

Consumer's Preferred Advertising Media for Pharmaceutical Product with Specific Reference to Gujarat and Maharashtra

Mayank Dube

B. K. School of Business Management, Gujarat University, Ahmadabad

Email Id: dubemayank@yahoo.com

Abstract. With the target of achieving pharmaceutical sales with ongoing competition and increasing in the need of the consumer, marketers continually struggle to optimize their best mix of communication efforts. Marketing communications campaigns conducted on regular basis and these generally comprise of a combination of advertising (employing numerous media), promotions of the products, personal selling, and direct marketing. Within advertising, there are plenty of media options available, including television, print, poster, radio, as well as online, or internet, advertising. In recent time, numerous social changes have occurred, which have great influenced the utilization of these media option and it also challenge the effectiveness of these various media options. For example, with the increased adoption of DVR devices (digital video recorders), which allow consumers to avoid television advertisements, some have questioned the effectiveness of television as an advertising medium (Rojas-Mendez et al. 2009; Wilbur 2008).

Additionally, increased usage of the Internet has directed marketers to increase their online marketing efforts. In the present study, researched examine the impact of advertising (by media type) on sales. More specifically, with this study, researcher had focused Television, Newspapers, Poster, Radio and Online marketing.

Keywords: Pharmaceutical Marketing, Pharmaceutical Product, Medicine, Advertisement.

1 Introduction

The Indian Pharmaceutical Industry today is in the front rank of India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. It ranks very high in the third world, in terms of technology, quality and range of medicines manufactured. From simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicine is now made indigenously. Playing a key role in promoting and sustaining development in the vital field of medicines, Indian Pharma Industry boasts of quality producers and many units approved by regulatory authorities in USA and UK. International companies associated with this sector have stimulated, assisted and spearheaded this dynamic development in the past 53 years and helped to put India on the pharmaceutical map of the world.

India's pharmaceutical industry is now the third largest in the world in terms of volume. Its rank is 14th in terms of value. Between September 2008 and September 2009, the total turnover of India's pharmaceuticals industry was US\$ 21.04 billion. The domestic market was worth US\$ 12.26 billion. This was reported by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers. As per a report by IMS Health India, the Indian pharmaceutical market reached US\$ 10.04 billion in size in July 2010. A highly organized sector, the Indian Pharma Industry is estimated to be worth \$ 4.5 billion, growing at about 8 to 9 percent annually.

2. Literature Review

In the literature review conducted on more than 20 research paper out of which, more than 10 were found relevant to this study. With the review done, researcher found that lots of work has been done on the effectiveness of the advertising media but very few work is there who also provide the consumer's preference of the advertising media. Also in this study, researcher had focused on two major states of India, Gujarat and Maharashtra. Out of the top ten Pharmaceutical Industries of India, more than 50% of the companies listed below are based out in Gujarat and Maharashtra. Maharashtra being the capital of Pharmaceutical industries and Gujarat leads India in pharmaceuticals and enjoys the share between 35% and 46% of the national share in pharmaceutical production over the last two decades.

Television appears to have a significant impact in the pharmaceutical market, in addition to print and online advertising. This result is consistent with recent findings that suggest that television advertising remains an effective advertising medium (Binet and Field 2009; Jamhourri and Winiarz 2009; Rubinson 2009; Sharp et al. 2009).

The marketing of prescription drugs is a significant business. Prescription drug sales in the USA alone were \$228.8 billion in 2003. Therefore, companies are assertive in their promotion of prescription drugs. In addition, there does not appear to be any slowing down or levellingoff of the drug company expenditures on promotion. In fact, expenditures on promotion more than quadrupled from 1998 to 2004, increasing from \$12.7 billion to \$57.5 billion. Physicians are facing financial pressure as reimbursement from managed care and government decline. Coupled with rising malpractice insurance costs, physicians are reacting by seeing more patients daily. These changes leave little time for visits with PSRs. Since 1995, the physician over the same period, the number of pharmaceutical representatives has grown 94 percent, to

more than 81,000 populations has grown just 15 percent. The quest resulted in the emergence of electronic detailing (Sheeja et al. 2011).

In the context of drug promotion, detailing has traditionally involved face-to-face contact between a visiting sales representative and a health professional. However, drug companies, especially in North America and Europe, are increasingly adopting electronic detailing as the process to market their products. E-detailing includes diverse strategies, such as videoconferencing, the provision of electronic education modules, and the use of email and related technologies as prompts and to promote two-way communications. Presentations to a pharmaceutical marketing conference in Europe suggest that e-detailing is not popular with all doctors. However, it is cheaper than traditional sales representatives and can result in a significant return on investment through increased sales. Top companies are providing financial incentives for doctors to participate in e-detailing, such as honoraria, product samples, practice tools, and patient education resources. (Australian Prescriber, pharma internet marketing)

3. Rationale of the Study

One important aspect of pharmaceutical marketing is that each of the consumer is totally different. Though, it is the doctor who decides which medicine a patient will purchase and consume but due to easy availability of the information and easy excess to the information and awareness among the consumer, it has made the consumer more aware with pharmaceutical products. And being lifesaving product, consumer do prefer analysing the pharmaceutical product with all the available aspects. From an information processing perspective, newspaper, radio, poster, and television advertising differ due to nature of the stimuli presented. Newspaper and Poster consists of visual stimuli, while radio consists of auditory stimuli, and television combines both auditory and visual stimuli. Each sensory mode may impact processing by evoking cognitive or affective reactions, or by influencing processing of other sensory modes (Edell and Keller 1989). Also, the online marketing is booming but due to stringent regulatory requirements, it is not that prevalent among the pharmaceutical industries.

If company will understand how a efficiently use these advertising medium in marketing mix, than half of the work is already won. The ever-increasing number of companies, molecules and brands will force the companies to have a good marketing mix development and which specific medium of advertising will have best impact on consumer. This can be achieved by

understanding the consumer's preference of the advertisement. In this study researcher had made an effort to understand which among the listed advertising media consumer would prefer for the pharmaceutical product marketing. If industry understands how to satisfy their customer than it is obvious that it will be helpful for developing a long-lasting relationship with their customer.

4. Objectives of the Study

This study was conducted with two main objectives as mentioned below.

- The study emphasizes on finding the consumer preference of the advertising media.
- As this study was conducted on two States, Gujarat and Maharashtra. This study was conducted to evaluate whether there is a difference in the preference among the different state respondents when they were asked about the preference of online buying of the pharmaceutical products.

5. Research Methodology

To conduct this study, exploratory research was used. Secondary data was also used. For this study researcher had used both Primary as well as secondary data. A group of 516 respondents (consumers of the pharmaceutical products) were reached out and a set of questions were asked. A questionnaire was designed to gather the primary data from the consumers. 5 major advertising media Television, Newspaper, Poster, Radio and online advertising were considered for the study. Data tabulation had been done state wise which is used for interpretation and analysis. Chi-square analysis is done for arriving at the results.

Based on the sample size calculation, it was calculated with the help of formula that 384 respondents are required for this study which was rounded off to 400 where, Confidence level was 95%, Confidence interval was 5% and Population of these two states was 172 million). While the questionnaire was sent to the respondents, 516 responses were received which was used to carry out the analysis. Out of the 516 respondents, 387 respondents are from Gujarat and 129 respondents are from Maharashtra.

6. Data Analysis and Interpretation

Researcher had used the method Chi-square analysis. After applying the same on the data collected from the respondent's researcher got results which are presented in tabular format as shown below.

Table 1: Consumer's preference of Advertising media

	Frequency	Percent	Valid Percent	Cumulative Percent
Newspapers	123	23.8	23.8	23.8
Poster	66	12.8	12.8	36.6
Radio	8	1.6	1.6	38.2
TV	319	61.8	61.8	100.0
Total	516	100.0	100.0	

Source: Author's Data Analysis

A question was formed with the objective of evaluating the effect of four major advertisement media exist around. These are listed as Newspapers, Posters, Radio and Television. The rationale behind framing this question was to provide details to pharmaceutical industry of which specific media to be focused to attract the consumers.

From the above table it can be inferred that Television advertisement is the most preferred advertising media for the consumer for Pharmaceutical product advertisement with second preference to Newspaper. So, if the pharmaceutical industries planning to invest after the advertisement than Television are the most preferred advertisement medium with Newspaper is 2nd preferred, Poster advertisement is 3rd preferred and Radio is least preferred.

Table 2: Consumer's preference of online marketing

	Frequency	Percent	Valid Percent	Cumulative Percent
No	362	70.2	70.2	70.2
Yes	154	29.8	29.8	100.0
Total	516	100.0	100.0	

The above question was framed to understand the preference of the consumer of buying the pharmaceutical drugs online. The rationale after framing this question was to understand whether online buying can be one of the upcoming marketing strategy for sale of pharmaceutical product.

With the responses received, it clearly states that still consumer is not quite in agreement in buying the medicines online. There might be many possible reasons which could be evaluated and not considered as part of this research. As consumer still do not prefer buying the medicines online, after finding out the possible reasons after this, this can be increased and considered as one of the important marketing strategy to improvise the sales. Hypothesis testing was conducted to evaluate, whether there lies difference in the preference among the respondents of Gujarat and Maharashtra for the online preferring online purchase of the pharmaceutical products.

H₀: Consumer of Gujarat and Maharashtra has the same opinion over online purchasing

H₁: Consumer of Gujarat and Maharashtra has different opinion over online purchasing

Table 3: SAS analysis for Preference of Online Purchasing

		Yes	No	Total
Gujarat	Frequency	118	269	387
	Percent	22.87	52.13	75.00
Maharashtra	Frequency	36	93	129
	Percent	6.98	18.02	25.00
Total	Frequency	154	362	516
	Percent	29.84	70.16	100.00

Table 4: Statistical Table for Preference of Online Purchasing

Statistic	DF	Value	Prob
Chi-Square	1	0.3085	0.5786

Table 5: Fisher's Exact Test for Preference of Online Purchasing

Fisher's Exact Test	
Cell (1,1) Frequency (F)	118
Left-sided Pr<= F	0.7461
Right-sided Pr>= F	0.3306
Table Probability (P)	0.0767
Two-sided Pr<= P	0.6569

Table 6: Summary Table for Preference of Online Purchasing

	Yes	No
Gujarat (N = 387) n (%)	118 (30.5%)	269 (69.5%)
Maharashtra (N=129) n (%)	36 (27.9%)	93 (72.1)

p-value = 0.6569

From the Table above, it can be inferred that both Gujarat and Maharashtra show the similar response over the online purchasing. In Gujarat, 30.5% of the consumer and in Maharashtra, 27.9% of the consumer prefer the online purchasing. While in Gujarat, 69.5% of the consumer and in Maharashtra, 72.1% of the consumer do not prefer online purchasing. So, with the two-sided Chi-square p-value of 0.6569, researcher could not reject the null hypothesis.

7. Findings and Conclusion

Preference of the Advertisement Media

It was found that Television advertisement is the most preferred advertising media for the consumer for Pharmaceutical product advertisement with second preference to Newspaper. So, the pharmaceutical industries should invest in Television advertisement to get which will help in improvising the sales of the pharmaceutical companies. So Television is the most preferred advertisement medium with Newspaper is 2nd preferred, Poster advertisement is 3rd preferred and Radio is least preferred.

Influence of States on Online Buying

It was found that reaching out to respondents based out in Gujarat and Maharashtra, the results show the similar response over the brand preference. When people of Gujarat and Maharashtra were asked that whether they prefer any specific brand drugs, both states shows similar response that they do not prefer any specific brand drugs.

After conducting this study on the respondents based in Gujarat and Maharashtra, it is concluded that television is the most preferred advertising medium for the consumers for the pharmaceutical marketing. Which indicates to the pharmaceutical industries that their focus should be mainly on the television to promote their product. 2nd preferred medium was Newspaper, 3rd is the Poster and Radio considered as least preferred advertising medium.

As the study was conducted in two major states of India, based on the analysis it is also concluded that both the states have similar preference and respondents of both the states shows the same results over online marketing. Respondents of both the states do not prefer buying the pharmaceutical products online. So here there is a scope for the further research to investigate the rationale behind why consumer do not prefer buying the medicines online and by overcoming the hurdles that consumer may be facing, companies can increase the sale of their product.

8. References

- Australian Prescriber, pharma internet marketing (AustPrescr 2009;32:(2-4)
- Edell, Julie A. and Kevin Lane Keller (1989), "The Information Processing of Coordinated Media Campaigns," *Journal of Marketing Research*, 26 (May), 149-63.
- Irfan Sharfoddin Inamdar¹ and Dr. Malhar Jayant Kolhatkar, Doctor's expectations from pharmaceutical products (medicine) which will influence their prescription Behaviour, *ABHINAV, VOLUME NO.1, ISSUE NO.4*, 14-20
- Jamhuri, Oscar and Marek L. Winiarz (2009), "The Enduring Influence of TV Advertising and Communications Clout Patterns in the Global Marketplace," *Journal of Advertising Research*, 49 (2), 227-35.
- Jeyakumar S. (2010), *Pharmaceutical A Sunrise Industry Facts For You*, Nov 2010, pp 13 – 16.
- Neeraj Dixit, a study of change in marketing strategies of Indian Pharmaceutical companies, Under The WTO Regime, *International Journal Of Business Research*, Volume 8, Number 3, 2008, 81-89
- Philip Kotler & Kevin Lane Keller (2006), *Marketing Management*, Pearson Edition.
- Rojas-Mendez, Jose I., Gary Davies, and Canan Madran (2009), "Universal Differences in Advertising Avoidance Behavior: A Cross-Cultural Study," *Journal of Business Research*, 62 (10), 947-54.
- Sharp, Byron, Virginia Beal, and Martin Collins (2009), "Television: Back to the Future," *Journal of Advertising Research*, 49 (2), 211-19.
- V.S. Sheeja, M.V. Naveen, N.R. Prasad, T. Sathibabu And R. Murali Krishna, Role Of E-Marketing In Pharmaceutical Business, *Pharmanest*, Vol.2 (2 - 3) March – June -2011, 84-90
- <http://www.pharmaceutical-drug-manufacturers.com/pharmaceutical-industry>
- <http://pharmaceuticals.gov.in/>