Transgressing Perceptual Barriers in Pharma Sector

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ABSTRACT

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The pharmaceutical sector, with its critical role in healthcare, often faces perceptual barriers that hinder effective communication, collaboration, and progress. This paper delves into the concept of transgressing these perceptual barriers within the pharma sector. It explores the challenges arising from misconceptions, biases, and miscommunication that impede innovation, research, and patient care. Through case studies and illustrative examples, the research highlights successful strategies and initiatives that have broken down these barriers, fostering cross-disciplinary interactions and knowledge exchange. The abstract underscores the importance of transparent communication, interdisciplinary collaboration, and public engagement in reshaping the perception of the pharma sector. By embracing diverse perspectives, understanding patient needs, and aligning with societal expectations, the pharma sector can transcend these barriers and contribute to improved healthcare outcomes. This study offers insights to professionals, researchers, policymakers, and stakeholders seeking to facilitate meaningful change within the pharmaceutical industry by addressing and overcoming perceptual barriers.

Keywords: Transgressing, Perceptual Barriers, Pharma Sector

It seems extraordinary that one of the world's largest consumer goods market pharmaceuticals stood for so long as Laad Rest with little help from Brand management – **Tom Blackett**

Introduction

When relation between buyer and seller is direct and open, which is not the case with pharmaceuticals industry. The industry is use and has great value, it has learnt to cope up with extraordinary degree of regulations placed upon it, and would seemingly have no need for a brands.

Pharmaceuticals industry is highly technology oriented. Production and distribution is controlled by drug and cosmetics act 1940, promotion is controlled by Magic remedies act, price by DPCO, because is highly regulated industry. However as market opens up and competition source the industry needs more branding. The burgeoning $800 billion worth pharmaceutical market is now assiduously changing strategies to extend the product life-cycle of their molecules. Besides most of the Pharma-majors are charging at $49.8 billion OTC market.

Study also reveals that, branded formulation can attract up to 50% premium on the generic products. Thus the importance is branding. The concept of brands is central to marketing. Brands pay salaries, brands empower companies and in recent years, they have become an asset on balance sheet.

Brands are more than trademarks; they are trust marks. Tylenol could sustain the blow, only because it was a strong brand. In what follows we have to try to look at some of the marketing practices from branding perspective. Bad health to good health is a continuum and various categories of formulation are useful at various stages of this continuum.

The market can be divided into bad health (major & minor problems) and good health (prophylactic or preventive and improving) major health problems are generally treated by prescription or ethical route, while minor health problem and preventive treatment is administered by OTC formulation. Improving is the benefit given by FMCG is the continuum that treats the patients at various levels of severity of the problem. Obviously they are not in a water tight compartment, but there is a very thin boundary between OTC-Ethical and OTC-FMCG products.

OTC may include nutraceuticals & cosmetics, whereas FMCG may include cosmetic-shampoo skin care. These thin boundaries may be called, perceptual barriers. In order to cash the success in one therapeutic group, is another therapeutic group. And also, in order to attract unrepresentative market segments.

'Clinic all clear' from prophylactic route entered into FMCG segments where as Fair & Lovely appeals to the consumers suffering from minor health problems (OTC) 'Revital' and 'Thirty-plus' both have ginseng and appeal to similar health problem, but whereas Revital has entered OTC segment through ethical route, Thirty-Plus originally positioned as life-style FMCG product became energy recharger (prophylactic) to aphrodisiac (minor health problem).

While transgressing the perceptual barriers, it is observed that, marketers use similar kind of communication. But, the question is, do all the consumers in the product category sahre similar behavioural pattern when it calmed to response hierarchy models?

We all know that FMCG consumers exhibit 'Awareness — interest — desire — action' pattern while selecting the product. What it means is that media advertising first makes the prospect aware about the product. If the prospect becomes aware about the product, he is likely to buy the product. If the prospect is not aware about the product, there is hardly any chance of his buying it. It is not sufficient that, the prospect is simply made aware about the product, he should develop interest in the product; the role of promotion is not only awareness but also persuasion. The next stage is desire. The prospect wants to buy the product, desires the product, and last bit of action is generated by the push given by sales promotion activities, like free offers, discount, consumers contests, consumer promotion schemes, etc they result into action.

So the question arises is do consumers in ethical and OTC market also follow the same "a-i-d-a" model; or some other path? We propose to test this hypothesis : Consumer follow AIDA model when it comes to ethical and OTC products.

As against

"Awareness - information - reinforcement - retention - purchase" route.

To begin with we show some empirical evidences, followed by proper testing of the hypothesis

Bad Health		Good Health	
Major	Minor	Prophylactic	Improving
Ethical	Crocin Benadryl Vicks Strepsils Fair & Lovely Revital Thirty plus	OTC Saffola Nizoral	FMCG Clinic all clear
Awareness Information Belief	Awareness Information Reinforcement		Awareness Interest Desire
Reinforcement Conviction Retention Action	Retention Purchase		Action

OTC ; It is observed that the prospection in OTC market follow.

1. Awareness

Adversity has to make the consumer aware about the product

2. Information

Rather than interest, information is more important. Advertisers need to bridge the credibility gap, giving more information about the product. Consumers are not necessarily interested in knowing the ingredients that the formulation contains but to know, & how the product is important and useful to them.

3. Reinforcement

Consumers need reinforcement. They need to know the perception in time. They need reinforcement either from physicians or from chemists, friends and relatives. Often advertisements can do this work. Research shows that the ads, where reinforcement is given i.e cause and effort relation is exhibited, are more effective, and such products users are less likely to ask chemist or doctors for reinforcement. So, reinforcement through advertisements are important and however this does not eliminate the role of retailers on promotion.

4. Retention

Very rarely will one observe that after the advertisement the patients rushed to the chemist and buy the product. This phenomenon is common in FMCG products. Where promotion excites the consumers and he buy the product. Barring a few products, like Crocin, Vicky's, buenos, most products are stocked at the house, most often products are bought wheat he need arises. Hence the retention is of importance. This can be achieved by the promotion like, 'pudin hara' where stocking is promoted. Alternatively point of purchase material and achieving TOM (top of the mind) brand salience can help here.

5. Purchase

After the consumer buys the product when need arises. In FMCG sectors after achieving desire, sales promotion activities like free offers, consumer contests lead to purchases. Such is rarely the casein OTC Market.

Ethical (Prescription) Market

In case of prescription products, the sequence is different Awareness.Information-Belief-Reinforcement-Conviction-Retention- Action

After the physician is made aware of the product, he seeks further information .Ads is medical journal and information from MR is of importance here .Many doctors write to the marketer or search on web. Those doctors who don't belief in the product, are mainly those who are not happy about the information provided by the company. Most doctors actively search for information and only when they believe in the product use Samples. Consonant effect of samples lead to reinforcement and their conviction. Here again retention is of primary importance lance behind stickers, reminders follow up action by medical representative will lead to retention.

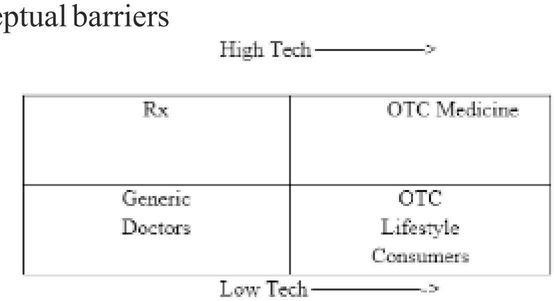
Once the Doctor is convinced about the product, and is constantly reminded, does he prescribe the product when need arises.

Different promotional mix elements can be used to push the prospect through the response hire rely model. Like M.R. Visits and detailing for awareness and information, medical journals and conference the information and belief. Sampling clinical research data Now and websites for conviction and leave behind, stickers, reminders visit for retention. It can be observed that response hierarchy models operate differently for different product categories Brand equity at are product category cannot easily be leveraged for other product category.

Interests of innovative drug molecules are closely guarded by patent Act. Introduction of errew molecule ingredient is very expensive and time consuming. The introductions of new molecule can be highly profitable, when the market is guarded However after the patent protection, the product life cycle short term the market gets fragmented and profitability erodes. This is the time, many manufacturer want to introduce the Rx product in OTC or generic market.

But, can all successful Rx product became successful OTC brands, even if legally they can he converted into OTC products? In other words is transgressing the perceptional barriers possible?

Crocin originally an ethical product could become a successful OTC brand Can Metacin, calpol paracetamol be as successful in other words what is inherited by the and over a period of time which makes it possible or impossible for the grand transgress the perceptual barriers



Brand Inheritance Map

Technological factors and Touch Factors decide whether equity can be leveraged across perceptual barriers Touch factors are through the brand inheritance. These are perceptions and not actual tech as touch values.

Serious-----Friendly
Unapproachable-----Approachable
Not Safe-----Safe
Not Families-----Families
Doctors product-----Self Medication

Are the factors which give the combined effect called Touch factor. These perception are developed by various factors like

1. Long presence in the market.
2. Brand Name
3. Communication
4. Word of mouth.

These factors together give high touch score the ethical products ®.) which have developed high touch selve can be successful OTC brands
Rx products typically have high tech law touch perception Over a period of time due to long presence in market, promotion, word of mouth, They develop high/low touch score This is called brand inheritance, The touch score is amongst the common consumer and Not doctors. The high low Technology factors are the perception amongst the common consumer or doctor as the case may be, Thus, a typical R. product, if it over period of time develop High touch score, can become a successful OTC brand If not, then ver a period of time when the Doctors start considering it a low tech product, it can become generic product

The implications of the phenomenon to the marketer are as follows Rx (Ethical Product): More information medical journal conferences, samples are Essential
2 Branding is important

Generic
1 Corporate branding is essential
2 Sampling is important
3 Availability & affordability is the key
4 Dealers role is important

Medical OTC
1 Communication through mass media
2 Reinforcement through advertisement is important
3 Ration & Emotional appeal
4 Brand conviction
5 Top of mind awareness

Life style OTC
1 Mostly emotional appeal
2 Dealers role important
3 Classical conditioning through advertisements, routinisied
4 Brand familiarity, more important than brand conviction
5 Dealers role is important

Role of Retailers in strategic Branding
The importance of retailers in healthcare market can hardly be overestimated. More than 1,30,000 retailers in India play a vital role in distributing & marketing pharma products. They have three important functions to perform.

1 Availability: It is estimated that, there are more than 65000 formulation registered in India, Some are locally promoted, hence about 35000 formulations are availability at any time, any place. Rarely do chemists stock more than 3000 formulation, as rest of the formulation get subscribed. Hence availability is of prime importance. With so many brands/products existing in the market, in limited shelf space. This became one of the prime task of marketer

2 Information: Response hiraruly model developed by the authors show that, information is an important element of consumer buying process in OTC market. Dealers has a pivotal role in OTC market. Dealers has a pivotal resseminative information. The success depends upon the factual information that has been made available to the retailers.

3 Marketing: The response hierarchy model by the authors also show that ,retention & reinforcement are important factors which decide the shelf off take. The point of purchase material, window displays can result in sale of OTC products.

4 Promotion: The research shows that more than % prospects depend upon the chemists, while buying the medicines. The chemist's recommendation will decide which brand they buy. While margins & benefits are the primary source of motivation to chemists, there is Uniformity are the benefits marketers after to chemists hence the confidence & belief in the product in the sole determinate beyond a particular level. The best method to understand this phenomenon is perceptual mapping.(or MDS)

To be competitive, the brand must he distinctive consumers must have distinct perception about the brand. This unique perception about the brand is called positioning, on any two (or more) use the consumer perception can be plotted and uniquele position of different brands in the product category can be understood. The products exist in the retailers shelf, the brand exists in the mind of the consumer. Once the unique position for the brand is established it cannot be easily dislodged from that position by competing product. Hence for that perceived benefit the consumer continues buying the product. Now it is important that consumer has a unique perception about the brand. However it is also important to consider the positioning in the mind of retailer has he is an important influence in the consumer buying process. The resultant position of the brand is the sum.

Total of the vector suggesting consumer as well as retailer perception Thus to conclude:

1 Pharmaceutical branding will become more & more relevant in future.

2 Marketers of ethical formulation may want it transgress the perception barriers & leveraged its brand aglima in other product categories in order to attract new market segments & to prolong the product life cycle.

3 The concerns of this strategy will depend upon the brand heritance & not all producers. Can be leveraged across the perception barrier.

4 The response hierarchy models can differ in ethical OTC market from FMCG market

5 A prudent brand manager may like to use different promotional mix in different categories.

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