevant in this country as medical expenses are directly borne by the individuals unlike in the developed nations. At the same time, industry’s demand for a pricing policy taking into account the actual cost of manufacture and a reasonable profit margin is understandable. Prices of most brands of analgesics and antibiotics are quite high at the retailer level as the drug units continue to get high prices approved by NPPA on the basis of higher conversion and packaging costs claimed by them. Apart from this, there is also a cutthroat competition amongst the larger companies to capture the market share by offering huge discounts and incentives to the trade in addition to the
margins fixed under the DPCO. In some cases, these additional trade incentives work out to almost 50 percent of the price of certain medical preparations.

United Nations Centre on Transnational Corporations (1984) in its report quoted that sales promotion tactics include detailing, marketing research, support services to health care professionals, canvassing by sales representatives who visit medical professionals and pharmacists to distribute free samples and literature etc. In addition, pharmaceutical companies sponsor medical seminars, present gifts to physicians or extend financial support to teaching and research institutions.

Teeling Smith (1970) conducted studies in promotion and found that as far as the effect of product line characteristics on the promotional mix are concerned, there is evidence that companies spend proportionally more on the journal advertising for products that have already reached the mature stage of the product life cycle.

Reeke (1975) found that the industry channels its promotional efforts in a variety of ways in the US. The major part, over 45%, is undertaken, by the representative system. In addition, the industry spends over 27% of its promotional budget on printed advertisements. The other promotional efforts include those for exhibits, hospitality suits, cocktail parties at medical conventions, all-expense tours, staging of conferences, symposia etc.

Webster (1981) exhorted pharmaceutical professionals to identify and reach niches too small to be served by mass-marketing methods.

Williamson’s (1975) study on medical practitioners revealed that journal advertising is proportionally more important in launching relatively low risk products such as cough and cold medicines.

Fink (1979) suggested that the reputation of the manufacturer is one of the criteria that the pharmacist can utilise in his efforts to participate in the drug product selection.

Srivastava (1999) found the relevance of Sales promotion efforts in the industry and stated that in today’s marketing environment; it is the reach, which is playing an important role. Even a company like Hindustan lever does not cover 43 percent of the retail outlet in India.
Many companies over pamper the retailers and follow a shortcut method to get business. This is a wrong signal, which is emerging in the market scenario. No doubt, OTC segment is high especially in the cough, cold, vitamin; ampicillin etc segments where chemists have a larger say. Companies, which are unheard of giving schemes, are now into it, thus making the retailers more greedy in the bargain. They are influencing the pharmaceutical business. Analysis of many companies reveals that there are many products, which are on schemes. Today doctors are not bothered about brands, which are being substituted by the chemists. In fact, it is an excepted norm today which was not clear earlier.

Chandrasekar (1997), the researcher found that there can be two categories of Medical Representatives entering the companies. The first category is competent in the biological sciences, pharmacology and related technical aspects. The second category is completely ignorant of technical aspects of pharmaceutical marketing. He identified the training that needs to be provided to these set of people.

Philip Kotler (1977) found that those sales executives who head the marketing department lack a balanced view of the use of marketing tools. They are obsessed with sales force and shun other marketing mix elements. The earliest and the most popular view are that the marketing executive is an expert at demand stimulation. More recently, a broader conception of the marketing executive has been proposed: he should be an expert in demand management. The marketing executive works with a varied and changing set of demand problems. The marketing executive should be able to develop marketing strategies and plans that are profitable. These plans should strike a balance between the needs of the marketing mix, business functions and external system.

References:


23. Roughhead EE. The pharmaceutical representative and medical practitioner encounter: implications for quality use of medicines. Masters Thesis. School of Health Systems Sciences. La Trobe University. Aug 1995 Link to full text of this thesis


37. Watkins, C. Harvey, I. Carthy, P. Moore, L. Robinson, E. Brawn, R. Attitudes and behaviour of general practitioners and their prescribing costs a national cross sectional


42. Bombay Hospital Journal (1992) 34, 1177-84.


49. Raj Smarta, ”Ten routes to positioning”, Advertising and Marketing, 30 November 1994,pp.91-95.


64. J.P. Newport, “Frequent flyer clones”, Fortune international, 29 April 1985, p.113.


76. Dr. R.K. Srivastava, ”The emerging role of chemists in pharmaceutical marketing”, Express Pharma pulse, October 7, 1999, p.15.
