

Study on Marketing of Pharmaceutical Products through Personal Selling: A Study on the Performance of Medical Representatives (MR) of Sylhet City

ABDUL LATIF¹

Associate Professor

Department of Business Administration

Sylhet International University, Sylhet

Bangladesh

AMINUL ISLAM

Researcher

Advanced Research & Education Institute

Nayasarak, Sylhet

Bangladesh

ATAHER ISTIAQUE

Researcher

Advanced Research & Education Institute

Nayasarak, Sylhet

Bangladesh

Abstract:

Emergency product like medicine bears specialties in consumption and in purchase. Majority of the medicine are purchased by patients according to the prescription of doctors or verbal instruction of the pharmacist of medical stores. The medical representative plays the vital role in promoting different medicines to the doctors and selling them to the medical stores. So success of pharmaceuticals depends on the effective presentation of the items by the MR to the doctors. The objective of the research is to investigate the performance of medical representatives in promoting their products through the ultimate decision makers on consumption (doctors). The random probability sampling is used for this descriptive analytical

¹ Corresponding author: novalatif@gmail.com

research where 99 medical representatives of 17 renowned pharmaceuticals are selected as sample for primary data. The secondary data were collected from different reading materials; books, journals, websites etc. The collected primary data were processed through Microsoft Excel 07 and SPSS 19 for outputs in specific formats by frequency distribution, cross tabulation and Chi-Squares tests. The outputs were analyzed by the researchers in the light of objective of the research by objectively and logically. It can be inferred from the research that the persuasion of doctors effectively is the most significant factors of success in promoting the products along with the quality, price, and availability of the products. The logistic supports of medical representatives, compensation packages, working hours, promotion policy and product and marketing polices of different companies contribute significantly to attract and restore the brilliant representatives who could promote the product effectively through the doctors to ultimate consumers-the patients.

Key words: Personal selling, Medical Representatives, Medicine Store, Promotion of products

BACKGROUND:

Pharmaceutical Business has a specific way of marketing the products as the customers and consumers are not the decision makers of buying process like other products. The decision maker is the doctors who prescribe the medicine for the patients to recover from the problem. In Bangladesh the physicians prescribe in the brand name of the medicine so the patients get minimum option to search the alternatives. So the marketing success is mostly depends on the doctors favor. To get the doctors' favor the logical way is to improve the quality of the product. But there are practices of providing gifts to the doctors. So inquiry in the success of marketing of pharmaceuticals should be directed to the persuasion of doctors, ensuring the availability of the products in the outlets and the efforts of the salespersons.

Persuasion of physicians and ensuring the availability of medicine in the outlets is the key element of success. So the representatives have to provide physical and mental efforts to do so. So they should need good compensation and working environment in their companies. But more supply of educated youths in Bangladesh give the companies better opportunity of utilizing the talents and efforts of the youths in cheaper rate of compensation. In this circumstance, youths are doing their services under compulsion but there are doubts about their sincere efforts in promoting the products.

Sylhet is a divisional city of Bangladesh with comparatively resourceful citizens as there are huge foreign remittance and comparative better opportunity of doing business in natural products and tourists attractive places. So they people have the ability to purchase better Medicare facilities provided by qualified physicians, treatment and medicines. So the pharmaceuticals have a great attraction in that territory for marketing of their products. Searching the marketing efforts of pharmaceuticals in this territory may portraits an overall picture of marketing in the whole country.

It is necessary to find out the marketing efforts of medicals representatives and their success along with the driving forces provided by compensation policy and product and marketing policy of the companies. All are to identify the salient features of marketing of pharmaceutical products by medical representatives.

LITERATURE REVIEW:

The pharmaceutical industries are administered by the Drug ordiannnce of 1982 (Drug Administration, 2007). At present there are 247 allopathic pharmaceuticals producing different essential medicines to meet the domestic need and export to 72 countries of the world (Shaptahik 2000, 2014). Pharmaceutical

industries produce medicine of 97% of their domestic need. The rests are imported from other countries includes some vaccines, insulin and antibiotics. The medicines of nearly 5300 brands are produced in Bangladesh. Of them, 450 are registered generic medicines (Shaptahik 2000, 2005). According to the World Health Organization (WHO), the medicines are to be produces in low cost and minimum side effect (The Daily Star, 2014).

The medicines are to be sold by drug stores by registered doctor prescription (The Observer, November, 17, 2003). Though most of the pharmaceuticals are failed to satisfy the standard set by WHO, 12 of the pharmaceuticals are manufacturing medicine according to the standards established by World Health Organization (WHO). These drugs are sold through medicine stores without proper prescriptions of qualified doctors. Many pirated medicines are found in most of the medicine stores of rural areas. Nearly 800 manufacturers of Allopathic, Homeopathic, herbal streams are supplying different medicines of 700 hundred million US \$ annually to meet the domestic needs. Though 50-60% manufacturers are producing fake and pirated medicines, 85 items of qualified manufacturers are exported to 72 countries of the world. Out of 2 hundred thousand medicine stores only 82 thousands are registered. (Shapathik 2000, 2011). Sutradhar also mentioned that bribe to doctors play significant role in selling the manufactured medicines (The Daily Star, 2014). The medicines are sold through medical stores according to the prescription of doctors. The appointed medical representatives contact the doctors in regular basis to inform them about their products and pursue them to prescribe their products. Further they have to sell the products to the retailers (drug stores). Customers have to collect their required medicine from these drug stores. The medical representatives are the persons who make a bridge between manufacturers and users through doctors and drug

stores. They have to convince the doctors through specific information and make them to prescribe the patients by their products and ensure the availability of those medicines in the local drug stores. The MRs must have attractive personalities, general knowledge of science, intelligence, strength of mind, patience and honesty. The working area of a medical representative is known as territory. They must have the database of doctors and drug stores. The doctors' chambers, rural market, hospitals, specialists' market, clinics are included in their database (Bhattacharjee, 2009). This is one type of personal selling. It is a presentation by the sales force to make sales an establish customer relationship (Kotler & Armstrong, 2004), involves face to face communication (McCraithy & Associates,), in-person communication between sellers and potential customers (Bovee, Houston & Thill, 1995) planned presentation (Lamb, Hair & McDaniel, 1996) and one aspect of promotional mix (Assael, 1993). The number of average contacts, time of contact, average income, average cost, effective contact, new contact, lost customers etc. are to be maintained to manage effective sales force (Saha, 2006).

RESEARCH OBJECTIVES:

1. To study the marketing features of pharmaceutical products in terms of style of efforts and success of medical representatives.
2. To study the satisfaction level of the representatives in respect of compensation, working hours, promotion and product, marketing policy of the companies in intensifying the efforts of them.

RESEARCH METHODOLOGY:

Research Design: This is a descriptive analytical research on performance of medical representatives in marketing the medical products through physicians to ultimate patients effectively.

Sampling Design: The judgmental sampling techniques are used for that research to get the proper information to carry out the research. The competent respondents are selected for the study by considering the pharmaceutical company and their marketing activities in this region.

Samples: For survey of our questionnaire we selected one hundred MR as sample and have got the answer from 99 of them, All the MR are male and with the age group between 25-35 years. They are working in 17 renowned large and small companies in Sylhet area. The highest respondents are from square (16). It is followed by Incepta (13), Beximco (12), ACME (9), Drug (7), ACI (6), Aristropharma (5), SKF(4) and Becon, Delta, Forever, IBNE Sina, Navana, Opsonin, Pharmacy Ltd., Santos and Ziska (3 each). So there are representations of all the renowned companies either bigger or smaller.

Data Collection: The primary data for research was collected by a well structured questionnaire. A total of 20 questions were formulated into one single questionnaire to analyze the objectives of research.

Survey Instrument: Since our target groups are collected for MR it was make sure that the questionnaire are suitable for them as well as satisfied the demand of the research topic. To help the targeted group for understanding the questionnaire

clearly we gives some specific instruction at the beginning of the questionnaire.

Data Analysis: The data were processed through MS Excel 2010 and SPSS 19. The outputs in the form of cross tabulation and Chi-square tests were analyzed through subjective and objective viewpoints.

Table 1: Profile of Respondents

Age	25-30	58	58.6	58.6
	30-35	39	39.4	98.0
	Above 35	2	2.0	100.0
Group of Study	Science	62	62.6	62.6
	Business	4	4.0	66.6
	Arts	33	33.4	100.0
Designation	Area manager	5	5.0	5.0
	SMPO	17	17.2	22.2
	MPO and Like	77	77.8	100.0
Job Experiences	Below 3	70	70.7	70.7
	3-6	25	25.3	96.0
	Above 6	4	4.0	100.0
Experiences in other companies	Yes	17	17.2	17.2
	No	82	82.8	100.0

Source: Outputs of SPSS of data from Field Survey conducted on Oct.- Dec. 2014

The profile of respondents proved the validity of that research as the data were collected from the right persons by considering their age, group of study, designation, job experience and experience of work in other company. The combination of different ages, group of study, designation, job experience ensured the proper representation of the population. Among the 99 respondents 58.6% are from the most energetic age group (25-30), 62.6% are from science group of study, 77.8% are from marketing promotion officers, 70.7% are from the job experience of less than 3 years and 17% have experience of doing job in other company. All proved that the representation is a proper.

FINDINGS:

The main objective of that research is to identify the salient feature of marketing of Pharmaceuticals products by Medical Representatives.

Table 2: Marketing features in Sylhet Region:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Items (Good Demand)	99	2	45	28.86	10.459
Item Total	99	6	100	66.60	19.839
Item Demand Category	99	4	10	8.55	2.173
Time spent on Doctor (%)	99	.00	.80	.5159	.13851
Time spent on Retailer (%)	99	.10	.80	.2906	.13302
Time spent in Travel (%)	99	.00	.65	.2026	.08277
Visit to Doctors (Number in month)	99	0	300	65.68	45.284
Visit to Retailer (Number in month)	99	0	400	60.54	59.130
Success on Doctors' visit (%)	99	.30	1.00	.6700	.15059
Success on Retailers' visit (%)	99	.05	1.00	.6581	.17783
Sold by prescription (%)	99	.40	.99	.8226	.09360
Sold by Choice of customers (%)	99	.01	.60	.0718	.08338
Sold by Pharmacy's suggestion (%)	99	.02	.95	.2255	.11963
Prescription on Quality of item (%)	99	.05	.70	.2258	.12559
Prescription on Gift to Doctors (%)	99	.10	.95	.7581	.16759
Prescription on Both quality & gift (%)	99	.70	.99	.9403	.06190
Price Consideration (%)	99	.05	.60	.2553	.10306
Cash Sale (%)	99	.20	1.00	.8055	.22418
Credit Sale (%)	99	.00	.80	.1945	.22418
Return Acceptance (%)	99	.01	1.00	.4422	.45455
Marketing Employee (Number)	99	10	85	49.48	23.877
Total Number of Employee (Area)	99	25	150	85.16	41.139
Valid N (list wise)	99				

Source: Outputs of SPSS of data from Field Survey conducted on Oct.- Dec. 2014

The number of items range from 6 to 100 in 17 observed companies where items of good demand range from 2 to 45. The ratio of most demanded items 43.20% in this market. On an average 8.55 categories of items are sold mostly in the

market. Most of the times of medical representatives are spent on doctors' visit (52%) though 20% of the time is spent on travelling. The actual selling is happened on the retailers shop. The representatives have to visit the outlets by spending 30% of their working hours. They have to check the inventory of specific items and take the orders, inform the pharmacist about new products and be informed about customers' queries, have to check the prescriptions of doctors and plan to pursue them by getting their preferences. All the activities need more time to spend on the shops. But the main influencing person is the doctors. And it is very tough to get an appointment of busy doctors. So the representatives have to spend more time idly on the chambers of busy doctors to get an appointment. It is found that monthly average visit to the doctors is 66 in number. The highest range is 300. So the representatives are emphasizing to visit the busy doctors and spending more time on queue to get an appointment. It is most important to get a favor of busy doctor in their prescription to make a good demand of their product or restore the existing demand. The average visit to shops is 60.58 by utilizing their 30% of time indicates that the representatives are more emphasizing to visit the doctors as most of the patients are habitual to buy the medicine according to the doctors' prescription. But to observe the impact of their visits and ensure the availability of their products they have to visit the medicine shops. The average success rate on doctors' visit is found as 67% a bit higher than the average success on visit to outlets. The success on outlets is depends on the query of patients by the prescription of doctors. Without their queries the outlets are reluctant to buy the new items for their shops. So the success of doctors' visits is reflected on success on outlet visits and the success rate is almost same in proportion. The most important fact is that 82.26% of the medicine is sold according to the prescription given by the doctors and in Bangladesh doctors are prescribing on the brand name of the

medicine. So they are enjoying the service of medical representatives in gathering the information regarding different brands and also getting different gifts from the manufacturers. An amazing 75.81% of the doctors are influenced by the gifts of the manufacturers where only 23% prescribe by judging the quality of the medicine. This is a disappointing picture and supports the manufacturers' different services to the doctors for an expected demand of their products. The pharmacists are also important influencers to the patients who have confidence on the quality of them. A small portion of patients are buying medicine on the suggestion of pharmacist and another portion are used to change the brands on the basis of availability and effectiveness according to the pharmacists. Both types constitute about 22.58% of the medicine selling. The knowledgeable customers (7.18%) are used to buy medicine by their own references, mostly for the chronic diseases and very common diseases. Price consideration is used by the knowledgeable customers and the dependable pharmacist. The knowledgeable customers can make their decision by searching the prices of different brands and the others have to depend on the pharmacists who can provide reasonable suggestions to save the money by choosing less costly brands. It is found that about 25.53% of the medicines are sold on the basis of price consideration by the customers. The rest (majority) have to depend on the doctors' prescription. Most of the sale are held on cash basis (80.55%) as the renowned companies do not intent to invest on trade credit but the manufacturers with small market share extend credit to the outlets to get a better market share. The major setback of medicine business is the expiry date of medicine. The expired medicines can endangered the lives of patients. So, it must be returned. But the well reputed companies do not extend the facility of returning expired medicine to the manufacturers in their most demanding items. There is another opportunity for

the intruders to penetrate the market by offering the facility of returning medicines and relive the owners of outlets from the problems of expired medicine.

Table 3: Vehicles to Travel

Vehicles	Frequency	Percent
Personal vehicle	2	2.0
Public Transport	31	31.3
Company Bike	66	66.7
Total	99	100.0

Source: Outputs of SPSS of data from Field Survey conducted on Oct.- Dec. 2014

Vehicle is very important to do the work of medical representatives. As more contact with doctors and pharmacists give more success in that profession, so MR have to minimize their time spent on vehicles to move from one place to another. It is not possible by public transport as they have to maintain their own time table and never adjust with the requirement of individual person. Company provided bike is most appropriate for faster movement. The traffic and other problems of roads can create minimum obstruction to the bike riders. They can maintain personal time table by using the bikes for required movement to contact with the doctors and pharmacists. It is found that 66.7% are using the company provided motor bikes to do the movements.

Table 4: Satisfaction level of Employees on Different Driving Elements:

On	Description of frequency	Satisfaction level					Total
		Most Dissatisfied	Dissatisfied	Neutral	Satisfied	Most Satisfied	
Compensation Policy	Count	21	63	13	2	0	99
	Percent	21.2%	63.6%	13.1%	2.0%	0%	100.0%
Working Hours	Count	6	51	27	14	1	99
	Percent	6.1%	51.5%	27.3%	14.1%	1.0%	100.0%
Promotion Policy	Count	13	53	27	6	0	99
	Percent	13.1%	53.5%	27.3%	6.1%	0%	100.0%

Product & marketing policy	Count	8	68	21	2	0	99
	Percent	8.1%	68.7%	21.2%	2.0%	0%	100.0%

Source: Outputs of SPSS of data from Field Survey conducted on Oct.- Dec. 2014

By studying the satisfaction level on compensation policy of the companies, it is found that most of the respondents (63.6%) are dissatisfied and a significant number of employees (21.2%) are mostly dissatisfied on that policy. This indicates that the pharmaceutical companies are taking the advantage of huge unemployed educated persons of Bangladesh. The employees are compelled to work under a dissatisfactory compensation policy. It is also proved by Chi-square test that there are differences in satisfaction level of the employees of different companies ($\chi^2=115.006$, $df=48$ and $p\text{-value}= .000<.05$). That should be reflected in the performance of medical representatives of these companies.

The working hour is another important factor of satisfaction as the employees need to manage their family and personal matters besides the official work. So fewer working hours is expected by all the employees. By studying the satisfaction level of employees on working hours, it is found that 57.6% of the respondents are dissatisfied or mostly dissatisfied (Table 4). The satisfaction on working hour is slightly better than the compensation packages of the companies. It may also indicate that employees are ready to work longer period for their livelihood in a country of unemployment problems but they need sufficient compensation to maintain their standard.

The Chi-Square analysis proved that each employee has specific opinion about the working hours. There are significant differences in the reaction about working hours ($\chi^2 =112.059$, $df=64$ and $p\text{-value}= .000<.05$) Promotion policy is one of the main attractions to the employees. This is the way of development of employees. The promotion policy describes the

future position of every employee. But the pharmaceutical companies marketing department has the limitation in attraction by promotion policy. This is reflected by the opinion of the respondents where 64.6% informed their dissatisfaction or most dissatisfaction on promotion policy of companies (Table 4).

The Chi-square test verifies the uniformity of opinion regarding the dissatisfaction on the promotion policy of the companies observed ($\chi^2 = 81.183$, $df=48$ and $p\text{-value} = .002 < .05$).

The products and marketing policy of any company is one of the important factors of attraction to that company. Employees enjoy to work with such company who have attractive product and marketing policy as the challenging work with supporting company provide immense satisfaction to the salesperson. But it is disappointing that 76.8% perceive their companies products and marketing policy is not attractive (Table 4). And there is no significant difference in the perception of respondents of different companies in that respect ($\chi^2 = 71.865$, $df=48$ and $p\text{-value} = .014 < .05$).

INTERPRETATION:

The success of marketing depends on the satisfaction level of employees of that company. Individuals living in unemployment problems have to select available unpleasant job but they cannot provide their utmost efforts for the development of that enterprise. They only provide the efforts that the management compels them. The most important elements of satisfaction are the compensation policy, working hours, promotion policy and the product, marketing policy of the company. Satisfaction in these elements is reflected performance of them. Respondents of this research have showed their gross dissatisfaction in these elements (Table 4). So it can be inferred that they are working under compulsion of

maintaining their livelihood as there are no suitable alternative employment opportunities. By studying the marketing performance it is found that medical representatives are working with a good numbers of items, of them nearly half of the items have good demands. As the doctors have the practice of prescribing in brand name and 82% of the customers buy the products according to the prescription of doctors without considering the price of alternative brands (only 25% consider price) so there are a good prospect of the product in marketing to them. Accordingly the medical representatives are spending most of their time in contacting with the doctors. And the doctors are taking that opportunity to get the benefits in the form of gifts in exchange of prescribing the products. The general perception of the representatives ensures about the unethical practice of the doctors in prescribing the medicine. Only 23% of the doctors evaluate the quality of drugs in the time of prescribing and others consider the gifts of the companies before prescribing their products. So there is a competition of brining the doctors in the form of gifts and the representatives are the medium of transactions. To provide the products in the outlets for customers and to follow up the impact of their visits and efforts to the doctors the representatives have to visit the outlets frequently. Accepting the return of expired medicine is a great consideration of the outlets but the manufacturers provide that facilities for only 44% of the items. It is assumed that for only the slow items the outlets are getting that facility (Table 2). The items got the favor of doctors give the manufacturers' opportunities of selling in cash with no returning facility to the outlets. So the representatives are giving efforts to enroll their products in the favor list of the doctors.

CONCLUSION:

Pharmaceuticals industries in Bangladesh are an important sector. The success in marketing of the pharmaceutical products is largely depends on the performance of the medical representatives. The effective contact with the doctors and ensuring the availability of the products in the market bring to the prescription of the doctors and the doctors are prescribing in the brand name, so proper communication with doctors results in target sales volume. But the human factor of representatives also contributes to motivate them to achieve the target. So the compensation, working hour and the promotion policy of human resource management along with the product and marketing policy of the enterprise have great impact on the success. The companies should evaluate their product and marketing policy with the human resource management procedure frequently to ensure the survival and growth.

Managerial Implication: One of the important sectors of economy is the Pharmaceuticals in respect of income generation, employment and restoring common interest of citizens in quality health care. The inclusion in distribution channel, the most sensitive element is doctor. Convincing the doctors by the intelligence and attractiveness of sales force along with the product and marketing policy are the key factor of success. So marketers should use the intelligence of medical representatives in managing the decision makers and the buyers to make their marketing a success with the support of quality products with available supply at the time of emergency. Products of similar characteristics may follow the findings of the research to bring innovativeness in their management.

Limitation: The sampling frame was limited to medical representatives of Sylhet city, one of the divisional cities of Bangladesh. The sample size of 99 only also suffers the insufficiency to implement the finding of research.

Further Research: Similar research can be done by increasing the sampling frame and sample size. Further research can also be done on other products with similar features of consumptions. Establishing the tradition of experts' opinion prior to consumption on other product may introduce other dimensions of innovative marketing.

REFERENCES:

1. Assael Henry (1993), Marketing: Principles & Strategies, 2nd edn., The Dryden Press.
2. Bhattachrjee Dr. Pinaki (2009), Medical Representative- Searching the Fact of Success, Shahbag, Dhaka: Vashachitra.
3. Bovee Courtland L., Houston Michel J., & Thill John V., (1995), Marketing, 2nd Edn., McGraw Hill Inc.
4. Kotler P. & Armstrong g., (2004), Principles of Marketing, 10th Edn., Pearsons Education Internationals.
5. Lamb Dr. Charles W., Hair Dr. Josheph F. & McDaniel Carl (1996), Principles of Marketing, 3rd edn., South-Wastern Publishing Co.
6. Nooh Abdullah & Maruf Muntasir (2011), Medicine Business, Shaptahik 2000, Year 14, Number 19 available at [www. Shaptahik-2000.com](http://www.Shaptahik-2000.com)
7. Rahman Asadur (2005), The Great Business of Fake Medicine over the Country, Shaptahik 2000, Year 07, Number 47 available at www. Shaptahik-2000.com

8. Saha Sonjit (2006), Marketing Management, Banglabazer, Dhaka: kazi Prokashoni.
9. Tajuddin Khondaker (2014), The Medicine of 29 Companies are found harmful, fake and inferior, Shaptahik 2000, Year 17, Number 17 available at [www. Shaptahik-2000.com](http://www.Shaptahik-2000.com)
10. www.dgda.gov.bd/
11. The Daily Star November 14, 2004
12. The Observer, November, 17, 2003