

A Study of Marketing Strategies in the Pharma Industry

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Abstract - The pharmaceutical industry plays a critical role in global healthcare by developing and delivering innovative medicines to improve patient outcomes. To effectively reach healthcare professionals, patients, and other stakeholders, pharmaceutical companies employ various marketing strategies. This study aims to explore and analyze the marketing strategies employed by the pharma industry and their impact on brand awareness, market penetration, and overall business performance. And the study in which discussed about Pharmaceutical Industry, Strategies Of Pharmaceutical Industry, Factors Contributing to the Growth of the Pharmaceutical Market, Key Characteristics of the Indian Pharma Sector, Laws and Regulations Governing Indian Pharmaceuticals

Keyword - pharmaceutical, Strategies

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INTRODUCTION

Developing the strategies that help a company become more responsive and to sustain these supplies means that a company must get ready to meet the challenges and visualise and forecast future requirements. These strategies are necessary for the company to develop in order to meet these challenges and prepare for these commitments. The pharmaceutical industry is undergoing rapid change as a result of factors such as globalization of markets, consolidation of the global pharmaceutical industry, and an increase in the industry's competitiveness due to technological advancements as well as an increase in alliances formed through mergers and acquisitions of companies. Research-oriented changes, knowledge-based changes, and capital-intensive industry-related changes have all occurred in the pharmaceutical sector recently, and they've prompted policymakers to step up their attentiveness. Companies must embrace and grasp recent advances in order to effectively advertise their current and future goods. Keeping tabs on the strategic man oeuvres of the competition is also a need for firms. This is why they must devote more resources into research and development in order to improve their products and increase their sales force in order for them to effectively reach their target market. As a result of these factors, pharmaceutical product marketing is a more difficult and time-consuming line of work. The quality, the people, the technology, and the strategies all play a role in pharmaceutical marketing success.[1]

The marketing strategy is defined as a strategy that integrates, assimilates, and collaborates all of the organization's marketing objectives into a single comprehensive plan. In order to create an effective marketing strategy, organizations should do market research and base their plans on the proper product mix in order to maximize profits and ensure the long-term viability of their operations. The core of a marketing strategy is a marketing plan. Some nations refer to pharmaceutical marketing as medico-marketing or pharma marketing, but it is generally understood to be the practice of advertising or otherwise encouraging the sale of medicines or medications.

Pharmaceutical firms, like their counterparts in other sectors, should aim to satisfy customers and reap the rewards of enhanced brand loyalty, improved sales and market share, as well as higher revenues and profits. Successful organizations of the future will be able to meet both local and global requirements simultaneously, while striving for perpetual innovation and dedication to global learning, as stated by Bartlett and Ghosal in the book they co-authored. As a result of this, the pharmaceutical sector relies greatly on firms' market orientation and capacity to comprehend consumers' expectations and means to match them with correct sort of goods, communication, delivery, and pricing strategies.[2]

Pharmaceutical Industry

They are creating, deciding, constructing and promoting the pharmaceuticals or pharmaceutical

drugs that may be utilized to treat and improve health in both the medical and non-medical contexts. Formulated Products, which comprise the active pharmaceutical ingredient (API), and the API are crucial components of the Formulated products. It comprises tablet, capsule, injection and infusion forms, as well as ointment and cream formulations as well as patches and lyophilized medicines, among other forms. Generic or brand-name drugs and medical products are also sold by pharmaceutical corporations. Pharma is a unique sector that saves millions of lives and aids in the recovery or improvement of life for those afflicted by illnesses.

The pharmaceutical industry has played a pivotal role in the creation and improvement of medications and vaccines, which have been used to treat and prevent illness.

The more people a nation has, the greater the need for pharmaceuticals will be. An whole country's demographic, socio-economic, and cultural factors are reflected in the structure of its pharmaceutical sector. The demand for the pharmaceutical industry in a nation is influenced by characteristics such as education level, population density, consumption index, healthcare spending index, and the availability of medical services. As a country's growth progresses, so does its willingness to embrace change. Any country's pharmaceutical industry growth depends critically on government policies, constraints, and regulatory bodies.[3]

Strategies of Pharmaceutical Industry

You need to keep an eye on the market. Market management as well as adapting strategy to fit the current company climate is a difficult but necessary activity. To be successful, a firm must be able to constantly adapt its approach to the market in order to take advantage of new prospects for development and survival. And as a result of these changes, even the most successful pharmaceutical firms are being forced to rethink their business models and rethink their strategy in order to keep up with the changing market conditions.

1. Marketing Strategies of Pharmaceutical Industry

Marketing is a critical component of any business, and it is a field that is advancing at a breakneck pace. As a result, it is critical that a business be adaptable enough to keep up with the constantly evolving and ever-changing trends that occur on a daily basis. In today's competitive environment, organisations must also pay attention to and meet the growing demands of their customers, which have been found to be increasing on a daily basis.[4]

At now, organisations' marketing objectives include not just increasing market share, profitability, or client numbers at the cost of their immediate competitors

but also developing a long-term strategic plan that will enable them to remain viable in the face of intense competition. This long-term strategic growth may be accomplished via the formation of an international strategic alliance.

Maintaining a solid connection with clients in the pharmaceutical or medical sector is very important, and this includes not only the end consumers, but also all other stakeholders, such as physicians, pharmacists, and distributors. All of this is critical to CRM, which is all about customer relationships. One-to-one, long-term, and successful business partnerships are fostered in this way.

As part of a company's marketing strategy, it should assist it anticipate and respond to future market needs and requirements, for which it must put together offers and pledges in order to be responsive to the current issues it faces. There has been rapid change in the pharmaceutical industry due to market globalisation, pharmaceutical industry alliance, and increased competitiveness, and these competitiveness are primarily due to innovations and an increased alliance through mergers and acquisitions of the firms that are responsible for the rise in concerns of marketing professionals in this field. Because the pharmaceutical sector is a capital-intensive and knowledge-based one, it requires a high level of attentiveness from policymakers in the face of sudden and unexpected developments. Companies that want to successfully market pharmaceutical products must devote resources to research and development in order to stay abreast of new developments, as well as to strengthen their sales teams in order to reach their target markets. This requires a heavy investment in research and development in order to keep up with the competition. It follows that this is a difficult industry in which success is dependent on a variety of factors, such as those mentioned above as well as new technologies and creative approaches.[5]

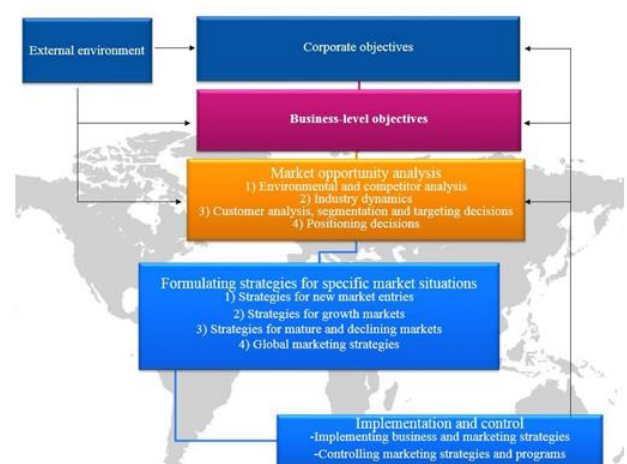


Figure 1: Developing a Marketing Strategy

Factors Contributing to the Growth of the Pharmaceutical Market

Indian generic pharmaceutical companies can now produce high-quality products in record speed because to advancements in technology. These products are exported all over the globe. The pharmaceutical market in India is increasing at a rapid rate when compared to other nations. There are a number of causes that have propelled the rise of the drug and pharmaceutical market;

- A massive patient population;
- a rise in wages;
- enhancing the healthcare system;
- Diabetes and other lifestyle-related disorders are on the rise.
- illnesses affecting the heart and the brain
- Health insurance penetration;
- Products patented by others are accepted.
- U.S., European, and Japanese patent expirations with an ageing population.

Numerous global pharmaceutical companies have entered India's market and established production facilities there as a result of the causes outlined above. India is now home to 15 of the world's top 20 pharmaceutical businesses. Drugs and pharmaceuticals were really India's tenth-largest FDI-attracting industry from April 2000 to October 2007.[6]

Following issues experienced by the global pharmaceutical sector also present a number of chances for Indian Pharmaceutical Industry with all the support and flexibility granted by the Indian Government:

- Health-care expenses are rising;
- Generic competition;
- The expiration of the patents on some of the most popular pharmaceuticals on the market;
- R&D pipelines are drying out
- R&D expenses are rising.

The pharmaceutical industry in India has a lot of room for expansion in the following areas:

- Bulk-drugs;
- Formulations developed in the United States;
- Exports to unrestricted countries;
- CRAMS;
- Trade in controlled marketplaces for generics;
- Global pharmaceutical businesses use NCE research.

TRIPs (Trade-Related Aspects of Intellectual Property Rights), an essential WTO rule, was included into the Indian Patent Act of 1970 as revised in 2005. The patent protection for pharmaceutical items in India has been established as a result of the amendment. For the first time in Indian pharmaceutical history, a new market has opened up for the Indian pharmaceutical industry in the form of contract manufacturing services (CRO) and contract research and manufacturing services (CRMS) (CRAMS). The top three pharmaceutical firms in India each have a market share of roughly 5%, making the industry extremely fragmented. Product patents, however, are likely to result in a significant concentration of the industry.[7]

Key Characteristics of the Indian Pharma Sector

Indian Pharma has a unique set of characteristics that are distinct from the pharma business in other nations. The following are some of the key characteristics of the Indian pharmaceutical market:

- Capacity to service customers the country's ability to produce 70% of bulk pharmaceuticals and almost all of the country's formulations may be shown in this way:
- Its cheap manufacturing costs are attributable to its status as the world's second-most populous nation.
- owing to the second-largest population in the world and inexpensive R&D expenditures.
- It boasts an inventive scientific workforce thanks to its world-renowned educational institutions.
- Excellence in process development and creation of cost-effective technologies at world-class national labs;

- Importance of a better trade balance and trade-related operations in the pharmaceutical industry;
- Drugs that will be out of patent in the next several years may be procured from a well-organized and cost-efficient source.
- The variety of the population makes this a great location for clinical studies.

Key Characteristics of the Indian Pharma Sector



Figure 2: Features of the Indian Pharma Industry

Laws and Regulations Governing Indian Pharmaceuticals

Some of the world's leading pharmaceutical companies have to deal with severe regulations. Key to this legislation is that it controls the importation, production, distribution, and sale of pharmaceuticals in India.[8]

Specific demands for factory premises (the production facility is situated), as well as the minimum required spaces to install basic equipment and materials, are outlined in the Schedule M section of the Act on the Control of Substances that are Drugs and Cosmetics.

Schedule T of the Drugs and Cosmetics Act mandates that manufacturers of Ayurvedic, Siddha, and Unani medicines adhere to GMP standards.

To ensure that clinical trials are conducted in accordance with federal law, Schedule Y of the Drugs and Cosmetics Act oversees these legal criteria.

Pharmacists in India are subject to the Pharmacy Act, 1948, which governs the profession. This legislation establishes the Central Pharmacy Council of India and the State Pharmacy Councils in each of the Indian states.

Objectionable Advertisement for Pharmaceuticals and Magic Remedies (Drugs and Magic Remedies) Act, 1954: This legislation restricts the marketing and advertising of drugs and excludes the promotion of remedies that claim magical properties.

Control and regulation of Narcotic Drugs and Psychotropic Substances activities are addressed by the Narcotic Drugs and Psychotropic Substances Act, 1985.

Excise taxes on medical and toilet products were enacted by the Medicinal and Toilet Preparations (Excise Duties) Act, 1956.[9]

Ordered by the Indian government under the Essential Commodities Act, 1955, the Medications Price Control Order (DPCO) 1995 regulates and controls the cost of drugs, including APIs. Among the items included in the Order are the list of restricted or regulated medicine prices, as well as the methods for determining and enforcing the prices set by the government, as well as the consequences for violating the requirements, including the termination of a licence. The National Pharmaceutical Pricing Authority (NPPA) has been given the authority of the government to execute the requirements of the DPCO (NPPA).

An overview of GCP guidelines: Before a medicine is released into the market, it undergoes clinical trials to ensure that it is both safe and effective. All three government agencies involved in medical research in India have put up draught criteria for human subjects, which include both healthy volunteers and patients with a specified ailment for whom the medicine is medically prescribed. In addition, the Declaration of Helsinki, World Health Organization (WHO) recommendations, and International Conference on Harmonization (ICH) criteria for good clinical practice form the basis of these GCP guidelines.[10]

Other regulations affecting the manufacturing, distribution, research & development, and sale of pharmaceuticals in India are listed below:

- The industries (Development and Regulation) Act, 1951
- The Trade and Merchandise Marks Act, 1958
- The Indian Patent and Design Act, 1970
- Factories Act

CONCLUSION

In conclusion, the study of marketing strategies in the pharma industry highlights the critical role of effective marketing in driving success and growth.

Pharmaceutical companies face unique challenges, such as strict regulations and ethical considerations, but strategic marketing can help them overcome these hurdles. By adopting a customer-centric approach, leveraging digital technologies, and focusing on targeted messaging, pharma companies can enhance brand awareness, build trust with healthcare professionals and patients, and ultimately increase market share. Additionally, the study emphasizes the importance of ongoing market research and analysis to stay updated with evolving trends and customer needs. Overall, implementing well-designed marketing strategies is essential for pharma companies to thrive in a competitive landscape and deliver innovative healthcare solutions.

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