

Impact of Digitalization on Pharma Marketing and Sales Promotion

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Abstract

Original Research Article

Digital marketing relates to the usage of different channels on the digital platform to reach the potential buyers via channels like: social media marketing, multimedia advertising, websites and online search engines. Digital Pharma Marketing encompasses all the digital channels and tools used for promotion of a drug or a service. Digital pharma promotional tools not only are effective but also save time, are more informative and convenient and also reduce paper cost. With the advancement of digital pharma marketing there is an ease of communication between the patients, doctors and the healthcare organizations. This article focuses on evaluating the various kinds of Conventional and Digital marketing and promotional tools, their advantages and disadvantages and its impact on pharmaceutical industry.

Keywords: Digitalization, Marketing, Sales Promotion.

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INTRODUCTION

Digitalization is the consolidation of digital technology and marketing is the practice of promotion of buying or selling of a product or a service. Advertising, selling and delivering of products to the customer or a business is a part of marketing. There are two basic fundamentals in marketing that drive revenue for the business. The first one is distribution and the second one is availability. The new marketing technique has therefore encapsulated these two important areas very effectively and efficiently to create more revenues for the organizations. Digital marketing has become an integral part. Today, in pharmaceutical industry digital marketing plays an important role, it is replacing traditional marketing strategies and this is primarily due to the ease of interaction with end users, less time-consumption, higher engagement, quicker publicity, being more convenient, more informative and having a great cost-effectiveness. Digital marketing and promotions have also led to a great use of social media and digital tools by the physicians. It also affects the interaction and between the patients, doctors and the healthcare organizations. Digitalization is radically changing the Pharma as well as the healthcare industry. New digital technologies and innovations have led to

the improvement in patient health and medicine development. At the same time, healthcare players and other customers of pharmaceutical companies are demanding more and better data on the medication efficacy and improved patient quality of life. These demands cannot be purely fulfilled by traditional means; hence, there rises a need of digital marketing strategies.

Benefits of Digital Marketing

Digital marketing has benefitted the pharmaceutical industries in a number of ways.

- Digital marketing has helped the companies to form a parallel communication channel between the company and the physicians.
- Digital marketing has helped the doctors to avail the services of Pharma companies online rather than meeting the medical representatives personally in the busy hours in the hospitals and the clinics.
- Digital marketing helps the doctors and surgeons to upgrade their medical knowledge just by few simple clicks.
- Digital marketing helps in reducing the overhead cost of Pharma companies by serving the doctors centrally [1].

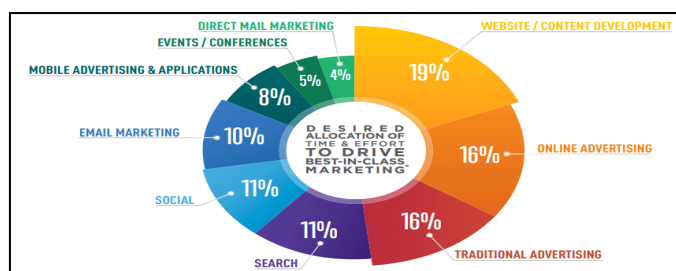


Fig-1: Various channels of pharmaceutical promotions

CONVENTIONAL v/s DIGITAL STRATEGIES

Pharma marketing is an important concept through which the pharmaceutical companies advertise their products for improving their sales.

Conventional promotional strategies

Common traditional tools employed by the healthcare companies for marketing their products include product samples, scientific data, giveaways related to products and CME's. Pharma industry implements two types of strategies: pull and push strategies for increasing the sales. Push strategy is where the person selling the drug is central or crucial for pushing the product through the marketing channel, in this case that person is the medical representative belonging to a particular pharmaceutical company. Push strategy revolves around the medical representative and the doctor. The Medical Representative follows all the strategies designed by the marketing department towards cultivating the habit of prescribing the product or brand by the Physician. Both sales and marketing are two separate entities but both marketing and sales department have to be synchronized together to achieve their targets. Many times the contact is direct between the company and the physicians thus have unlimited opportunities to excel. On the other hand, the pull strategy incorporates extensive advertising and sales promotion to pull the product through various channels of marketing. The main aim of pull strategy is to generate so much awareness in the consumer that he or she asks the doctor to prescribe that medicine. Literature indicates that often patients ask directly for a heavily advertised drug. This can be done for both the over the counter drugs as well as prescription medicines. However, the success of pull strategy is not very clear as it all depends on the Physicians, if they are convinced with the brand suggested by the patients [2].

Digital promotional strategies

The major companies including the pharmaceutical industry use different digital marketing strategies so as to buy or sell their products or services. Their main motto is to reach the customers easily and influence their purchasing behavior through different digital media [3]. The different types of digital marketing strategies implemented by the Pharma industry are as follows:

- Search Engine Optimization: using this medium, the customers can easily get health related

information from the yahoo, Google, or the MSN/ Bing sites.

- Social Media Marketing: through this medium, the customers can connect to different online selling medical companies and review their products before purchasing the medicines [4]. This includes Facebook, LinkedIn, Google +, twitter, Instagram etc.
- Mobile Apps: this is the easiest and quickest technique of purchasing the medicines where the customer has to use his or her mobile phones, download the app and use the technique of pay-per-click options to select the required medicine and buy it.
- Internet and Websites: Using the internet, the customers can search for unlimited number of medical shops who sell online medicines and visit their websites to purchase the products [5].

Promotions in pharmaceutical industry in India

India has one of the fastest growing pharmaceutical markets in the world and its market size has nearly doubled in the last five years. The country's pharmaceutical market is expected to reach US \$20 billion by 2020 from US \$11.5 billion in 2010 at a CAGR of 11.7% and establish its presence among the world's leading 10 markets [6]. However the pharmaceutical industry in the country is highly competitive with a large number of multinational and domestic players trying to have a greater pie of the market. These pharmaceutical firms focus intensely on promotions targeted at doctors to achieve their goals. Promotional tools like complimentary gifts and other incentives tend to influence the physicians. Promotion the fourth marketing mix tool, stands for the various activities the company undertakes to communicate its products merits and to persuade target consumers to buy them [7]. The marketing communication mix also called promotional mix consists of four major tools:

- Advertising- paid form of non-personal presentation and promotion of ideas, goods or goods by an identified sponsor.
- Sales promotion- Short term incentives to encourage purchase or sale of a product or a service.
- Public relations- A variety of programs designed to improve maintain or protect a company or a product image.

- Personal selling- Oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales [8].

Conventional and digital promotional tools

Pharmaceutical companies in India use medical representative, advertising, journals and mailers, patient and retailer communication as a part of their marketing strategy. There are various types of traditional promotional tools.

Samples- Samples have been the most traditional promotional inputs. It had virtually assumed the role of a ‘gate pass’ to visit the doctor. This is more of a sales-force need rather than a doctor’s need. The utility of samples as promotional tools is debatable for generic brands because the doctor is already aware of the therapeutic efficacy of the molecule. However, a doctor may want to check the efficacy of a new generic brand with the help of the samples. Samples are essential for new molecules because the doctor’s should have a firsthand knowledge about efficacy and side effects profile.

Printed promotion material- These are used for scientific information dissemination and sometimes only for brand recall through advertising gimmicks. Several types of printed promotional material are used for brand promotion. The various promotional materials are Visual aids, scientific literature, reminder cards, posters and product monograph [9].

CME (Continuing Medical Education) - are of two types: a) organized by doctors under the aegis of a

medical associations or institutions like IMA, API, FOGSI etc. Here the companies are invited to sponsor such events in return of some publicity and brand exposure. b) Organized by pharmaceutical companies starting from deciding on a topic, selection of speakers, arranging venue and invitation of doctors. Round table conferences and Seminars- A large group of doctors are called upon and discussions are to be made [10].

Limitations of traditional promotional tools: Challenges arising from opening of various global channels are becoming a major issue of concern like similar customer perception, insufficient grasp over customer expectation, high training and re-training cost of medical personnel, and lesser time given by doctors to the sales call due to a hectic schedule, leading to increased competition among the pharma companies. Existing traditional marketing strategies are conservative and hence lack the potential of digital marketing which engages all the stake holders and is at service all the 24 hours, posing immense marketing opportunities. Digital marketing is an open concept which considers the requirements and health care desires of all the stakeholders involved that includes online community’s interaction and shares patient’s views and experiences. There are apps to check the effect of treatment on patient. Other digital tools involve data aggregation and analysis to get deeper details on the products effectiveness and safety profile. All these features and factors are the limitations with Traditional existing strategies thus proposing the use of digital marketing strategies for maximum returns on the investment and to ensure the forecasted business goals.

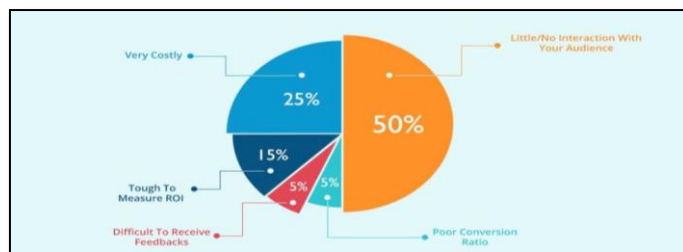


Fig-2: Limitations of Conventional Promotions

Digital promotional tools

Digital promotion is the use of one or more forms of electronic media to market or advertise a product or brand. Marketing or advertising platforms

that may be used can include social media, electronic billboards, mobile phones and tablets. There are various types of digital promotional tools [11].



Fig-3: Digital Promotional tools

E-detailing- E-detailing digitizes sales content and provides it on a mobile device that makes it possible to be interactive and therefore more interesting to HCPs. It also ensures that presentations are tractable, providing data to help you better meet HCP needs. E-detailing means that information is available 24/7 through web-based tools, so physicians can now find clear and interesting product information whenever they have time during their busy schedules [12]. There are a lot of advantages of e-detailing like, increased engagement, more impact, data capture for customer understanding, highly-targeted communication, content storage, easier content updates, consistency of experience, accessible (approachable technology), and cost vs. e-detailing visits. An electronic detailer also offers specific advantages. It is excellent at capturing data – providing the customer insights that enable you to provide personalized and high-quality services for healthcare professionals [13].

Webinars- A webinar is an online seminar that turns a presentation into a real-time conversation from anywhere in the world. Webinars allow large groups of participants to engage in online discussions or training events and share audio, documents or slides even when they're not in the same place as the meeting host or in the same room where the event or presentation is taking place. The word 'webinar' is a blend of 'web' and 'seminar'. A webinar is an event held on the internet which is attended exclusively by an online audience. Pharma Webinars are interactive, instructor-led training webinars, every live webinars benefits from 30 minutes of live Q&A, it is engaging and informative, regularly updated contents provide the latest regulatory, technical and operational information in the pharmaceutical arena and are delivered by recognized subject matter experts [14].

E-learning- The e-learning industry has significantly grown in the recent years as a medium for training employees. E-Learning hasn't just enhanced the accessibility of training, but has also resolved the challenge of limited attention span in humans with its bite-sized training modules that are easy to digest [15]. Pharma companies have incorporated numerous technologies to train their employees and eLearning has proved to be the most reliable of the lot. This is because it is scalable as well as instantly accessible to a large set of audience, regardless of their location. Pharma companies are governed by certain laws to ensure safety and efficacy of their products in the market. Hence, the industry demands its professionals to get trained on aspects such as Standard Operating Procedures (SOP), Current Good Manufacturing Practices (cGMP) and safety and environment training [16].

Display advertising - As the term infers, Online Display Advertisement deals with showcasing promotional messages or ideas to the consumer on the

internet. This includes a wide range of advertisements like advertising blogs, networks, interstitial ads, contextual data, ads on the search engines, classified or dynamic advertisement etc. The method can target specific audience tuning in from different types of locals to view a particular advertisement, the variations can be found as the most productive element of this method.

Email marketing - Email marketing in comparison to other forms of digital marketing is considered cheap; it is also a way to rapidly communicate a message such as their value proposition to existing or potential customers. The success of email marketing is reliant on the language and visual appeal applied. In terms of visual appeal, there are indications that using graphics/visuals that are relevant to the message which is attempting to be sent, yet less visual graphics to be applied with initial emails are more effective in-turn creating a relatively personal feel to the email. In terms of language, the style is the main factor in determining how captivating the email is. Using casual tone invokes a warmer and gentle and inviting feel to the email in comparison to a formal style. For combinations it's suggested that to maximize effectiveness using no graphics/visual alongside casual language. In contrast using no visual appeal and a formal language style is seen as the least effective method [17].

Search Engine Marketing/ Search Engine Optimization - Search engine marketing is the practice of marketing a business using paid advertisements that appear on search engine results page, Search Engine Optimization means when customers look for any health information they initially turn on to Google, Yahoo or MSN/Bing which are most used search engines. Healthcare information search is one of the most common online. It marks as an important opportunity to reach their target audiences [18]. Important aspects of search engine optimization are keyword usage in titles and URLs, internal links on your own website, back links from other websites, proper use of alt tags with images and social network activity [19].

Social Media Marketing - The term 'Digital Marketing' has a number of marketing facets as it supports different channels used in and among these, comes the Social Media. When we use social media channels (Facebook, Twitter, Pinterest, Instagram, Google+, etc.) to market a product or service, the strategy is called Social Media Marketing. It is a procedure wherein strategies are made and executed to draw in traffic for a website or to gain attention of buyers over the web using different social media platforms [20].

Web Interactive - Modern 3D graphics technologies, such as Verge3D, are proposed to be a more preferable way to promote consumer goods than photos and videos.

CONCLUSION

Digital marketing has become an integral part of pharma industry. Digital marketing is capable to be utilized as an effective strategy to connect the customer at any time and in any place with an endeavor to entertain, educate and inform them while presenting an insight of diverse brands. Existing traditional marketing strategies are conservative and hence lack the potential of digital marketing which engages all the stake holders and is at service for all the 24 hours posing immense marketing opportunities. We find that in all these factors it is the Medical Representatives is the central axis in all of these tools as he is the only person who executes all the Promotional campaigns. He is considered as most reliable communicator as well as the implementer. The main reason is the personal touch with the Physician in relation to the communication, professional help and execution of Company's programs. So, for getting positive prescription flow, companies should be focusing on recruiting a good and a sharp sales team taking care of its qualitative life as well as professional needs. Other digital promotional tools should also be frequently used to keep the attention of the Physician focused on the product so that the Prescription flow is continuous. Digital Marketing in any sector is a more cost-effective and less time consuming method to communicate with customers compared to traditional marketing. Digital marketing allows pharmaceutical marketers to use data to create more strategic engagement with prescribers and physicians.

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