CHAPTER 6

RESULTS, INTERPRETATIONS, AND CONCLUSION

Indian Pharmaceutical Industry has been subject to widespread structural, functional, and regulatory reforms especially after the Indian Patent Law was amended in the year 1970. "The patent Act 1970 eliminated product patents for food, pharmaceuticals, and chemicals, and constrained grant of patents in these fields only to process patents. The term of these process patents were restricted to 7 years from the date of application or 7 years from sealing, against 14 years from the date of application for others, in general fields. The Patents Act, 1970, subsequently provided a stimulus for the development of the generic pharmaceutical industry in India. The Patents Act, 1970 amalgamated very well-thought out, highly effective, safe-harbor provisions, though considered disputable in the universal perspective for early generic introductions of patented New Chemical Entities (NCEs) in India and essential lifesaving medicine based on them" (Nair, 2008).

This was the era which led Indian Pharmaceutical Industry to be in current scenario, and make Indian pharmaceutical industry be the world leader in generic production. Along with "Drug Price Control Order (DPCO), Indian Patent Act 1970, have not only brought about the development of the Indian pharmaceutical industry but has also contributed to improvement of health and welfare in India. This is why the Indian pharmaceutical industry has achieved self-sufficiency in pharmaceutical production and emerged as one of the largest drug exporters in the world. India is one of the major drug-producing countries. The industry has become one of the major drug exporters since the late-1980s and showed promise of its global competitiveness" (Nair, 2008).

Then after in March 2005, "India completed the modification of the Patent Act of 1970 to abide by the World Trade Organization’s Agreement on Trade-Related Intellectual Property Rights (TRIPS Agreement). It proclaimed to have product patents for drugs, foods, and chemical products and the patent term was augmented to twenty years. At the commencement, it was presumed that the modification of the patent act to introduce product patents would have a deleterious impact on India. It would hinder the progress of the Indian pharmaceutical industry since under the product patent regime, the industry can no longer produce by reverse engineering manufacturing or export medicines whose product patents are in effect. In addition, that the modification would result in dropped access to drugs in India due to a strident upsurge in drug prices instigated by the introduction of pharmaceutical product patents was of concern" (Nair, 2008).
The "World Trade Organization’s Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) established universal minimum standards for the protection of intellectual property. The TRIPS Agreement deal not only with patents but also with other forms of intellectual property rights such as copyright, trademark, industrial designs, geographical indications, and confidential information. The TRIPS Agreement forced not only product patents for pharmaceuticals to be introduced but also twenty-year periods of patent protection at the least to be ensured. WTO members must comply with the obligations of the TRIPS Agreement. In March 2005, India accomplished the modification of the Patent Act of 1970 to abide by the TRIPS Agreement and the new patent act came into power on 4 April, 2005"(Iyortyer, 2009).

"After the amendment of Patent Act of 1970 and enactment of TRIPS agreement in India in year 2005, there were changes found in the institutional factors that reinforced the progress of the Indian pharmaceutical industry. The Indian pharmaceutical industry faced a number of new challenges on account of the TRIPS Agreement, even though the stronger intellectual property rights gave rise to benefits in terms of increased trade, foreign direct investment, and technology transfer for the developing countries" (Fink, 2004). This was another era of opportunity for Indian Pharmaceutical Industry, and was comprehended by Indian Pharmaceutical Companies in a quite well manner, which was attending to give again the chance to Indian pharmaceutical industry to lead at global platform.

Currently the Indian Pharmaceutical industry, "which was only $ six billion in 2005, has skyrocketed to $18 billion market in 2012, at a compounded annual growth rate (CAGR) of 17 per cent. The industry is predictable to grow to $ 45 billion by 2020. Even in the most negative scenario, the industry is anticipated to be the sixth largest in the world in terms of absolute size by 2020" (Bhatia, 2014).

With the growth of "Indian Pharmaceutical industry in India, marketing of pharmaceuticals also get an elevation. Currently the Indian Pharmaceutical industry holding more than 24000 companies of which around 250 falls under the organized category. These 250 organized units control nearly 70 per cent of the market. About 8,000 small scale units together form the core of the pharmaceutical industry in India, including 5 Central Public Sector Units. About 75% of the top 20 pharma companies are Indian owned" (Govt. of India, 2014).

It was therefore considered worthwhile to critically analyze the practices in pharmaceutical industry in India. The analysis has been performed from the perspective of pharmaceutical marketing. Besides, an attempt has been made to infer, whether the marketing practices in pharmaceutical industry in India, from different stakeholder’s point of view, with examining the marketing practices being followed by pharmaceutical industry in India with special reference to Uttar Pradesh, along with the appraisal of impact of these pharmaceutical marketing practices on stakeholders, with a view to recommend the marketing strategy formulation for pharmaceutical industry and maximize the satisfaction to stakeholders.

The 529 respondents from different categories of stakeholders of pharmaceutical industry in India, covered by the study, represent the all facets of pharmaceutical industry, except government. The study spanned over a period of more than two years, analyzed the responses obtained from various stakeholders of pharmaceutical industry in
India viz; Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers of Uttar Pradesh. The study area selected for the current research work was the three cities of Uttar Pradesh, namely Agra, Meerut, and Lucknow. The conclusion that can be drawn on the results came out through the data analysis of five point likert scale questionnaire, and content analysis of responses given by respondents for the open ended questions, served to fulfill the objectives along with the appropriate testing of proposed hypothesis of current study.

6.1. Findings and Interpretation of Results

Findings and interpretation of results, relevant to the current research work are being discussed in three different ways, covering all facets of respondents and all relevant analytical tools being utilized by the researcher to get the pertinent findings to draw a clear, easily understandable, relevant and interwoven interpretation of results and outcomes.

6.1.1. Findings and Interpretation of Results related to the sections of the questionnaire based on Code of Marketing Practice

Questionnaire served to administer the objectives and hypothesis of the current study were based on Code of Marketing Practices for Indian Pharmaceutical Industry, based on which different section were included in the questionnaire distributed to each respondent type. The relevance of each section of Code of Marketing Practices for Indian Pharmaceutical Industry for data collection has already been discussed in the chapter 5 Data Collection and Analysis. The findings based on the proposed hypothesis statements followed by the findings of questionnaire based on the sections of the questionnaire disbursed to the respondents of the current research work on pharmaceutical marketing practices are as follows:

6.1.1.1. Basic Information

It was gratifying to note that a higher concentration of Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers feel that products marketed by pharmaceutical companies in India primarily take approval for marketing from Drug Controller General of India (DCGI) and then being marketed, whereas on the query of deceiving nature of pharmaceutical companies in context of the information provided about their products for the purpose of their marketing in India, most of the respondents believe the words of pharmaceutical companies and feel it to be in the way that the information provided by pharmaceutical companies about their products for the purpose of their marketing is significant, accurate and authentic in nature.

Among various types of respondents of the current study, the deception about the information being served by pharmaceutical companies regarding their products being promoted / advertised were checked and found to have respondents perceiving the information being furnished by pharmaceutical companies for the products being promoted/ advertised are authentic, accurate, and do deceive either directly or by implication.
Some other responses of medicine consumers reveal that branded medicines are preferred by most of the medicine consumers along with the preference of medicine to be taken by over-the-counter (OTC) for their small problems (eg. Cough, Cold etc.), finding medical stores to be the medicine dispenser to the patients without any prescription for their small problems (eg. Cough, Cold etc.). Medicine consumers also prefer to take generic medicines (economic medicines) as prescribed by the doctors, whereas consider the generic medicines (economic medicines) to be not less effective than the branded medicines (costly medicines).

In a view to find out the involvement of retail stores in prescribing medicines, retailers and wholesalers themselves explicate that to have the involvement of retail pharmacists in prescribing medicines.

6.1.1.2. Direct-To-Consumer (DTC) Advertising

Here it is noteworthy that the effect of Direct-To-Consumer (DTC) Advertising on patient purchase behavior was checked only through the Medicine Consumers as respondent, and was notified that the advertisements shown on television/internet/radio etc. do affect the patient purchase behavior.

6.1.1.3. Claims and Comparison

It is significant to note that Doctors and Pharmaceutical Companies Personnel perceive that claim of pharmaceutical companies regarding medical products for their usefulness are based on latest (up-to-date) appraisal of all the evidence in favor of the usefulness of medical products.

It is also pertinent to notify that doctors believe that pharmaceutical companies state their medical products having No side effects, Toxic Hazards or Risks of Addiction and use the word Safe with qualification and ability, whereas Pharmaceutical companies personnel perceive opposite of the same believing Pharmaceutical companies do not state their medical products having No side effects, Toxic Hazards or Risks of Addiction and use the word ‘Safe’ without qualification and ability.

Among various brands of medicine, the usage of word New for already available salt in the market and criticism of other companies’ brand names for comparison by pharmaceutical companies is a common practice and is being identified by Doctors and Pharmaceutical companies personnel to be in the same way believing pharmaceutical companies use the word New for their brands, however the same salt is available with the different brand name(s) by other company(s), whereas the pharmaceutical companies criticize and use other companies’ brand names for comparison is not fact based and fair.

6.1.1.4. Medical Representatives

The perception of Doctors, Pharmaceutical Companies Personnel, retailers and wholesalers have about the ethical conduct in delivering their duties by pharmaceutical companies personnel was checked and found believing pharmaceutical companies representatives not to maintain the ethical conduct in delivering their duties and do not abide themselves by the code of marketing practices, whereas pharmaceutical companies personnel were contrary to Doctors, retailers, and wholesalers restraining pharmaceutical companies personnel do maintain the ethical conduct in delivering their duties and also abide themselves by the code of marketing practices.
Most of the doctors, and Pharmaceutical companies personnel believe that prescription behavior of doctors is being effected by the pharmaceutical companies personnel by the means of their interaction, whereas the Pharmaceutical companies do not take responsibility for the unethical practices of their employees, and also do not ensure that employees who are in drafting or approvals of promotional material are completely familiar with the requirements of the code.

6.1.1.5. Samples

Doctors, retailers and wholesalers believe that usage of free medical samples by doctors is done only for the purpose of acquiring experience in dealing with such products along with the latest edition of the product characteristics related to that product characteristics, whereas pharmaceutical companies personnel believe that provision of free medical samples by pharmaceutical companies is done only for the purpose of acquiring experience in dealing with such products along with the latest edition of the product characteristics related to that product characteristics related to that product.

Doctors and Pharmaceutical companies personnel give evidence regarding provision of medical samples and believe that free medical samples-not for sale, limited to be prescribed for three dosage forms are not being provided in response to an assigned and dated request from the doctors, whereas retailers and wholesalers think that pharmaceutical companies representatives are involved in cash adjustment, under cutting and pushing of products, along with the sale of free medical samples for their sales target achievement and also provide free medical samples to retail stores for their personnel use, which many a times are further being utilized by them for the purpose of sale. Moreover medicine consumers proclaim to usually purchase the free medical samples from a retail/ wholesale store.

6.1.1.6. Printed Promotional/ Advertising Materials

Evidently it was being perceived by pharmaceutical companies personnel proclaiming printed promotional/ advertising material are being presented in a legible manner by pharmaceutical companies.

6.1.1.7. Gifts

It is evident from the responses given by the respondents of current study that Gifts, Financial advantage, or Benefits in kind along with the personal gifts (Movie tickets, entertainment show etc.) are being provided, offered or promised by pharmaceutical companies to doctors, which are also believed to be received and demanded by the doctors from pharmaceutical companies to get their products prescribed or for continuous prescription of the products.

Another interested finding is also observable here that provision of gifts, financial advantage, or benefit in kind except personal gifts (Movie tickets, entertainment show etc.) is also being done by pharmaceutical companies for the retailers and wholesalers, which many times are being demanded by retailers and wholesalers leading to the interaction of pharmaceutical companies personnel with pharmacy retail stores / wholesalers to access relevant information from them, whereas as per the medicine consumers retailers and wholesalers take these gifts, financial advantages and benefits in kind to sale the product of pharmaceutical companies.
6.1.1.8. Substitution and Influence

It is disquieting to annotate that a higher concentration of pharmaceutical retailers practice substitution of generic medicines with branded medicines, whereas the preference as per retailers and wholesalers by medicine consumers is to take generic medicines as prescribed by doctors. The influence of pharmaceutical companies personnel onto the action of pharmacy staff in substituting the prescription is also notifiable along with the influence of pharmaceutical companies personnel on prescription behavior of doctors.

6.1.1.9. Hospitality, Sponsorship, and Meeting

As far as support of pharmaceutical companies to Doctors is concerned, it is being found to have most of the respondents to accept the fact that pharmaceutical companies do support doctors for continuing medical education (CMEs) by the coverage of actual travel expenses, meals, refreshments, accommodation, and registration fees for the events organized in India and abroad along with the organization of these meeting in most cases with the sporting, entertainment, or other leisure activities at venues that are known for their entertainment or leisure facilities or are highly expensive in nature, whereas these facilities are also being extended to the accompanying spouse/person and are not limited to the main purpose of the events it is offered in higher number of cases.

It is also important to notify the conformance of provision of financial support by pharmaceutical companies to doctors to compensate them for the time being spent for attending the events or for giving lectures is being found through the study by pharmaceutical companies personnel, whereas the doctors reject the phenomenon giving financial support to doctors by pharmaceutical companies for attending the events or for giving lectures, where in most of the cases the call for support in continuing medical education programme (CMEs) is done by the doctors to pharmaceutical companies as accepted by doctors and pharmaceutical companies personnel.

There is no such organization of Educational meetings/Programmes filled with sporting entertainment or other activities done by pharmaceutical companies for retail stores and wholesalers.

6.1.1.10. Mode of Operations

Regarding mode of operation it is important elucidate the fact that most of the doctors feel they are aware about the regulations related to the professional conduct, Etiquette and Ethics being decided by the Medical Council of India (MCI)/Indian Medical Council (IMC) along with the thinking of having positive impact on stakeholders by the means of practices followed by doctors, whereas most of the pharmaceutical companies found to train their medical representatives and managers for the code of marketing practices to be followed in the real market situation along with the check of implementation of code of marketing practices done by their medical representatives and managers.

In case of Retailers and wholesalers it is disquieting to interpret that in most of the cases it was determined to have retail pharmacy store/wholesale pharmacy store not being trained for the code of good pharmacy practices, whereas they do not check for the implementation of same in most of the cases.
6.1.1.11. Ethics
Regarding ethics most of the doctors as respondent feel to have doctors maintaining the ethical conduct in delivering their duties and abiding themselves by the regulations related to professional conduct, etiquette, and ethics, whereas the feeling of doctors about pharmaceutical marketing practices reveal that pharmaceutical companies in India follow marketing practices which are unethical in nature along with the conformance of pharmaceutical marketing practices being effective in satisfying stakeholders (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.).

Most of the pharmaceutical companies’ personnel believe to have pharmaceutical marketing practices to be unethical in nature along with the perception of agreeability to have pharmaceutical marketing practices being effective enough to satisfy stakeholders (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.), whereas there was a negative impact of pharmaceutical marketing practices on stakeholders.

Retailers, wholesalers, and medicine consumers also perceive pharmaceutical marketing practices to have negative impact on stakeholders (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.), whereas most of the Medicine consumers opinion about the pharmaceutical companies to not to maintain ethical conduct in delivering their duties along with the abidance by the code of marketing practices.

Regarding ethics most of the medicine consumers believe the receipt of commissions, gifts, incentives and benefits in kind by doctors, pharmacy retail stores, and wholesalers is an unethical act, whereas they feel pharmaceutical companies in India following unethical practices along with the perception of satisfaction of stakeholders by pharmaceutical marketing practices (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.).

6.1.1.12. Others
It is significant to note that most of the respondents including Doctors, Pharmaceutical company’s personnel, retailers and wholesalers believe to have a severe, unhealthy and unethical competition available in marketing practices in pharmaceutical industry in India with the negative impact of marketing practices followed by pharmaceutical companies on stakeholders (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.).

It is discontenting to note that most of the medicine consumers believe that Doctors do not maintain the ethical conduct in delivering and also do not abide themselves by regulation related to the professional conduct, etiquette and ethics.

6.1.2. Findings and Interpretation of Results Related to the Hypothesis Testing of the Study
Based on the analysis of hypothesis statements through z-test, the findings of the current research work will be as follows:
Table 6.1 Summary of Results, Interpretation and Conclusions

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
<th>Interpretation</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₀₁: μ ≥ 3</td>
<td>z = 3.77</td>
<td>Failed to reject; Accept</td>
<td>Ethical marketing practices are not being followed by pharmaceutical companies.</td>
</tr>
<tr>
<td>H₁₁: μ &lt; 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H₀₂: μ ≥ 3</td>
<td>z = 2.92</td>
<td>Failed to reject; Accept</td>
<td>There is a negative impact of pharmaceutical marketing practices on stakeholders.</td>
</tr>
<tr>
<td>H₁₂: μ &lt; 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H₀₃: μ ≥ 3</td>
<td>z = 2.19</td>
<td>Failed to reject; Accept</td>
<td>Marketing practices of pharmaceutical industry are effective in satisfying stakeholders.</td>
</tr>
<tr>
<td>H₁₃: μ &lt; 3</td>
<td></td>
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</table>

Pharmaceutical Companies Personnel

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<thead>
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<th>Hypothesis</th>
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<th>Interpretation</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₀₁: μ ≥ 3</td>
<td>z = 1.9</td>
<td>Failed to reject; Accept</td>
<td>Ethical marketing practices are not being followed by pharmaceutical companies.</td>
</tr>
<tr>
<td>H₁₁: μ &lt; 3</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H₀₂: μ ≥ 3</td>
<td>z = 4.77</td>
<td>Failed to reject; Accept</td>
<td>There is a negative impact of pharmaceutical marketing practices on stakeholders.</td>
</tr>
<tr>
<td>H₁₂: μ &lt; 3</td>
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<td></td>
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</tr>
<tr>
<td>H₀₃: μ ≥ 3</td>
<td>z = 1.72</td>
<td>Failed to reject; Accept</td>
<td>Marketing practices of pharmaceutical industry are effective in satisfying stakeholders.</td>
</tr>
<tr>
<td>H₁₃: μ &lt; 3</td>
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</tbody>
</table>

Retailers and Wholesalers

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
<th>Interpretation</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₀₁: μ ≥ 3</td>
<td>z = 11.30</td>
<td>Failed to reject; Accept</td>
<td>Ethical marketing practices are not being followed by pharmaceutical companies.</td>
</tr>
<tr>
<td>H₁₁: μ &lt; 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H₀₂: μ ≥ 3</td>
<td>z = 6.06</td>
<td>Failed to reject; Accept</td>
<td>There is a negative impact of pharmaceutical marketing practices on stakeholders.</td>
</tr>
<tr>
<td>H₁₂: μ &lt; 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H₀₃: μ ≥ 3</td>
<td>z = 12.76</td>
<td>Failed to reject; Accept</td>
<td>Marketing practices of pharmaceutical industry are effective in satisfying stakeholders.</td>
</tr>
<tr>
<td>H₁₃: μ &lt; 3</td>
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</table>

Medicine Consumers

<table>
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<tr>
<th>Hypothesis</th>
<th>Result</th>
<th>Interpretation</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₀₁: μ ≥ 3</td>
<td>z = 9.87</td>
<td>Failed to reject; Accept</td>
<td>Ethical marketing practices are not being followed by pharmaceutical companies.</td>
</tr>
<tr>
<td>H₁₁: μ &lt; 3</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H₀₂: μ ≥ 3</td>
<td>z = 2.00</td>
<td>Failed to reject; Accept</td>
<td>There is a negative impact of pharmaceutical marketing practices on stakeholders.</td>
</tr>
<tr>
<td>H₁₂: μ &lt; 3</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H₀₃: μ ≥ 3</td>
<td>z = 5.05</td>
<td>Failed to reject; Accept</td>
<td>Marketing practices of pharmaceutical industry are effective in satisfying stakeholders.</td>
</tr>
<tr>
<td>H₁₃: μ &lt; 3</td>
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a. H₁: Ethical marketing practices are not being followed by the pharmaceutical companies.

Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers, all respondent type in the current research work collectively recognize Ethical marketing practices are not being followed by pharmaceutical companies. The value of z-test for Doctors was 3.77, for Pharmaceutical Companies Personnel it was 1.9, for Retailers and Wholesalers it was 11.30, and for Medicine Consumers it was 9.87, all values coming well under the acceptance region of the test, found to be Failed to reject the null hypothesis, i.e. Accepted (refer table 6.1.).

b. H₂: There is a negative impact of pharmaceutical marketing practices on the stakeholders.

Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers, all respondent type in the current research work collectively perceive there is a negative impact of pharmaceutical marketing practices on stakeholders. The value of z-test for Doctors was 2.92, for Pharmaceutical Companies Personnel it was 4.77, for Retailers and Wholesalers it was 6.06, and for Medicine Consumers it was 2, all values lies well within the acceptance region of the test, found to be Failed to reject the null hypothesis, i.e. Accepted (refer table 6.1.).
c. H3:- Marketing practices of pharmaceutical industry are not effective in satisfying stakeholders.

Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers, all respondent type in the current research work collectively comprehend **Marketing practices of pharmaceutical industry are effective in satisfying stakeholders.** The value of z-test for Doctors was 2.19, for Pharmaceutical Companies Personnel it was 1.72, for Retailers and Wholesalers it was 12.76, and for Medicine Consumers it was 5.05, all values lies well within the acceptance region of the test, found to be Failed to reject the null hypothesis, i.e. Accepted (refer table 6.1.).

6.1.3. Findings and Interpretation of Results Related to the Content Analysis of the Study

Based on the content analysis of the open ended questions being served to respondents, to find out the perception, reasons, along with positive and negative effects of pharmaceutical marketing practices, findings for the responses given by all respondent type viz; Doctors, Pharmaceutical Companies Personnel, Retailers and Wholesalers, and Medicine Consumers will be as follows:

6.1.3.1. Perception: Pharmaceutical Marketing Practices in India

To check out the general perception about pharmaceutical marketing practices in India, the statement **What is your general perception about pharmaceutical marketing practices in India?** was being queried through the questionnaire.

Based on the content analysis of the given responses, and the keywords being responded by the respondents for the delivered statement about their perception for pharmaceutical marketing practices delineated that **Indian pharmaceutical Market, which is a good market, where doctors and pharmaceutical companies are linked together, medical representatives sale medicines as their company products, and medicine here is the exemplification of money existing with the unethical nature and products.**

6.1.3.2. Reasons: Unethical Pharmaceutical Marketing Practices

To determine the causes behind pharmaceutical marketing practices in India, the statement **What are the reasons behind the unethical pharmaceutical marketing practices (only three important reasons)?** was being enquired through the questionnaire.

Based on the content analysis of the given responses, and the keywords being responded by the respondents for the delivered statement about the reasons for unethical pharmaceutical marketing practices, **respondents demarcated Cut Throat Competition being one of the biggest reasons behind the Unethical Pharmaceutical Marketing Practices in India, whereas the Unethical Practices in Pharmaceutical market were also traced accountable for the existence of unethics in pharmaceutical marketing practices in India.**

**Gift giving activity to doctors by pharmaceutical companies and taking of gifts by doctors form pharmaceutical companies as an activity was also measured to be one of the major cause of unethics in pharmaceutical marketing practices in India, whereas small companies looking to make profits only, were also apprehended for the unethics in pharmaceutical industry in India by different respondents collectively.**
Control over the small mushrooming pharmaceutical marketing companies along with the lack of medical facilities was also being found liable for the unethical pharmaceutical marketing practices in India, whereas High targets were also found to be one of the reasons for the existence of Unethical Pharmaceutical Marketing Practices in India. Some other reasons like Regulation, Demand, and Competition among Pharmaceutical marketing were considered to be the cause for the Unethical Pharmaceutical Marketing Practices in India.

6.1.3.3. Effects: Pharmaceutical Marketing Practices on Stakeholders.

To describe the effects (Positive and Negative) of pharmaceutical marketing practices on stakeholders, the statement What negative (only three) and positive (only three) impacts do pharmaceutical marketing practices have on different stakeholders (E.g. Customers, Public, Doctors, media, retailers, suppliers etc.)? was being served through questionnaire.

Based on the content analysis of the given responses, and the keywords being responded by the respondents for the delivered statement about the effects of pharmaceutical marketing practices on stakeholders, respondents demarcated some positive and some negative effects of pharmaceutical marketing practices on stakeholders.

I. Positive Effects

The first and foremost positive effect of pharmaceutical marketing is that it itself effects positively to all stakeholders, i.e. to itself, to doctors, and society. Good pharmaceutical companies play the major role in generating this positive effect in the market, whereas availability of new salts and medicine to the society and doctors is also one of the major constructive outcomes of pharmaceutical marketing practices.

Responsive Awareness of society at a large along with the awareness to doctors about new salts with the current knowledge is also one of the major aftermaths of pharmaceutical marketing practices.

As a whole it can be outlined that pharmaceutical marketing practices effect Doctors, Society, Knowledge, and Drugs with the strong positive effect with the good availability of medicines and drugs along with the awareness and better healthcare to the society, where the competition among the fragile unending list of pharmaceutical companies provide benefits to the stakeholders at a large.

II. Negative Effects

The strongest negative effect of pharmaceutical marketing practices was found to be the Unethical practices prevailing highly in the market, whereas high cost of medicines, and patients suffering due to corruption were also the major negative effects of pharmaceutical marketing practices. Competition in the drug market by pharmaceutical companies was found to be another negative effect of pharmaceutical marketing practices in India.
6.2. Conclusion

The given brief overview has talked about the nature of pharmaceutical marketing practices and outlined a simple framework within which it is concluded and presented selected findings from current research. Examining the Pharmaceutical Marketing Practices (PMP) among four different stakeholders i.e. Doctors, Pharmaceutical Companies Personnel, Retailers and wholesalers and Medicine Consumers, our results indicate that the current state of Pharmaceutical Marketing Practices is not in a good state in the in the existing scenario of Indian Pharmaceutical industry, though the current research work also reveals that the pharmaceutical marketing practices have been able to satisfy stakeholders, but existence of negative impact of pharmaceutical marketing practices along with non-following behavior of ethical marketing practices by pharmaceutical companies in India definitely is the matter to be checked, which in later stages can have some disastrous effects on overall performance of pharmaceutical industry in India.

Pharmaceutical industry in India, which is filled with the National and International Private Multinational Companies (MNCs) is struggling for the reduction of unethical practices in India. In addition, financial goal attainment has been an aspiration for most of the organizations in pharmaceutical industry, which mainly is earned through the sales of the medicines. The pharmaceutical sales is the only way to earn money for all the high end expenses like Research & Development (R&D), Marketing, Clinical Trials, New Chemical Entity Development etc., which are always associated with pharmaceutical industry being the science based knowledge industry. Much has been written about the marketing practices in pharmaceutical industry at global and Indian platform.

The Government of India supports pharmaceutical industry by the different ways like Special Economic Zone (SEZ) formation in different parts of Country and is also helpful in increasing the growth of Indian pharmaceutical industry, but the poor implementation of policies in different sections has withdrawn the real growth, the Indian pharmaceutical industry should have seen, due to which the existence of unethical practices prevail with the cut throat competition in the system, affecting negatively to the different stakeholders at a large. The reason for this is the existence of improper control over pharmaceutical marketing activities followed by pharmaceutical companies in India. The Code of marketing practice defined by Government of India is a voluntary code to be practiced, whereas there are only two countries in the world allows the direct-to-consumer (DTC) advertising of medicines, The United States of America and New Zealand, where direct-to-consumer (DTC) advertising of prescription drugs is legal (www.procon.org, 2014), even than in daily life most of us would have seen different types of advertisements of medicines.

The study indicate that the pharmaceutical industry, which is considered to be the good industry and has proved itself as a recession-proof industry in Indian context, where it has grown with the growth rate of plus ten percent CAGR even during the economic turmoil, faced by the globe in year 2009 and onwards, whose effects can be seen even today in year 2014. "Pharmaceutical Industry is the future Industry where opportunity lies and any professional will definitely look to grow with it, which is going to be of US$ 55
billion by 2020 from US$ 9.5 billion in year 2009, with the potential to reach US$ 70 billion in an aggressive growth scenario” (McKinsey & Company, 2009).

Thus researcher can conclude that forceful implementation of laws is able to provide right way to the pharmaceutical industry, especially in Indian pharmaceutical industry where there is more pressure on the pharmaceutical marketing employees to hit their targets.

In addition findings indicate that most of the medicine consumers respondents have faith still left in the pharmaceutical industry, where they believe onto the words of pharmaceutical companies considering information provided by them to be significant, accurate and authentic in nature and believe to have the products get marketed only after the proper approvals have been granted to the medicine product they market. Medicine consumers are also well aware of no difference between the quality of generic medicine (economic medicine) and branded medicine (costly medicine), whereas they prefer to take generics only on the prescription of doctors. It is important to notify that in case of small problems (e.g. Cough, cold etc.) consumers used to prefer to take over-the-counter medicines without any prescription of doctor where the medical stores used to play a crucial role as the medicine dispenser and prescriber who are in habit of dispensing medicines to patients based on the symptoms of small problems (e.g. Cough, Cold etc.).

Similarly doctors were also found to be well aware of code of practices to be followed, whereas pharmaceutical companies personnel are given trainings for the codes of practices to be followed but not being checked in the maintaining the ethical conduct in delivering their duties and abiding themselves by the regulations related to professional conduct, etiquette, and ethics, whereas the feeling of doctors about pharmaceutical marketing practices reveal to have existence of unethical pharmaceutical marketing practices in India.

Pharmaceutical marketing practices will be most effective in India if pharmaceutical companies will do necessary research for avoiding the existence of unethical practices and cut throat competition they are facing in current scenario, which can be done through the proper implementation of code of practices along with the check of same at all levels and with the training programmes to be executed for the all levels of employees of the organization, especially for the root level employees of sales i.e. Medical representatives and Area Sales Managers. Though research findings significantly indicate that the trainings are being provided by pharmaceutical companies to their employees for the code of marketing practices, whereas they do not check the proper implementation of the same with the field sales force.

Similar is the situation of retailers and wholesalers, where most of the employees are not aware of codes of good pharmacy practices and are not being trained at all, whereas it was the researchers personnel identification during field survey, that most of the owners of retail stores have hired the Pharmaceutical Council of India license holding D.Pharm, or B.Pharm person to whom they used to pay very less amount to them to get the license, in many cases the medical store owners reveal to give only Rs. 5,000 to Rs 6,000 for the whole year as remuneration for providing the license, and for that the license holder need not to come to the shop at all, all the things in most of the cases are managed by the owner of the shop, whereas as per the laws the license holders are
supposed to practice pharmacy himself at the shop and should manage all the things at himself/herself, and should also be paid a good remuneration to him for the same, which is the practice in the developed world. These practices also are the reasons for the avoidance of good pharmacy practice in the pharmaceutical industry in India.

Another important outcome did come in existence through the current research is that most of the pharmaceutical companies are in habit of declaring their products to be with the *No side effects, Toxic Hazards or Risks of Addiction* and also using the word *Safe* without qualification and ability. Pharmaceutical companies also found to have using the word *New* for their brands, however the same salt is already available with the different brand name(s) by other company(s), along with the criticism of other companies brand names for comparison, which is not fact based and fair.

On the question of ethical conduct, most of the respondents found believing pharmaceutical companies representatives not to maintain the ethical conduct in delivering their duties and not abide themselves by the code of marketing practices, whereas pharmaceutical companies personnel were also considered to affect the prescription behavior of Doctors. This is also found through the study that the distribution of free medical samples is done by the pharmaceutical companies for the purpose of getting experience with the same whereas they are not being provided limited to be prescribed for three dosage forms in response to an assigned and dated request from the doctors.

Gifts, Financial Advantages, Benefits in kind, and personal gifts have become the inseparable part of the current scenario of pharmaceutical marketing practices. The study also approved the same by finding Gifts, Financial advantage, or Benefits in kind along with the personal gifts (Movie tickets, entertainment show etc.) are being provided, offered or promised by pharmaceutical companies to doctors, which are also believed to be received and demanded by the doctors from pharmaceutical companies to get their products prescribed or for continuous prescription of the products. The study also reveals the fact that gifts, financial advantage, or benefit in kind except personal gifts (Movie tickets, entertainment show etc.) are being provided by pharmaceutical companies to retailers and wholesalers, which many times are being demanded by retailers and wholesalers prominently to have an interaction of with pharmacy retail stores / wholesalers to access relevant information from them, which is termed as Retail Chemist Prescription Audit (RCPA), the phenomenon to examine the outcome of its field sales calls being performed by pharmaceutical companies personnel with the nearby physicians/doctors.

The influence of pharmaceutical companies personnel onto the action of pharmacy staff in substituting the prescription was found significant along with the influence of prescription behavior of doctors. The support of doctors mainly in the name of continuous medical education (CME) is the regular practice by pharmaceutical companies, where doctors are supported by companies through the coverage of actual travel expenses, meals, refreshments, accommodation, and registration fees for the events organized in India and abroad along with the extension of such facilities to the accompanying spouse/ person, whereas these facilities were found with organization of sporting, entertainment, or other leisure activities at venues that are known for their entertainment or leisure facilities or are highly expensive in nature.
It is noteworthy to identify that respondents believe to have a severe, unhealthy and unethical competition available in marketing practices in pharmaceutical industry in India with the negative impact of marketing practices followed by pharmaceutical companies on stakeholders (Eg. Customers, Public, Doctors, Media, Retailers, Suppliers, etc.).

Views of Doctors, Pharmaceutical companies personnel, Retailers and Wholesalers and Medicine consumers were taken on a five point likert scale to test the null hypothesis regarding Ethical marketing practices, Impact of pharmaceutical marketing practices on stakeholders, and effectiveness of marketing practices in satisfying stakeholders. Based on the z test score among all the respondent types and all the null hypothesis taken into consideration were found failed to be rejected i.e. accepted. This outcome of the hypothesis testing come up with the conclusion that ethical marketing practices are not being followed by pharmaceutical companies and there is a negative impact of pharmaceutical marketing practices on stakeholders, whereas respondents consider marketing practices of pharmaceutical industry effective in satisfying stakeholders.

Different facets of pharmaceutical industry viz. Doctors, Pharmaceutical companies personnel, Retailers and wholesalers and Medicine consumers responded through the open ended questions regarding their perseverance about pharmaceutical marketing practices, reasons behind unethical pharmaceutical marketing practices along with the positive and negative effects of pharmaceutical marketing practices have on different stakeholders. The outcome of the content analysis invigorated cut throat competition be the biggest reason behind unethical pharmaceutical marketing practices, whereas some positive effects on stakeholders like awareness among society along with the better healthcare services at a large were the morale booster to the pharmaceutical marketing practices, however some negative effects like unethical practices and high cost of medicines were found prevailing in the pharmaceutical marketing system and morale deteriorating agent for pharmaceutical marketing. As a whole pharmaceutical industry was considered to as a good industry where some unethical activities are predominant in nature and effecting negatively to the stakeholders.

There is a need to identify the key dimensions of pharmaceutical marketing practices to make a balance among the activities followed by pharmaceutical companies in India. It may be achieved by integrating a policy dimension for marketing practices in India. To take this forward, Researcher might consider the appropriate locus of intervention to improve pharmaceutical marketing practices. Is this the responsibility of the individual, the company specific, or the government should play to state pharmaceutical marketing practices in place? It is the collective responsibility of all stakeholders of pharmaceutical industry to move forward to make pharmaceutical marketing in place. All the pharmaceutical marketing stakeholders, as have found a role to play in the industry, should have to have a role to play in the upliftment of pharmaceutical marketing practices being followed in Indian market.

Most of the research confirms that pharmaceutical marketing practices have some negative consequences linked with each other affecting all the stakeholders at a large. The major effects of these negative consequences are for the medicine consumers, who suffer most due to the unethical practices prevailing in the market, and he/she is the one
about whom most of the other stakeholders think at last except Government. However researcher could acquire an incomplete apprehension of the effects by exploring work separately. If management experts have to get engaged in this significant domain, Researchers need to broaden their conceptual frameworks to incorporate a full understanding of pharmaceutical marketing practices. Part of the analysis has drawn the attention to the consideration of borders for the current research. By focusing on an issue such as pharmaceutical marketing practices, researcher was forced to consider his disciplinary borders and how close to the frontier researcher wished to work.

Experts believe that pharmaceutical marketing should have balance in the activities being followed, which is difficult to achieve. There are numerous activities in the pharmaceutical marketing where the balance is unobtainable, especially in Indian scenario, where the cut throat competition impels the fair practitioners to act in the way as the others are. If you will keep on acting the way the codes are, experts say, you will not be able to survive, though in long run the fair practice standards can be achieved through the coverage of every section of codes of pharmaceutical marketing practices one by one by the means of strict government regulation, which will play a crucial role in safeguarding the rights of all stakeholders in a rational way.