SPECIFICITY OF MARKETING COMPLEX IN PHARMATEUTICAL BUSINESS

We are currently witnessing a keen interest in marketing on the part of domestic pharmatheutical companies. At the same time they appear to realize the necessity for mastering both the theory and practice of logistics.

The publications in specialized periodicals along with special business training for pharmatheutical firm’s staff testify to the fact. But there is a considerable gap between theoretical approaches and practical application of logistics concepts. This negative tendency can be accounted for by insufficient level of preparation of pharmatheutical experts in logistics, while the demand for them on the labour market is tangible.

As one of the principles of substantiating the right for self-determination of pharmatheutical management theories, it is suggested that marketing-mix concept or “5 Ps” should be regarded through pharmacy specificities complex, or “5 Ss” [2]:

- Product. Medicines are a specific product owing to their social significance, that is, the benefits they bring about thanks to shortening the time of illness – reductions of loss of working hours due to disability, of sick-leave payments, of additional working hours etc. Thus, medicines are an important factor of safeguarding the life of people. On the other hand, non-observance of wiles in case of using the medicines with drastic or poisonous properties can result in detriment of peoples’ health and even death. The major part of medicines are biologically active synthetic combinations having no analogues in nature, the latter fact complicating the process of their harmless utilization. We are having in mind the social and ecological specificities of pharmacy.

- Price is the major of buying a medicine as purchase or sale depends on the illness, its nosology and graveness, as well as on
specific properties of medicines (specificity of health). The price of vitally important medicines is, however, more often than not, inflexible or of little flexibility, especially if they are either purchased at the cost of state/insurance company or their purchase is compensated for by the state/insurance company.

- Place. The specificity of medicines distribution is accounted for by the fact that their production, wholesale and retail trade can only be effected on the basis of a special permission that is licensing specificity.

- Promotion of medicines means applications of communication methods (specificity of communication) since medicines are the products of emergency demand. Most of them cannot be taken, on the advice of relatives or acquaintances, nor can they be taken to one’s liking. Besides, according to domestic legislation, only non-prescription medicines are permitted to advertize. It is primarily medical and pharmatheutical experts who play a motivating role in the usage of this or that medicine, that is why advertizing, personal sales and the methods of sales stimulation are largely intended for them.

- Personnel. The specificity lies in the necessity of special education and qualifications (specificity of qualifications). The development of medicines involves chemists, computer technologists, pharmacologists, biologists, pharmatheutists; their production requires chemical-process engineers and pharmatheutists, while pharmaceutical chemists and pharmathentists are engage in sales of the product.

The major distinguishing feature of the pharmatheutical business is its social and ethic orientation – apart from the interests of separate enterprises and individual consumers the interests of the society as a whole are taken into account. Such orientation further evolves into an individualized management concept which presupposes a thorough segmentation of the market aimed at meeting the demands of a marrow section of the public or individuals.

In the conditions of increasing competition the mastering of up-to-date approaches to planning and distributing goods acquires a special significance since it helps to flexibly react to consumers’ needs. It appears impossible to promote
goods effectively without an efficient and purpose-oriented flow of goods management. The integration of all systems associated with flow of goods from a manufacturer to a consumer can only be effected by means of logistics.

The competitiveness of an enterprise is now determined by marketing complex and logistic functional spheres (supply, sales, transportation etc.). The mission of marketing is to achieve a proper competitiveness level guaranteeing the product sales, while the mission of logistics implies creation of the mechanism of forming the proper competitiveness level. In other words, logistics is the way of implementing the marketing objectives. Thus, the enterprises guided by the marketing concept are able to reveal, create, change and stimulate demand, while application of logistics concept enable them to meet the demand.

References: