

# **IMPACT OF PERSONAL SELLING AND SALES PROMOTION TO THE MEDICAL PRACTITIONERS IN PHARMACEUTICAL INDUSTRY**

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## **ABSTRACT**

In Indian Pharmaceutical market MRs are the key players of the entire marketing activity. The companies deploy MRs to showcase their products (drugs) to the physicians. This paper discuss about the impact of personal selling and sales promotion to the medical practitioners in pharmaceutical industry.

**KEYWORDS:** Personal Selling, Sales Promotion; Pharmaceutical Marketing, Medical Representatives, Medical Practitioners, Pharmaceutical Industry.

## **INTRODUCTION TO PERSONAL SELLING**

Personal selling [5] is the art of convincing potential customers to buy products or services from which they can obtain benefits and serve their needs, thereby improving their total satisfaction. The process of direct communication between a salesperson and a customer in which the offer or learns about the needs and wants to satisfy those needs by offering that particular customer the opportunity to buy something of value such as goods or services.

Personal selling [6] is also define as the process of face to face interaction between a sales person and a prospective customer in which the seller learns about the customer's needs and tends to satisfy those needs by offering the prospective customer the opportunity to buy something of value such as goods or services.

## **INTRODUCTION TO SALES PROMOTION**

A direct endorsement that offers an extra value

for the product to the sales force, distributors or to the ultimate consumer with the primary goal of immediate sale [7]:

- Sales promotion includes of the methods used for achieving sales/marketing goal in a economic manner by adding value to the product or service either to intermediaries or end customers, normally within a definite time period.
- Sales promotion includes all marketing and promotional activities except advertising, personal selling and publicity, that motivate and encourages the consumers to buy at premiums, advertising specialties, samples, price off coupons, contests, games, trading stamps, refunds, rebates, exhibits, displays, and demonstrations. It is employed to encourage the retailers, wholesalers, manufacturers or the sales force to sell by using such incentives as award or prizes.

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## LITERATURE SURVEY

Pratiksha Milind Wable (2012) [8] stated in her PhD thesis she mentioned about the various aspects of personal selling and sales promotion effecting the Physicians prescribing behaviour. There are various factors such as Medical Representative detailing, Personality, Visit frequency, Gifts, Product quality etc impacts Physicians prescribing behaviour. The author considered the reliable source of information used by the Physicians.

Robert V. Gibbons, et al. (1998) [9] in their study investigated the doctor's and the patient's attitude towards the pharmaceutical industry gifts. This study included doctors and patients from the military hospitals and civil hospital setups. The most striking feature about the 'gift giving' practice among the patients was observed to be right around 50%, and thought the gifts accepting practice to be inappropriate. But in contrast to this physicians were well receptive towards the gifts. The study considered gifts and other promotional which might have higher impact on the drug choice of the physician were not considered.

Jeffrey T. Berger et.al (2003) [10] in their open peer commentary on 'Pharmaceutical Industry Influences on Physician Prescribing: Gifts, Quasi-Gifts, and Patient-Directed Gifts.' presented a study by Dana Katz, Arthur L. Caplan and Jon F. Merz, which deals with the influence of the gifts given by pharmaceutical companies to physicians on their prescribing behavior. Effect of direct-to-consumer drug promotions influence of product sampling, programs developed by the pharmaceutical industry on physicians are meant to blur the distinction between gift-giving and professional compensation leading irrational prescribing behaviour. The author argues about the role and effect of samples on attitudes of physicians. The author critically comments that the idiosyncratic measures drive the sample dispensing towards the price / cost vulnerable

patients. It was argued that the persuasive quotient of the samples is too less as compared to the other measures considered by Kartz. Philip W. Yoon, (2004) [11] in his study investigated the organization point of view on the physician cooperation with the pharmaceutical industry thinking about the physicians agents of the patients (principle) who make the decision for the welfare of the patients. The author investigated the compulsory part of the gifts on the physician's prescription behaviour. The results of the study propose that the response is relative with the immediate contact with an identified gift giver and their promotional material. The author further found out that if there is an early interaction between the physicians (agency) with the pharmaceutical companies then it is more likely to create conflicting interests between the agency (physicians) and the principle (patients).

Warren S. Sandberg et. al. (1997) [12] led a study on the review example of the fourth year medical students from the University of Chicago Pritzker School of Medicine in 1994-95 with a objective to survey the impact of pharmaceutical advertising especially as book as an educational gift for the medical students. The study included interviews of almost two hundred medical students at the time of the personal interviews for the resident doctor's admission who were been given the medical text books by the medical representatives of the pharmaceutical firms. The study result proposed that larger part of the medical students could recollect the title of the medicinal course reading got from the pharmaceutical firm however hardly 25% could able to remember the name of the organization and a little percentage of them could recollect / associate the product of that respective organization. The study setting might have a declining effect on the recall rate as it was conducted when the students were to appear for the resident doctor's personal interview. Moreover other promotional items were beyond the purview of the said research.

## **IMPACT OF PERSONAL SELLING AND SALES PROMOTION TO THE MEDICAL PRACTITIONERS IN PHARMACEUTICAL INDUSTRY**

A key component [1] of a firm's aggressive technique is dealing with its limited time blend viably. Dealing with the limited time blend successfully addresses to the ideal mix of different components like Personal selling, Sales promotion, advertising and direct promoting exercises. There is significant move from mass showcasing to the fragmented advertising. It is important to create advertising correspondence system to get an aggressive vital position for the organization. In the prior occasion of showcasing special arranging, around 85% of the financial plan was spent in Promoting however finished the years it has boiled down to 40% in numerous ventures. So the allotment of the correspondence spending plan far from mass publicizing spending is a pointer to developing familiarity with the coordinated showcasing correspondence for viable promoting.

The pharmaceutical marketer's choice to utilize individual offering, deals limited time or other showcasing apparatuses relies on the potential size of the market of a given physician endorsed tranquilize, the present rivalry in the market and the measure of time that has slipped by since the medication got the Food and Drug Organization (FDA) endorsement. Huge numbers of organizations are receiving on Integrated Marketing Communication (IMC) approach that underlines the cautious incorporation and collaboration of firm's numerous channels to pass an error free, steady and compacting message about the organization and its items. The coordinated showcasing correspondence arrangement calls for perceiving all contact focuses where the client may experience the organization, its items/brands. Present day promoting calls for more than building up a decent item, appealing evaluating and

showcasing, however, organizations should likewise speak of introducing and potential partners. Correspondence gets increasingly hard as progressively and more organizations fuss to get progressively engaged client's unified consideration. Pharmaceutical market which is a surrogate market for the doctor prescribed medications is dominantly a particular market having doctored coordinated limited time exercises.

According to McKinney's [2] report on the Indian Pharmaceutical Industry / market, the industry will treble in the next decade and propel the country in to top 10 markets in the world by 2020. As per recent McKinsey Global Institute's report, rural areas are considered to account for a third of the country's consumption growth in the next two decades . The changes in the economic profile has brought changes in the lifestyle too and with the advent of fast food, lack of physical activities and stress, lifestyle related diseases are growing at a faster rate.

In recent years Indian Healthcare market is seen to be growing at substantial levels due to many factors like,

- Changes in the illness profiles like rising prevalence of chronic diseases. Selection of item patent and forceful item infiltration by smaller pharmaceutical organizations.
- Changes in socioeconomics like multiplying of the disposable income and swift rise of middle class size.
- Expansion of medicinal infrastructure.
- Greater penetration/ of healthcare insurance.
- India's blasting populace (as anticipated by Price Waterhouse Cooper report [3])

Under the present drug marketing conditions, changes in the costs of the physician recommended drugs doesn't come about into proportionate reverse change in the amount requested. The expansible request can be

animated through advancement alone without change in the cost. In Pharmaceutical Industry the limited time versatility ordinarily exists. As indicated by the Journal of American Medical Association (JAMA), roughly 90%+ of the marketing (limited time) spending plan of the pharmaceutical businesses keeps on being/ coordinated to physicians. In a profoundly aggressive market which is overflowed with 'dull' items, the opposition is no longer between the 'items and systems. Be that as it may, it is between the abilities of one organization and that of another.

A provide details regarding Global Infrastructure: Indian Healthcare version by KPMG affirms that India particularly following six states i.e. Maharashtra, Rajasthan, West Bengal, Uttar Pradesh, Tamil Nadu and Andhra Pradesh will represent half of the consumptions for 2009-2013. Maharashtra is relied upon to keep ruling the total medicinal services and human services framework consumption. In light of this report it is the nature of limited time program and skill of the business drive that will decide the accomplishment at the commercial centers. Despite the fact that the financial stoppage did not influence the drug utilization it is affecting not just the measure of drugs sold by the pharmaceutical organizations yet in addition pressurizing their estimating.

Up to 50% the evaluating of non-cost controlled prescription otherwise called National List of Essential Medicines (NLEM) is possessed by the MAPE [4] (Maximum Allowable Post-fabricating Expenses). This implies all cost acquired by a maker from the phase of ex-processing plant cost to retailing and incorporates exchange edge and edge for the producer alongside the marketing costs. The weight on controlling the costs is similarly been experienced by the marketing divisions of the pharmaceutical ventures which is requiring the ideal use of different devices with a demonstrated effectiveness.

## CONCLUSION

As discussed in this work, entrenched or new techniques may use the errand of teaching and convincing the prescribers (therapeutic experts) with enhanced profit for the speculations under the rising value control weight from the administrative specialists. The study will assist the pharmaceutical organizations to handle the opposition in following ways:

1. Effective and persuasive use of the time accessible inside the doctor's chamber.
2. Better comprehension of the item, mark and visit qualities which influence the remedy conduct of the specialists.
3. Help the pharmaceutical organizations in ideal portion of different assets in their marketing spending plans viably.

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