

The Characteristics of the Use of Promotion-Mix Instruments by Prescription Drug Manufacturers

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Abstract: The article examines new trends in the use of communication tools in promoting prescription drugs – trends associated with changes in the establishment of persons who influence purchase decision making. These changes were triggered by the passage of a new law that prohibits physicians from listing brand names in prescriptions and mandates that they list just the active substances. Thus, when it comes to persons who influence purchase decision-making, major importance is now attached to the practices of pharmacy sales personnel.

Key words: Prescription drugs • Promotion-mix • “pull” strategy • “push” strategy • Pharmaceutical marketing • First-desk employee

INTRODUCTION

People’s behavior in making purchase decisions is influenced by many factors. On one hand, the customer acts under certain conditions, i.e. one’s actions are influenced by one’s social milieu, while, on the other hand, one makes decisions based on one’s personal values, lifestyle, emotions, or knowledge. Thus, factors influencing customer behavior can be divided into two groups – external and internal. In analyzing the purchase decision-making process, we must identify the roles of individuals involved in that process. There are five traditional roles of this kind:

- The initiator – a person who is the first to suggest getting a product or service;
- The influencer – a person whose views or advice play an important role in making the final decision;
- The decision-maker – a person who makes the actual final purchase decision;
- The customer – a person who makes the actual purchase;
- The consumer – a person who consumes the product or service purchased.

Influencers play an important role in making purchase decisions. Although they do not make the final decision themselves, they influence making it in one way or another. They often help define one’s needs and supply information needed to analyze one’s options [1, 2].

In drafting a communication strategy, it is important to orient it towards not only the target audience, which consists of purchase initiators and end-users of the product being promoted (this role is often played by the same person), but also those who influence purchase decisions [3, 4]. The degree of their influence can vary depending on the type of the product being promoted. In some cases, the judgment of other individuals can be much more significant in making the final decision, for the product may have certain features the end-user is not sufficiently qualified to assess on his/her own.

The Promotion of Prescription Drugs: There are situations when the promotion of a product to the end-user is restricted or prohibited altogether. Medication sales illustrate this most vividly. Non-prescription drug advertising has certain restrictions, while it is prohibited altogether to promote prescription drugs to the end-user – and the authorities have every reason to enforce this

ban. Before, physicians used to be the main group that prescription drug manufacturers and sellers worked with. A physician issuing a prescription to a patient is a classic example of the situation when another party can influence a person's purchase decision and the physician's opinion oftentimes is more important than that of the consumer him-/herself. What is more, here the consumer's wishes were often taken account of only partially. The patient had a limited right of choice. Thus, physicians were but the chief communication audience for medication manufacturers and the relationship with this audience seemed to be working just fine [5, 6, 7, 8].

It should be noted that the product promotion strategy used to be implemented by manufacturers in concert with the "pull" distribution strategy. The gist of the "pull" strategy is that the manufacturer stimulates the end-user's demand for the product without distributor participation. The fact that the consumer demands a certain product should imply that having it for sale could be profitable for commerce. This means that commerce is getting some demand for the product. And, by contrast, when it comes to the "push" strategy, the manufacturer, above all, focuses on commerce. The manufacturer tries to make the product attractive for commerce so that commerce representatives would themselves go ahead and offer the product to the end-user.

By boosting the level of awareness about the company, its products and product features with the members of this audience (i.e., those who immediately influence consumer purchase decision making), manufacturers would lay the groundwork for prescribing a specific medication for the target audience provided corresponding indications existed. As a result, the company would succeed in having end-users, too, drive up demand for its products – through the use of the classic "pull" strategy. Consumers would visit retail outlets (pharmacies) with prescriptions issued for specific drugs and ask for that very product, thus, encouraging retail distributors to carry (i.e., buy and stock) it [9, 10, 11, 12].

Let us examine the way the companies arranged their communication instruments in working out and implementing the "pull" strategy with the assistance of the influencers of purchase decision-making (physicians). The largest area of focus was PR (public relations) – the manufacturers would engage in activities aimed at creating awareness about the company's activity and products, such as putting together presentations or

issuing press releases on new drugs. This instrument was one of the most effective, considering high levels of professional qualification held by the influencers (physicians).

Advertising and sales stimulation were the next popular instruments. The product would be advertised in specialized medical media and as part of the effort to facilitate indirect sales stimulation the companies would release and distribute various promotional materials, such as calendars, jotters, pens, folders, USB flash drives, etc., which were given to physicians as part of PR activities.

The Change in the Legal Framework: The Order of the Ministry of Health of the Russian Federation "On Ratifying the Procedure for Prescribing and Writing for Medications, as well as Issuing Prescription Forms for Medications and the Procedure for Composing, Keeping Record of and Storing Such Forms", which came into effect on July 1, 2013, mandates that "medications be prescribed and written for in accordance with the International Nonproprietary Name naming standards (INN), while in the event there is no INN available for the medication – in accordance with the grouping name naming standards and in the event there is neither an INN nor a grouping name available for the medication – in accordance with the brand name naming standards". This means that physicians are directly prohibited from prescribing medications under specific brand names. Patients can now choose among medications by different manufacturers, which contain the same quantity of the main active substance.

Such legislative initiatives have led to changes in the distribution strategy (adding the "push" strategy), triggering changes in the communication system used by prescription medication manufacturers. Manufacturers, which are, just like before, constrained in the ability to advertise their products to end-users, have to realize that now it is "first-desk employees" that will influence purchase decision-making (i.e., now it is not about the client asking for a specific brand of medication but the pharmacist recommending a manufacturer to the client) – hence, the need to alter one's communication strategies. It is apparent that the medication consumer will still be fairly unaware of the true advantages or drawbacks of using a particular brand. However, now that the consumer is given the opportunity to choose, he/she will no longer be dependent on the physician's vision of things. Now there are other influencers who can actively interfere

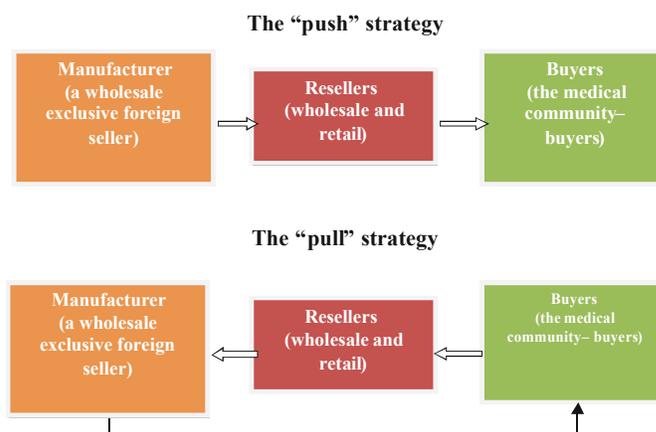


Fig. 1: The “push” and “pull” strategies

with purchase decision-making – pharmacy attendants or other patients, who may discuss the strengths and weaknesses of particular brands. Thus, the prescription medication promotion scheme has changed in such a way that, in an attempt to familiarize the end-user with its products and try to foster his/her loyalty towards its brand, the manufacturer now has to communicate with not just one group of influencers but multiple groups. The manufacturer will now have to shift the focus of its marketing communication efforts aimed at the influencer audience from public relations to sales stimulation. Working with pharmacy sales personnel will require the use of promotional flyers, information and handout materials with more easy-to-understand, “layman’s-terms” descriptions for medications, since, compared with physicians, pharmacy attendants may come from a different professional training background and have a different work routine. Instead of holding scientific conferences, prescription drug manufacturers will now have to focus on working out incentives for pharmacy distributors and developing presentation programs for pharmacy sales personnel.

CONCLUSION

The success of manufacturers of virtually any product largely depends on communication work with the target group of people who influence end-user purchase decision-making. This assertion becomes doubly just when it comes to a product whose promotion to end-users is restricted by the law. The regulatory monitoring of possible changes in the legislative framework will help prescriptive drug manufacturers to reshape their

communication strategies by adjusting the balance between using one’s communication tools in the most efficient way.

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