



**JES's college of Pharmacy, Nandurbar**

# **MARKETING**

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**Asst Prof: Manisha K.Gavit**  
**(Department Pharmaceutical Chemistry)**

# INTRODUCTION

- We are using various types of items/products for our daily needs like tooth brush, soap, shampoo, etc. Each company is producing these products. From company to consumer, it takes many steps and simply these steps are known as **marketing**.
- Marketing is an identification of requirements of the society and fulfill these needs.
- Marketing word is derived from Market.
- In general, marketing is directly related to market and consumers.
- Marketing may be defined as identifying and reunion of human and social needs. "Meeting desires profitably" is an extensively accepted
- definitions of marketing. American Marketing Association defined marketing as: "**Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large**".

# THE CONCEPTS OF MARKETING

- The marketing concept term is related to the basic principle of modern marketing.
- According to this concept, an organization has to envisage the requirements of consumers and fulfils the needs in more perfect and effective manner than competitors. The marketing concept is to search a better way by which services and goods can sell to targeted consumers.

# SCOPE OF MARKETING

- Marketing can be classified as, out bound and inbound marketing.
- Mashable describes "**outbound marketing** as any marketing attempt that uses traditional methods of getting a product into the public eye, such as radio ads, newspaper or television spots.
- **Inbound marketing** is more organic and requires the production of content that is highly relevant to a targeted audience."
- '**What is Marketing?**' each industry or company deals with this question, according to Kotler, some of the most important scope of marketing is as follows:

- (a) Goods
- (b) Services
- (c) Events
- (d) Persons
- (e) Properties
- (f) Organizations
- (g) Information
- (h) Idea

**(a) Goods:** Physical goods contain a large share of a country's production and marketing effort. In order to increase sale companies, **advertise their food products, cars, television, refrigerators, machines, etc.**

- b) Services:** As competition and advance in economies, more activities are focused on the production of better and quality services. Services consist of the work related to **hotels, airlines, car, beauticians, rental firms, softwares, etc.** Many markets offer both services and goods together.
- c) Events:** Marketers promote different events such as company anniversaries, award shows, local festivals, trade shows, social activities, health camps, etc. Apart from these various sport events like cricket, football, Olympics are promoted to both fans and companies.
- d) Persons:** Companies tie up with popular personality like sportspersons, TV artists and film stars for branding their services and products.
- e) Properties:** Properties can be financial or real. **Financial property belongs to stocks and bonds** while **real property is the rights of real estates.** Marketing enhance the sale of properties.

- f) Organizations:** In the time of social media, each person aware about the company name. Organizations actively work to make image and goodwill in the minds of their consumer and this goodwill spread trust among the people. The smooth introduction of new products depends upon the image of the company.
- g) Information:** Distribution of information is a most important part of the industry. In present scenario, revolutions in media and increased literacy states have spread the scope of information marketing.
- h) Idea:** A basic idea is there behind every market. Social marketers broadly promote ideas. Some vehicle companies promoted to drive safely with awareness to put on seat belts.

# DISTINCTION BETWEEN MARKETING AND SELLING

- Someone introduce the best quote about the marketing and selling that **"Marketing is the cost-effective delivery of sales."**
- The term "sales and marketing" is used so commonly.
- Both sales and marketing produce opportunity for mutual benefit.
- Sales have the power to change conditions and make over a situation through the skills of the salesperson on other hand marketing generally does not hold such transformative power. It needs to work with situation as they are.

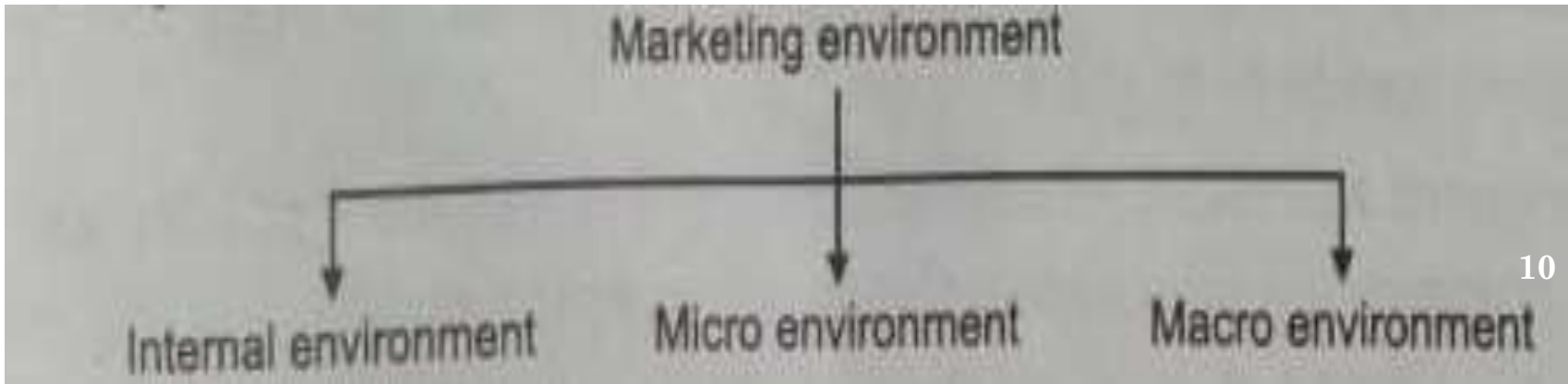


# DIFFERENT BETWEEN MARKETING AND SELLING

| Sr. No. | Marketing  | Selling                                      |
|---------|--|--|
| 1.      | Customer need is important.  | Sellers need is important.                   |
| 2.      | Begin before production.   | Begin after production.                      |
| 3.      | Primary aim is customer satisfaction.  | Primary aim is sales.                        |
| 4.      | Customer first than product.   | Product first than customer.                 |
| 5.      | Marketing include various activity like research, strategy, promotion, selling, etc. | Selling comes under marketing as its part.   |
| 6.      | Focus to search correct products for your customers.                                 | Focus to search customers for your products. |
| 7.      | Continues after sale.  | Comes to an end with sale.                   |
| 8.      | Perspective of long term and out-side.   | Perspective of short term and in-side.       |
| 9.      | Customer satisfaction produce profit.  | Sales volume produce profit.                 |
| 10.     | Business philosophy.   | Routine day to day process.                  |
| 11.     | It contains 'Let the seller be aware'.   | It contains 'Let the buyer be aware'.        |
| 12.     | Much dynamic and wider than sales.   | Narrow concept.                              |
| 13.     | This is one to too many.   | This is about one to one.                    |
| 14.     | Focus on brand's reputation.   | Focus on relationship.                       |

# MARKETING ENVIRONMENT

- The marketing environment includes a mix up between the internal and external forces which enclose an organization and have an impact upon it, especially their skill to make and maintain successful relationships with target customers.
- **The internal factors** are employees, shareholders, customers, retailers and distributors, etc. while the
- **External factors** are political, legal, technological, social and economic.
- The marketing environment can be divided into three parts as below:



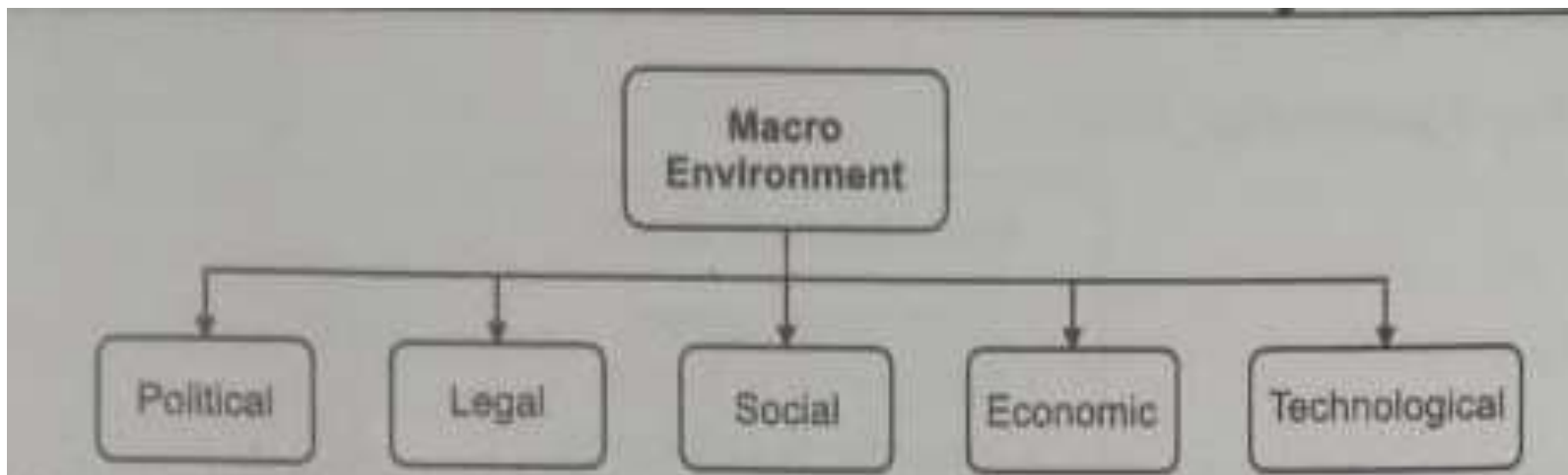
- 1. Internal Environment:** It includes all the factors that are inside the organization and affects the overall business operations. These factors are labour, inventory, company policy, budget, logistics, capital assets, etc. and affect the decision of marketing and its association with the customers.
- 2. Microenvironment:** It includes all factors related with the operations of the business and influences its functioning. The microenvironment factors are mentioned below.



## **These factors are further elaborated:**

- **Customers:** Basis of every business is customer's needs and wants. Thus, each marketing strategy focuses on understanding the need of the customers and offering the best product that fulfils their requirements.
- **Employees:** Employees are the main component behind the success of business. The quality of employees depends on the training and motivation provide to them.
- **Suppliers:** Suppliers provide material to make a finished good and are very important for the organization.
- **Retailers and Distributors:** These are important partners play a vital role in determining the success of marketing operations. They can give exact information and suggestion regarding product.
- **Competitors:** A close watch is required on competitors for planning of marketing strategy.

- **Shareholders:** These are the owners of the company, and every firm has an aim maximizing wealth of its shareholders.
  - **Government:** Marketing strategies reflect the Government policies such as, pricing policy, credit policy, education policy, housing policy, etc.
  - **General public:** Marketing activities should also work for welfare of the society.
3. **Macro Environment:** It includes all those factors that are related to outside the organization and cannot be controlled. These factors majorly include Social, Economic, Technological Forces, Political and Legal Influences. These are also known as Pestle Framework.



## The detailed description of Macro factors is given below:

- **Political and Legal Factors:** With the change in political parties, several changes are seen in the market in terms of taxes, trade, duties and market regulations, etc. So, the organization has to fulfil with all these modifications.
- **Social Factors:** Since business operates in a society and has some responsibility towards it must follow the marketing practices that do not harm the sentiments of people. Also, the companies are required to invest in the welfare of general people by constructing public conveniences, parks, sponsoring education, etc.
- **Economic Factors:** Every business operates in the economy and is affected by the different up and down phases. In the case of slump, the marketing practices should be different as what are followed during the rise period.
- **Technological Factors:** As technology is advancing day by day; the organizations should be updated for better approach of the customers.

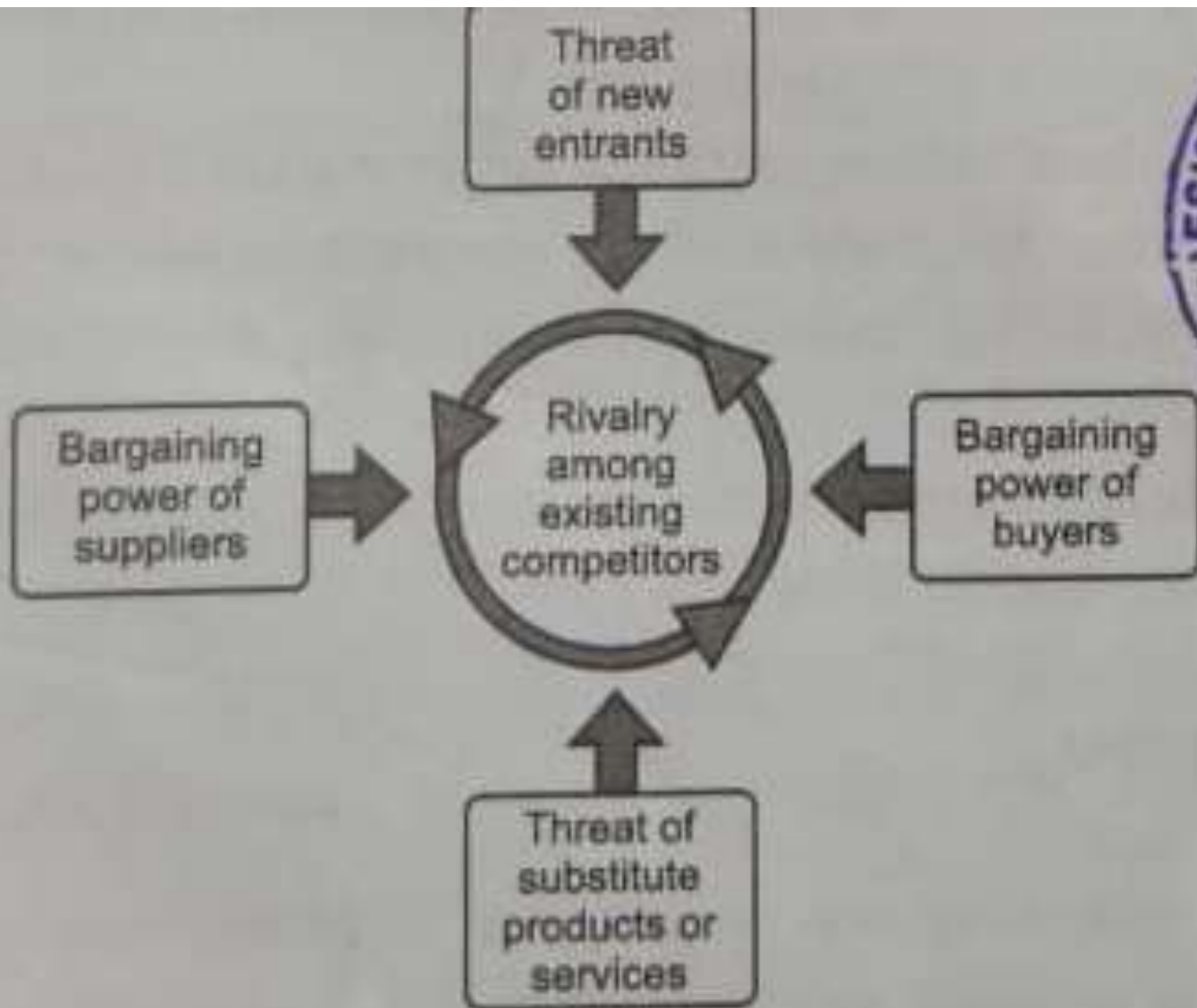
Therefore, marketing environment plays a vital role in business and must be reviewed regularly for avoiding any difficulty

# INDUSTRY AND COMPETITIVE ANALYSIS

## **Industry Analysis:**

- An industry is a group of firms producing a similar or product service such as fitness drinks, electronic games or music.
- It is business research that focuses on the potential of an industry. Once it is determined that a new endeavour is possible in regard to the industry and market in which it will compete.

## **Five forces that shape industry competition**



**Fig. 1.2: Five Forces for Industry Competition**



# EXAMPLES OF FIVE FORCES

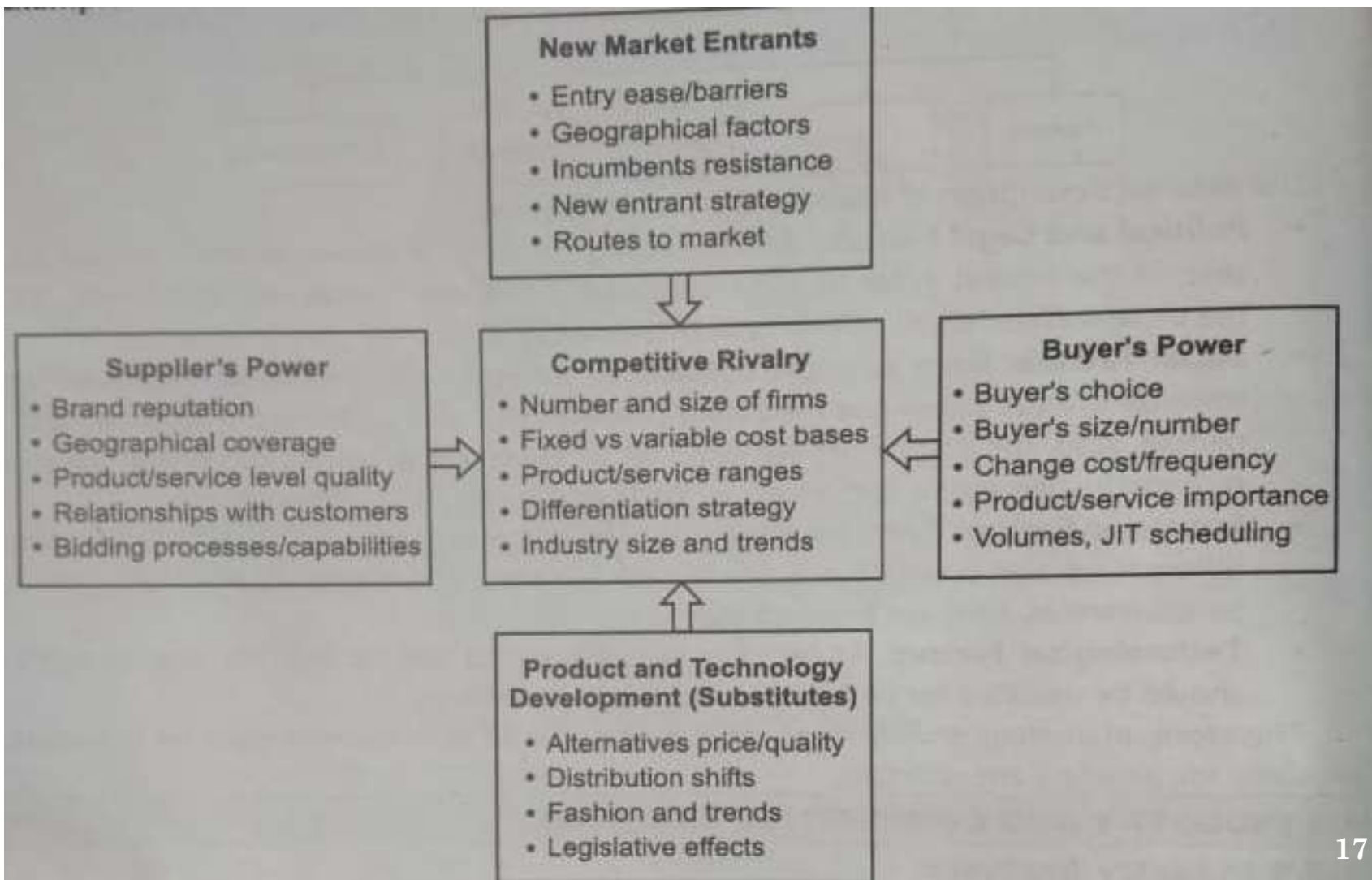


Fig. 1.3: Five forces with Examples

# COMPETITOR ANALYSIS

- After a firm has gained a considerable of the markets and industry in which it plans to compete, the next step is to complete a competitor analysis.
- A competitive analysis grid is an instrument for organizing the information a firm collects about its primary competitors.

## **Current Competitors can be summarized as:**

- Listing by market share ranking (by each target market if possible).
- Current Competitors-full analysis of top competitors including:
- Products and Services (eg, description, uniqueness, pricing, etc.). .
- Market share. Current segments and target customers.
- Positioning and promotion strategies.

- Partnerships/Distributors/Alliances.
  - Potential Competitors.
  - Recent news.
  - Explanation on who they are or may be and why they are seen as potential competitors.
  - SWOT Analysis-Strengths, Weaknesses, Opportunities and Threats.
- 
- Industry and competitive analysis (ICA) is a key division of any strategy development in any industry or organizations.
  - The **main objective** of ICA is to understand factors that impact on the industry's performance, and as well the performance of firms within the industry.
  - ICA helps to manager's share of resources, achieving strategic goals. **For example**, profitability or markets share.

# INTRODUCTION TO BUYER BEHAVIOUR

- Each successful organization for developing the marketing network use buyer behaviour.
- It is also helpful for marketers to know how to manage prices according to market.
- In marketing process, one should understand that why a Buyer or Customer makes a purchase.
- This understanding helps to know customer's needs and wants.
- Marketing theory traditionally splits analysis of buyer or customer behaviour into two broad group of analysis.

## **Consumer Buying and Industrial Buying:**

- Buying Behaviour is the decision processes and acts of people involved in buying and using products.

## **Analyzing Consumer Buying Behaviour:**

- The study of why and how people purchase services and goods is known as **Consumer Buying**. Models of Consumer Buying Behaviour illustrate together the several influences on the process of the buying decision.

## **Consumer Buying Process:**

- Consumer Buying Behaviour related to the buying behaviour of the ultimate consumer.

## Stages of the Consumer Buying Process:

Stages of the Consumer Buying Decision Process as follows:

1. **Problem Recognition (Awareness of need):** Difference between the desired and actual condition. Hunger stimulates your need to eat.
2. **Information Search:** Internal search and external search (if you need more information).
3. **Evaluation of Alternatives:** Require establishing criteria for evaluation. May decide that you want to eat something spicy, Indian gets highest rank, etc.
4. **Purchase Decision:** Decide buying option, includes product, store, package, method of purchase etc.
5. **Purchase:** May differ from decision, time lapse between 4 and 5, product availability.

## Consumer Buying Behaviour Types:

The four types of consumer buying behaviour are:

1. **Routine Response:** require very little search and decision effort. In this purchase perform almost automatically. Examples are soft drinks, milk, etc.
2. **Limited Decision Making:** require to get information about unknown brand in a recognizable product category. Examples Clothes-know product group but not the brand.
3. **Extensive Decision Making:** Complex high involvement, unfamiliar, expensive and/or rarely bought products. Examples include cars, computers, homes, education.
4. **Desire buying:** No conscious planning.

## Categories that affect the Consumer Buying Decision:

- The marketing personal is accountable for selling the products in the market so he/she must have awareness about how the consumers actually make their decisions of buying. A consumer, making a purchase decision will be affected by the following three factors:
  1. Personal
  2. Psychological
  3. Social
- 1. **Personal:** It depends upon person to person. Factors involve as Sex, Race, Age etc. Young and older people purchase things for different reasons.



## 2. Psychological factors: Psychological factors include:

- Motives
- Perception
- Ability and Knowledge
- Attitudes
- Personality
- Lifestyles
- Social Factors

# INDUSTRIAL BUYING BEHAVIOUR

- Industrial buying behaviour is related to ways by which Industrial Organizations purchase services and goods. This helps to understand the consumer desires and must be taken into concern for successful suppliers.

## **Industrial Buying Process:**

- According to Kotler et al, 2007, a marketer can be successful by study the complex buyer decision processes. The buying process has different stages that organizations phase during and after a purchase. This process can be selected by observing right product. Robinson et al (1967) described a model for industrial organizations. This model is classified into eight different sub-phases.

**These phases are as below:**

1. Problem Recognition
2. General need description
3. Product specification
4. Supplier search
5. Proposal solicitation
6. Supplier selection
7. Order routine specification
8. Performance review

1. **Problem recognition:** This is the first and important steps in the buyer process in this need or problem is identified.
2. **Definition of the characteristics of the item required:** This is the stage in which description of substitute solutions is offered.
3. **Development of the patterns:** In this stage, a more detailed technical pattern of the service or product is offered.
4. **Supplier Search:** The buying organization requires better suppliers for service or product.
5. **Proposals acquisition and analysis:** The most qualifying suppliers are selected and their different proposals are analyzed for a better product and service.
6. **Supplier's evaluation:** Evaluation of supplier is very necessary to achieve prescribed goals.
7. **Choice of an order routine:** This phase begins by placing an order to the supplier and end up by delivering the service or product and by accepting it the buying organization.
8. **Performance or Evaluation:** Evaluation of post purchase to check that the supplier and the service or product are up to the mark or not.

- There are two models available to provide a broad and incorporated picture of the major factors that combine to explain organizational buying behaviour. These are as follows:

### **The Webster and Wind Model:**

- The Webster and Wind Model of organizational buying behaviour is quite a comprehensive model. It considers four sets of variables: environmental, organizational, buying centre, and individual, which affect the buying-decision making process in a firm.

### **The Sheth Model:**

- In 1973, Professor Jagdish N Sheth developed the Sheth model of Organizational Buying. This model highlights the decision-making by two or more individuals jointly, and the psychological aspects of the decision-making individuals in the industrial buying behaviour.

# DIFFERENCE BETWEEN CONSUMER BUYING AND INDUSTRIAL BUYING:

Consumer buying is related to personal use while industrial buying belongs to organization use.

**Table 1.2: Difference Between Consumer Buying and Industrial Buying  
(Webster and Wind)**

| Sr. No. | Consumer Buying  | Industrial Buying                                      |
|---------|--|--|
| 1.      | Buying is done as required.                              | It is to be done in largeness or in large prospective. |
| 2.      | Product specification takes place.                       | It does not take place.                                |
| 3.      | Time buying of products.                                 | It can never be done.                                  |
| 4.      | The aim is to satisfy the requirements of the consumers. | Satisfaction of requirements                           |
| 5.      | Purchase volume is small.                                | Purchase volume is large.                              |
| 6.      | In sales less items and dollars are concerned.           | More dollars and items are involved in sales.          |
| 7.      | The numbers of customers are many.                       | The numbers of customers are fewer.                    |
| 8.      | Repeat sale is allowed.                                  | Repeat sale is not allowed.                            |

THANK YOU



JES's college of Pharmacy, Nandurbar

# Pharmaceutical Market

Asst Prof : Manisha K.Gavit

(Department Pharmaceutical Chemistry)



# Pharmaceutical Market

- A research that engages collection, analyzing and dissemination of data pertaining to a target market is termed as **market research**.
- It helps businesses understand their market and customers, make important decisions related to their products and services, and connect better with their target market.

## **Types of Market Research:**

Types of marketing research comprise

- Positioning research
- Messaging research
- Brand name testing
- Concept testing
- Ad testing



**Fig. 1.4: Types of Market Research**

## **Retail Pharmacy Purchases:**

- Observe products inflow from the manufacturer to the pharmacy.
- Over the counter (OTC).
- Prescription drugs.
- Via wholesalers (Indirect).
- From manufacturers (Direct purchases).

## **Hospital Purchases:**

- Observe products inflow from the manufacturer to the hospital.
- Over the counter (OTC).
- Prescription drugs
- Through wholesalers-indirect.
- From manufacturers (Direct purchases).

## **Warehouse Withdrawals:**

- Observe products inflow from the warehouse to all purchasers:
- ✓ Over the counter (OTC).
- ✓ Prescription drugs.
- Does not affect direct purchases from manufacturers.

## **Retail Pharmacy Prescriptions:**

- Observe prescription drugs inflow from the pharmacy to consumers.
- Most sensitive marker of prescription product performance.

## **Physician Panels:**

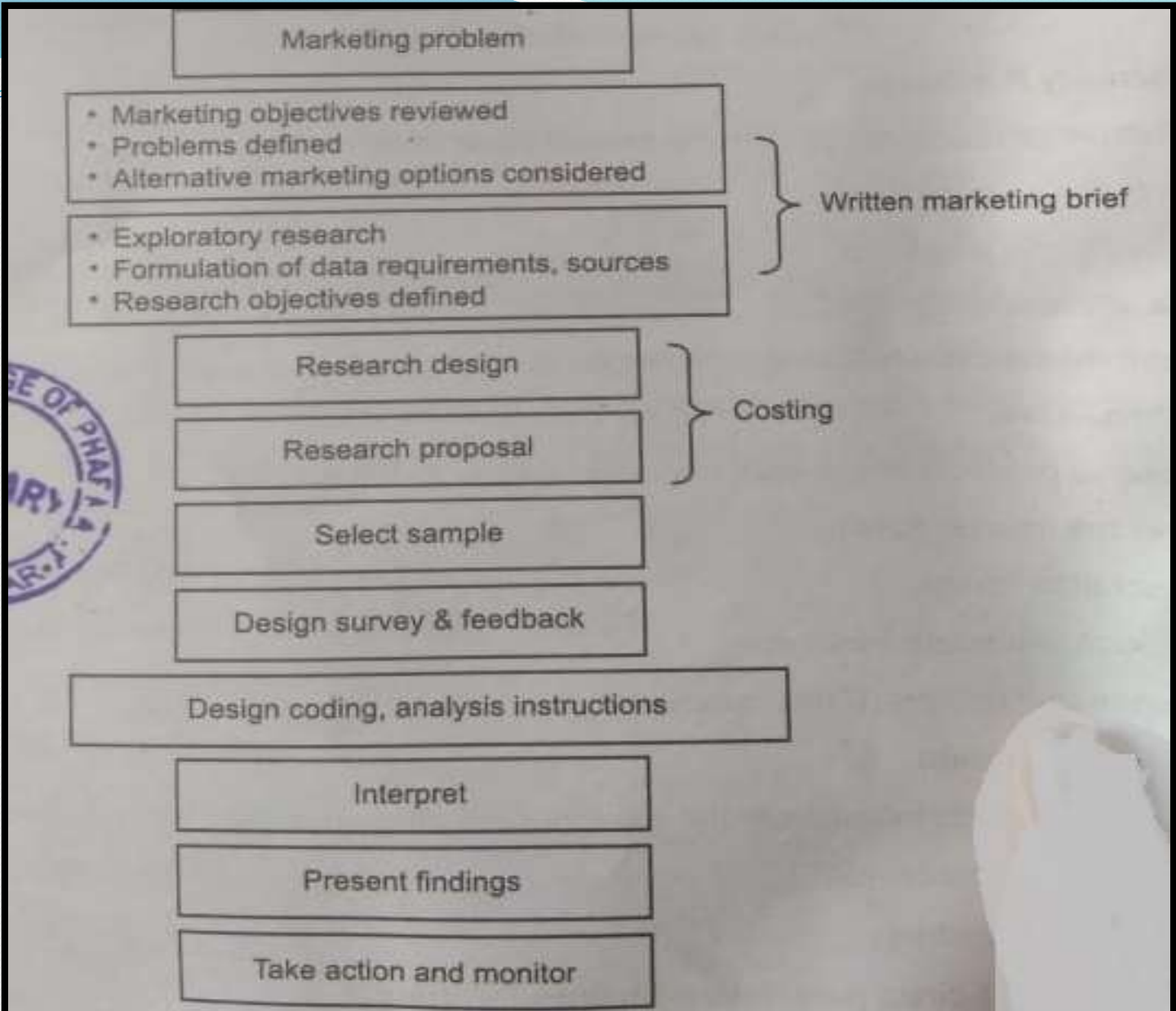
- Focused research services to identify patient product usage along exact variables:
  - Diagnosis:
  - ✓ Characteristics of patient
  - ✓ Visit location
  - ✓ Drugs used

## **Retail Pharmacy Sales:**

- Major use is to achieve prescription counts by product.

## **Promotional Media:**

- Monitoring of sales representatives visits to physicians, direct mail advertising and journal advertising.



**Fig. 1.5: Stages of Market research**

## **Qualitative and quantitative are the two methods of marketing research:**

### **Quantitative research**

- Related to surveys, and questionnaires. It can be performed over the telephonically, via internet or directly face-to-face. Statistics makes easy to report data.
- **The disadvantage** that the quantitative research is based on mostly pre-coded pre-decided questions so it has limitations to search answers.

### **Qualitative market**

- Research is planned to examine and discover topics using open-ended questions. No matter which layout is used, this method is flexible and interactive.
- Group interview can be done of targeted audiences with any format which conduct the research most effectively.
- This research can help to discover a new market, understand about customer perceptions, in addition to generate or monitor ideas.

# Size And Composition Of Market

- For the development, production and marketing of medications, the pharmaceutical industry has the big role.
- In 2014, total pharmaceutical revenues worldwide had reached one trillion U.S. dollars for the first time.
- On the basis of prescription sales, NYC-based Pfizer is the largest pharmaceutical company of the world. Other top global industries from the United States include Johnson and Johnson, Merck and Abb Vie.
- More than any other industry, the pharmaceutical division is highly dependent on its research and development (R&D) part.
- India's pharmaceutical industry has 3rd rank in the world in provisions of volume and 14th in aspects of value.
- According to Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Govt. of India, the total turnover of pharmaceuticals industry of India was US\$21.04 billion in between 2008 and September 2009.

- Mumbai, Hyderabad, Bangalore, Visakhapatnam and Ahmadabad are India's major pharmaceutical hubs.
- In 2013, the value of domestic market was US\$13.8 billion.
- The biopharmaceutical industry of India achieved 17% growth with revenues of \$3 billion in the financial year 2009-10 over the previous economic.
- Most of the Indian pharma industries are controlled by foreign companies but they depend on India for availability of low-cost labour.
- In India, over 20,000 registered drug manufacturers sold formulations and bulk drugs of value of \$9 billion in 2002.
- A big share of 85% of these formulations was sold in India while the bulk drugs of over 60% were exported, mostly to the Russia and US.



## Exports:

- Pharmaceutical products export from India improved from US\$6.23 billion in 2006-07 to US\$8.7 billion in 2008-09 with a collective annual growth rate of 21.25%.
- Some of the major pharmaceutical company consists of Sun Pharmaceutical, Piramal Enterprises and Cadila healthcare.
- In 2014, India exported \$11.7 billion pharmaceuticals worth.
- The 10 countries below imported 56.5% of that total:

**Table 1.3: Import of Pharmaceutical Products by Different Countries**

| Rank | Country        | Share | Value (US\$)    |
|------|----------------|-------|-----------------|
| 1.   | United States  | 32.9% | \$3.8 billion   |
| 2.   | South Africa   | 3.9%  | \$461.1 million |
| 3.   | Russia         | 3.8%  | \$447.9 million |
| 4.   | United Kingdom | 3.8%  | \$444.9 million |
| 5.   | Nigeria        | 3.3%  | \$385.4 million |
| 6.   | Kenya          | 2%    | \$233.9 million |
| 7.   | Tanzania       | 1.9%  | \$225.2 million |
| 8.   | Brazil         | 1.8%  | \$212.7 million |
| 9.   | Australia      | 1.6%  | \$182.1 million |
| 10.  | Germany        | 1.5%  | \$178.8 million |

**Largest Companies:**

## Large Companies

- Rank of Multinational Pharmaceutical Companies on the basis of active presence of sales, marketing and business in India are as follows:
  1. Pfizer
  2. GlaxoSmithKline
  3. Sanofi Aventis
  4. Merck
  5. Johnson and Johnson
  6. Amgen
  7. Novartis
  8. Roche

# Publicly Traded Pharmaceuticals

1. Bristol-Myers Squibb king
2. Wyeth
3. Eli Lilly
4. Schering-Plough
5. Abbott
6. Takeda
7. Boehringer Ingelheim
8. Astellas

Top 9 Publicly Listed pharmaceutical companies in India by Market Capitalization as of July 2015 are as follows

**Table 1.4: Publicly Listed Pharmaceutical Companies in India**

| <b>Rank</b> | <b>Company</b>           | <b>Market Capitalization 2015 (INR crores)</b> |
|-------------|--------------------------|--|
| 1.          | Sun Pharmaceutical       | 2,17,636                                       |
| 2.          | Lupin Ltd                | 84,193   |
| 3.          | Dr. Reddy's Laboratories | 63,779   |
| 4.          | Cipla                    | 52,081   |
| 5.          | Aurobindo Pharma         | 42,454   |
| 6.          | Cadila Healthcare        | 38,677   |
| 7.          | Glenmark Pharmaceuticals | 26,026   |
| 8.          | Divi's Laboratories      | 24,847   |
| 9.          | Torrent Pharmaceuticals  | 22,774   |

## Future Goals:

- The pharmaceutical division of India is estimated 3.1-3.6% of the global pharmaceutical industry in terms of value and 10% in terms of volume.
- By 2025, it is expected to grow to US \$100 billion. The market is expected to grow to US\$ 55 billion by 2020, thereby rising as the 6th largest pharmaceutical market worldwide by absolute size.
- Branded generics lead the pharmaceuticals market, constituting almost 80% of the market share in terms of revenues.
- It is expected that this sector will create 58,000 additional job opportunities by the year 2025.
- In 2016-17, India's pharmaceutical exports was at US\$ 16.8 billion and in the next three years by 2020, it is expected to grow by 30% to achieve US\$ 20 billion, according to the PHARMEXCIL (Pharmaceuticals Export Promotion Council of India).

- In the year of 2017, Indian companies received 304 ANDA (Abbreviated New Drug Application) approvals from the USFDA (US Food and Drug Administration).
- The country accounts for approximately 30% by volume and about 10% value in the US\$ 70-80 billion US market of generics.

# Demographic Descriptions And Socio-psychological Characteristics Of The Consumer


- Some factors such as cultural, geographical, sociological and demographic are required to understand for consumer behavior in the market.
- The impact of globalization creates negative attitudes within societies. The reason for the opposite attitudes lays in the reaction of persons directed on preserving their customs, culture, traditions, which are the brand of every country and area.
- Older consumers with lower education, low incomes, with women demonstrating a larger share, are the factors that generally determine the ethnocentric consumers profile.
- However, determination of the consumer ethnocentric profile is a complex procedure and can significantly depend on the region, area or country of research.



- Many factors like socio-psychological and demographic significantly influence ethnocentric tendencies of consumer that can guess final purchasing choices of consumers.
- The higher income provides consumers more opportunities to travel and thus the exposure to foreign products influences their behavior of purchasing.
- Lifestyle of this group shows the broader multinational vision of the other societies.
- Religion is represented amongst older age, lower-educated, rural, people with a strong intellect of culture and tradition, providing additional characteristics determination of ethnocentric profiles of consumers.
- Life satisfaction is important part in terms of consumer and is a complex variable that will influence on consumer buying behavior and it plays a big role in their purchase alternative between foreign and domestic products.
- It can be concluded that, consumers who have more life satisfaction in the country where they survive, have higher ethnocentric tendencies than consumers who are unsatisfied with their lives.

# Characteristics of Consumer Markets:

- Consumer characteristics comprise several demographics, psychographic, Behavioralistic and geographic character. Marketers generally define these characteristics of consumer through segmentation of market, the process of separating and identifying important customer groups.
- (i) **Demographic Characteristics:** Characteristics of consumer markets based on demographics comprise gender differences, age, income, profession, education, size of household, religion, age group, nationality and even social class. Most of these demographic categories are further defined by a certain range.
- (ii) **Psychographic Characteristics:** Characteristics of consumer market can also be psychographic in nature. These characteristics of consumers include activities, interests, opinions, ethics and attitudes.

- 
- (iii) Behavioralistic Characteristics:** Behavioralistic consumer characteristics contain usage rates of product, loyalty of brand, user status, etc. Companies want to know how frequently their consumers visit their restaurants, shops or utilize their products.
  
  - (iv) Geographic Characteristics:** Market size, area, density of population and even climate are the basis of geographic characteristics, Consumers in different area of the country have different style and food tastes.

# Market Segmentation And Targeting

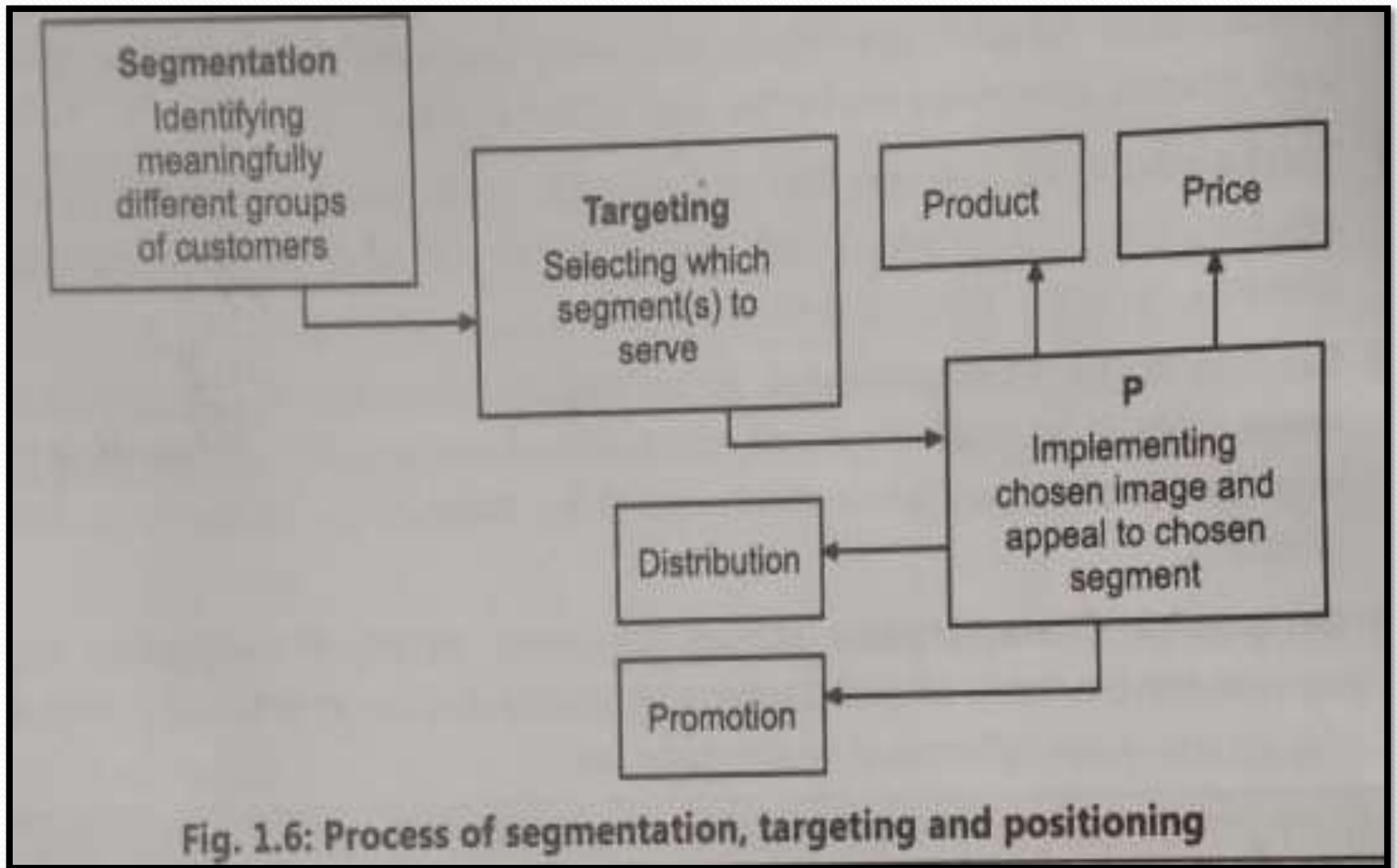
- "Two or more parties are concerned in transaction of services and goods in exchange of money are known as **market**. The two parties refer as sellers and buyers".
- Marketers are responsible for creating awareness of their products between the consumers.
- It is important for the individuals to be aware of survival of the brand.
- Every individual has different demands so industries have to keep in mind about this.

## **The concept of STP for marketers:**

STP stands for:

- S -Segmentation
- T -Targeting
- P - Positioning

- i. Segmentation:** It is the first step in the process of product promotion. The process of formation of small segments (groups) within a large market to bring together the consumers of similar needs, requirements and interests is known as **market segmentation or grouping**. Students related to a particular group while professionals and office persons can be kept in one group.
- ii. Targeting:** This is the second stage. After creating different groups (segments), several marketing strategies and promotional schemes are made which is based on the tastes of the persons of group, this is known as **targeting**. An organization offers the product according to different segments. Tata Motors introduced low cost car Nano, particularly for the lower income group persons.
- iii. Positioning:** This is the final stage. Through positioning, the marketers generate a first image and awareness of the product in the consumers' minds. Target of Rolls Royce car are for high income group while, Maruti Alto target to low income group.



# Consumer Profile

- A consumer profile is an approach of describing a category of the consumer so that they can be grouped for advertising and marketing purposes.
- By target advertising to a specific market group, companies can sale particular product successfully and raise profits.

## **Creating the Ideal Consumer Profile: Category Basics**

Consumer profile helps to select best target for the product. Ideal customer can also help for producing better targeted advertising.

## **Consumers can be recognized by several different categories, such as:**

- preference
- lifestyle
- life stage
- quality
- characteristic

## **Consumer can be categorized as:**

- (1) The first tier includes the most common categories of consumers, graphics, socioeconomic status and product usage.
- (2) The second tier extends the first tier's concepts and includes generation, psycho- graphics, geography, geodemographics and benefits required.

## **Creating Consumer Profile: The Basics:**

- Profiles can help to know interest of a person about product and give a better understanding to increase business and profits.
- Consumer profile also helps in creating marketing strategy.



# Motivation And Prescribing Habits Of The Physician

- It is a big task for a physician to write a proper prescription according health status of the patient.
- A proper and perfect prescription for the patients depends upon various factors which act upon the medicines' prescription decision:
- The medicine features (quality-price, availability), the prescriber, the patient's situation. Physician's behaviour is also a great factor in prescription.
- Patients should also follow the treatment properly for the better results.
- One more challenge of the prescription habit is that between 40-50% prescriptions contain antibiotics as an antidote for affections of patients.
- In order to understand prescriptive behavior of physicians, it requires understanding the social background of the physician-patient dealings, expectations of patients concerning drug prescriptions, patients' level of acceptance in the direction of the prescribed treatment.

- Prescription errors can be caused by insufficient knowledge of physicians. He must have knowledge of innovations in pharmacology, omissions of prescriber, unawareness of drug costs, etc.
- The quality of drug component provided by a pharmaceutical company is also a major factor.
- It is helpful for the pharmaceutical industry to study their prescribing habits.
- By the help of personal digital support, a sales representative can check alteration in prescribing for a particular drug time to time.
- He/she can compare the data of his/her local and national colleagues; analyze use by diagnosis, specialty, and types of medical practice. These data are very useful to increase sales or assign marketing wealth.

# Patients' Choice Of Physician And Retail Pharmacist

With growing costs of health care and the commencement of consumer-driven health care, consumers now actively participate in the health care process and their decisions of health care. Medical retail clinics and Pharmacies, and the retail pharmacists and physicians utilize, serve as a significant part of the consumer-driven health care process by given that customers with several services related to health in one place.

## **Main Roles of Pharmacist:**

- Main duties of pharmacist are prescriptions filling and drugs dispensing.
- While prescriptions filling, a pharmacist cross-checks the drug amount which is prescribed by the doctor and also any probable interactions of drug.
- Pharmacists also explain about side effects and the proper way to take the medicines.
- The pharmacist works with pharmaceutical companies gain the latest drug information for dispensing the correct amounts and avoiding dangerous drug interactions.

## **Main Roles of Physician:**

- Retail physicians evaluate health issues of patients, suggest treatment and prescribe medicine.
- Retail physicians are only capable of in dealing with minor illnesses and injuries like strep throat, flu and small abrasions and burns.

## **Advising Regarding Medical and Health:**

- Both physicians and retail pharmacists offer general medical advice to consumers, related to exercise, nutrition and maintaining a healthy lifestyle.
- Customers can take information from retail pharmacists and physicians on stress, sleep and other day-to-day health issues.
- Behind this, pharmacists take care about paperwork of insurance, file drug claims and administer pharmacy technicians and other pharmacy employees.
- Pharmacists maintain records of all prescriptions and keep the database of patients.
- The retail physicians have medical information and history of each primary care of patients.

# Analyzing the Market:

- The market analysis is also known as a documented analysis of a market that is used to inform a planning activity of a firm, mainly inventory decisions, purchase, expansion/contraction of work force, extension of facility, capital equipment purchases, activities related to promotion, and many other issues of a company.
- In market analysis, market information is necessary to analyze structure and process of market.
- Since segmentation requires lots of research of market, several information can be obtained from it.

# Market Analysis: Dimensions

According to David A. Aaker dimensions of a market analysis are as follows:

1. Market size (current and future)
2. Market trends
3. Market growth rate
4. Market profitability
5. Cost structure of Industry
6. Key success factors

## **Market Size:**

- The market size is defined through the market volume and its potential. The market volume is related to all sales volume of a particular market. It is dependent on the consumer's quantity and their regular demand.

## **Market Trends:**

- Market trends are the downward or upward market movement, during a time period. Awareness about information related to competitors, products, customers, etc. also required information about the target market.

## **Market Growth Rate:**

- Prediction of the market growth rate means that it uses historical data into the future.

## **Market Opportunity:**

- A market opportunity of any service or product is based on either one or more technology but it should fulfil the requirements of a market better than competitors.

## **Market Profitability:**

- Several levels of profitability are there in various organizations in a market.

## **Industry Cost Structure:**

- The success is based upon the proper identification of cost structure.

## **Success Factors:**

- The important success factors are necessary for a company to get its marketing

# Role Of Market Research

- ✓ Primary role of market research is to find out what they are buying, who is buying, from where they are buying it.
- ✓ Market research is all about discovery of requirements of customers about product and service.
- ✓ **Marketing** is the activity for communicating, creating, delivering and exchanging contributions that have importance in view of customers, clients, partners and society.

## **Important Roles of Marketing Research:**

- Marketing research provides data on the efficacy of the current marketing mix to decision makers.
- It is the primary instrument for exploring new opportunities in the market place.
- It does not make decisions and it does not provide the guarantee of success.



- Marketing research links the consumer and public to the marketer via information.
- It identifies opportunities and problems and monitors performance of marketing and improves understanding of marketing.
- It specifies the information related to designs, the process of collecting information, result analysis and communicates the findings.



## **Marketing: Planning and Implementing Product Research:**

- It includes studies related to evaluate and develop new products. It provides idea to consumers regarding new product efficacy.

## **Pricing Research:**

- It can be done to know about need for seasonal or quantity discount. It can be done to know that is a brand price is right or wrong.

## **Promotion Research:**

- Analyzes the efficacy of coupons, premiums, other promotions of sales.
- Helps to know about perfect promotion pathway as media research, television, newspapers, magazines, or other media alternatives.

# Questions

1. Define marketing. Explain concept of marketing.
2. Write a note on scope of marketing.
3. Differentiate Marketing and Selling.
4. Explain in detail about marketing environment.
5. Explain in detail about Industry and Competitive analysis.
6. Explain the stages of the Consumer Buying Process.
7. What are the different types of Consumer Buying Behaviour?
8. Explain types of market research.
9. Explain Stages of market research.
10. Write a note on Size and composition of Market.
11. Write down rank of Multinational Pharmaceutical Companies on the basis of active presence of sales, marketing and business in India.
12. What are Demographic descriptions and socio-psychological characteristics of the consumer?
13. Explain about characteristics of consumer markets.
14. What are market segmentation and targeting?
15. Explain about basics of creating consumer profile.
16. Write a note on Motivation and prescribing habits of the physician.
17. Explain the role of market research.

