Pharmaceutical Marketing

Course code: 0510545
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Lecture one
Introduction
The concept of marketing has always been known since the ancient times.

Trading goods in between tribes and countries has always been the primary way to exchange goods.

The birth of selling goods and services started with the use of money as a medium of exchange.

Marketing is an ancient art & is everywhere.
Development of Pharmaceutical Marketing

- Herbs and natural remedies were first used to cure illnesses.

- The special demand of treatments in wartime conditions has stimulated the rapid development of the pharmaceutical industry.

- Firms started to appear and compete to each other.

- Regulations also appeared to regulate the selling and purchasing of Drugs.
Marketing Definition

-The process of **planning** and **executing** the **conception, pricing, promotion** and **distribution** of ideas, goods and services to **create exchanges** that satisfy **individual and organizational goals**.

-The process by which companies **create value** for customers and build strong customer relationships, in order to capture value from customers in return.
Value is the subjective relationship between the perceived benefits and perceived costs of a product or service

Value = Perceived benefit(s) / Perceived cost(s)
The concept of Marketing
Needs, Wants, Demands

**Needs**
- States of deprivation
- Physical - food, clothing, shelter, safety, water
- Social - belonging and affection
- Individual - knowledge and self-expression

**Wants**
A want is a product desired by a customer that is not required for us to survive. So, want is the complete opposite of need, which is essential for our survival.

**Demands**
If a customer is willing and able to buy a need or a want, it means that they have a demand for that need or a want.
Product

- Products can be considered as:-
  - Goods
  - Services
  - Events
  - Experiences
  - Persons
  - Places
  - Properties
  - Organizations
  - Information
  - Ideas
Exchange and Transaction

**Exchange:**
- Get something (product /service) by offering something in return.
- Exchange is a *value creating* process because it leaves both parties better off (*win – win situation*)

**Transactions:**
- A transaction is an exchange between two things of *value* on *agreed conditions* and a *time* and *place* of agreement.
- To make successful transaction a marketer should understand what each party expects from transaction.
Markets

- Market is a place or geographical area where buyers and sellers meet and enter into transactions involving transfer of ownership of goods and services

-Nature of the markets should be known

-Segments of the Market should be known

-Competition should be Known
Aim of Pharmaceutical Marketing

- Basic Marketing goal is to Satisfy customer needs

How:

• To know and understand the customer so well that the product or service fits him and sells itself

• It is basically the process of communicating the product information to the target customer.

- Make the target customer aware of the availability of the product.

- Inform the people of the desirable characteristics of the Product, with an aim of increasing sales.

- In the pharmaceutical Marketing it is the job of the sales representative to inform the doctors about the product and why it is worth prescribing instead of other competitive brands.
Keys to successful Pharmaceutical Marketing

• **The right product**: Specifications, dosage form, package.

• **The right Quantity**: Related also to packaging

• **The right place**: Where is it being sold, distribution channels.

• **The right Price**: Suitable in comparison to competitors and creating profit.

• **The right Time**: Availability when needed, right season, readiness of the market.
Role of Pharmaceutical Industry

- Discovery and development of new drugs (R&D)
- Rapid and safe development of these drugs into useful therapeutic tools.
- Production and distribution of safe and efficient existing drugs.