

## ROLE OF MARKETING STRATEGIES IN PROGRESSION OF A PHARMACEUTICAL BRAND ON ITS LIFECYCLE

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### ABSTRACT

*Marketing strategy is a forward-looking methodology and a general blueprint of any organization or any business with the major objective of accomplishing a supportable competitive favorable position by understanding the requirements and need of customers. Marketing strategies are concerned with the selection of policies targeting improving the competitive situation of the firm, assessing challenges and opportunities proposed by the competitive environment. Each brand or product has its life cycle which ranges from the time it is propelled to the time it exits from the market. This cycle covers five stages, in particular product development, introduction, growth, maturity and decline. The life cycle of every single brand or product is unique, and distinctive publicizing systems ought to be received at various stages to suit the marketing targets and market environment so as to accomplish the best marketing results. This paper reviews the pivotal role of marketing strategies in the progression of a pharmaceutical brand on its lifecycle.*

**Keywords:** Brand lifecycle, marketing strategy, progression, pharmaceutical product

### Introduction

Marketing strategy is a forward-looking methodology and a general blueprint of any organization or any business with the major objective of accomplishing a supportable competitive favorable position by understanding the requirements and need of customers. The difference between "strategic" and "managerial" marketing is utilized to recognize two stages having various objectives and dependent on distinct conceptual tools. Strategic marketing is concerned with the selection of policies targeting improving the competitive situation of the firm, assessing challenges and opportunities proposed by the competitive environment. Each brand or product has its life cycle which ranges from the time it is propelled to the time it exits from the market. This cycle covers five stages, in particular product development, introduction, growth, maturity and decline. The life cycle of every single brand or product is unique, and distinctive publicizing systems ought to be received at various stages to suit the marketing targets and market environment so as to accomplish the best marketing results.

### Definitions

"The marketing strategy lays out target markets and the value proposition that will be offered based on an analysis of the best market opportunities." (Kotler and Keller, 2012, p.24).

"An over-riding directional concept that sets out the planned path." (Aaker and Mills, 2001, p.p. 11).

"Essentially a formula for how a business is going to compete, what its goals should be and what policies will be needed to carry out these goals." (Porter, 1980, p. 29)

"The pattern of major objectives, purposes and goals and essential policies and plans for achieving those goals, stated in such a way as to define what business the company is in or is to be in. (Jain, 1993, p.p. 28).

Thus, marketing strategy is a road-map spelling out actions and directions to implement marketing policies for achieving various marketing goals.

### *Importance of marketing strategy*

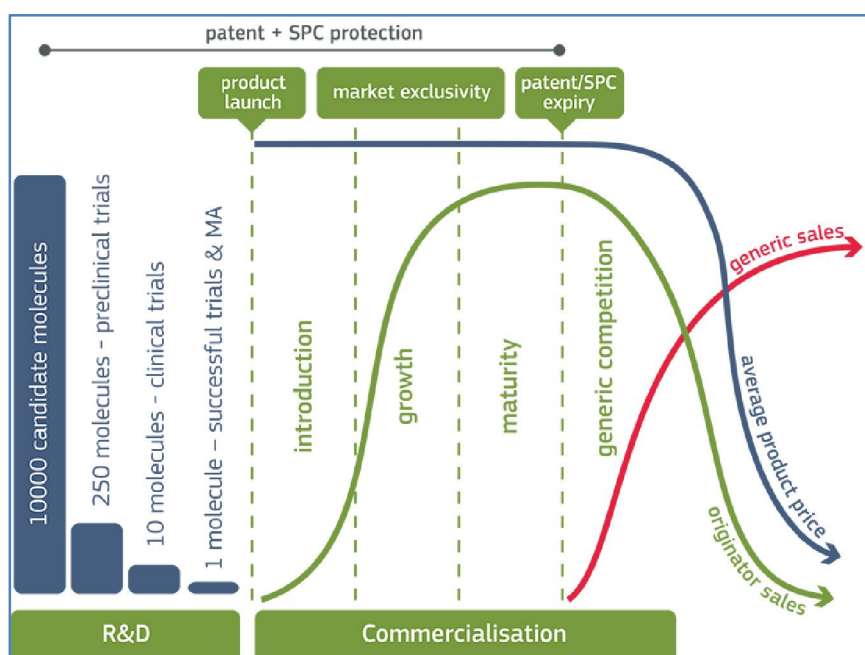
Marketing strategy gives an organization an edge over its rivals. Strategy helps in creating goods and services with best

benefit making potential. Marketing strategy helps in finding the territories influenced by authoritative development and accordingly helps in making a hierarchical arrangement to take into account the customer needs. It helps in fixing the correct cost for organization's goods and services dependent on data gathered by statistical surveying. Strategy guarantees viable departmental co-appointment. It causes an organization to make ideal usage of its assets to give a business message to it's objective market. A

marketing strategy assists with fixing the advertising budget ahead of time, and it likewise builds up a technique which decides the extent of the arrangement, i.e., it decides the revenue produced by the advertising plan.

### **Brand lifecycle**

Pharmaceutical product lifecycles are slightly heavy towards the development and introduction phase given the impetus on R & D that is required.



**Figure 1 PLC management for pharmaceutical innovation**  
(Source: Europa.eu, 2019)

Figure 1 shows an interesting dimension of pharmaceutical lifecycle. The R & D phase typically starts with candidature of something like 10,000 molecules to end up being successful with 1 molecule that passes through the trials and MA.

In general, the drug life cycle model relates to the life pattern of some other products and simultaneously, it has certain particularities. There are three unmistakable stages in the life pattern of another drug: (1) the research and development stage, up to its launch to the market, (2) the timeframe between its launch and the loss of exclusivity (for example the patent expiry

date) and (3) the period after the loss of exclusivity, when generic drugs can enter the market. During the principal stage, the companies distinguish conceivable new drugs and submit them to certain concentrated clinical and pre-clinical tests. Innovative companies are generally based (namely for in excess of 33% of all new drugs in approval stage for marketing) on innovations obtained from outsiders. During the subsequent stage, innovative companies market the drugs they have created so as to balance the immediate investments and to make profit. The confirmation of an effective protection of the patent is

fundamental for the help of this business design which ensures the presence of specific upgrades for the continuation of this innovation process. The last stage is the one where exclusivity is lost, and right now generic drugs can enter the market. When the expiry of the patent, a drug can be duplicated and fabricated by other pharmaceutical companies under an alternate trade name. This process is legitimately conceivable just if the permit is procured from the original manufacturer.

The approval of a generic drug takes on normal somewhere in the range of 1 and 3 years, contrasted with 10 to 15 years required for the approval of an original drug, the costs of generic companies likewise being extensively lower than the costs of the pharmaceutical companies that built up the original product (Ciot, 2015). On an overall basis the complexity of the lifecycle of pharmaceutical products can be better visualized when we have a look at the complete pharmaceutical lifecycle –

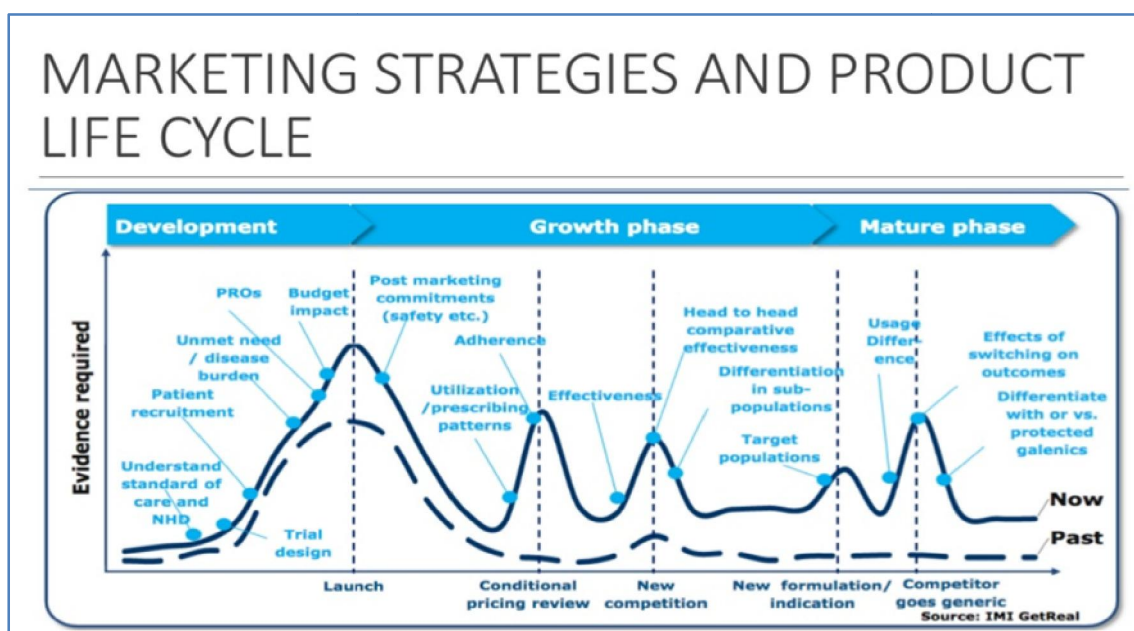


Figure 2 Illustrative Pharmaceutical product lifecycle  
(Source: Jehangir, 2017)

In India maximum drugs are presented by the Pharmaceutical companies as generics known as branded generics. As a part of strategy to counter loss of exclusivity, launching a generic version can be adopted as a ploy. A branded drug organization might have the option to profit directly from patients who move to a generic option by offering a generic. While this may appear to be irrational, the organization can fabricate a generic variant of the branded drug or cooperate with another gathering to do as such. Variations of this methodology include:

**Branded generic:** Leverage existing product supplies and approvals to make a

generic product to be sold by the branded organization.

**Approved generic:** Use existing product fabricating ability to furnish a private-name organization with a similar product.

**Authorized generic:** Contract with a generic contender to create a generic variant of the branded drug; this permits the contender to enter the market sooner than it would be permitted to something else.

This strategy can permit the branded organization to hold a higher bit of product esteem with moderately low usage costs. In any case, companies need to altogether understand the foreseen generic landscape before executing the technique. The launch

of another generic must be deliberately coordinated with the goal that the product isn't the first to market (and, in this manner, the first to present price competition for the brand) however is launched early enough to capture a huge portion of the generic market (Fezza et al., 2016).

### Literature Review

Kakkar (2015), Schramm and Hu (2013), and Song and Han (2016) concentrated on the phase of the brand professionally prescribed medication patent termination when confronted with conventional physician endorsed medication replacement. Kakkar, Schramm and Hu, and Song and Han analyzed the impacts of explicit life cycle the executive techniques, for example, product line expansions (reformulations, new mixes of medications and extended sign reaches) on the business brand life, revenue age and piece of the pie. These researchers concentrated on the opposition, the circumstance of market passage, the selectiveness of line expansions and the impacts on pieces of the overall industry and deals (Kakkar, 2015; Schramm and Hu, 2013; Song and Han, 2016). Kumar, Brianna, and Greene (2017) concentrated on marketing-blend improvement and asset distribution during different stages of a brand life cycle, with accentuation on marketing viability, product edges, and expenses. Dunne and Dunne (2015) and Kanavos (2014) concentrated on looking at the impacts of the valuing procedures available, and thought about, and differentiated conventional, and brand physician recommended medication methodologies. Barrales-Molina, Martínez-López, and Gázquez-Abad (2014) inspected the impacts of authoritative skill or ability as a wellspring of vital favorable position with regards to pharmaceutical research. Gray, Siemsen, and Vasudeva (2015) and Song and Han (2016) archived that the pharmaceutical market is intricate and profoundly managed industry, and that Food and Drug Administration (FDA) authorities assess prescriptions for (a) security,

viability, and assembling quality as a state of market access; (b) advancement; and (c) medication costs. The continually evolving environment (innovation, administrative, markets, and contender contributions) and strengthened rivalry prompted the requirement for marketing administrators to create and actualize sound marketing procedures during different stages of brand life cycle while utilizing the product portfolio blend so as to stay competitive in the commercial center (Prajapati et al., 2013; Schramm and Hu, 2013; Song and Han, 2016). Prescriptions have complex life cycles with various entertainers, social frameworks, and establishments figuring out who utilizes what meds, how, when, and why (Anderson, Stowasser, Freeman, and Scott, 2014). Hierarchical pioneers see the existence cycles as frameworks that are a piece of different frameworks, for example, social, cultural, and monetary frameworks, that are continually changing (Anderson et al., 2014). Kvesik (2008) in his paper surveys the regular and more novel ways to deal with overseeing and expanding the lifecycle of pharmaceutical products. With regards to rigid marketing guidelines and an inexorably competitive landscape, more prominent accentuation should be put on when and how each period of a product's lifecycle is overseen so as to boost quantifiable profit. This paper depicts each of the lifecycle the executives systems at present rehearsed, when and how they may be utilized, and gives chosen instances of usage.

### Research Gap

Very little research has been found in this area in Indian contexts. This is a gap which the authors would like to fill with some focus on pharmaceutical brands from anti-diabetic product category.

### Role of marketing strategies in brand life cycle of pharmaceutical products

In the pharmaceutical industry, invariable large amount of funds are directed towards research and development. But a few

understand and appreciate the contribution and role of the pharmaceutical marketing system and the marketing professionals in this field. These are the ones that make the drug accessible at the right place and time, in the right quantity, and importantly at a reasonable price and along with all the information required (Ciot, 2015).

A product passes through various phases in its entire life cycle. A fit-for-all strategy doesn't work for all the phases of the brand life cycle. The first stage of product introduction, for instance, may be driven by various types of needs like cost, a special need, etc. In case of diabetic medicine, in

India, the need is to cut down the cost so that the drug becomes affordable. This then leads to product development that is low-cost oriented. [www.firstpost.com](http://www.firstpost.com) (2017), has reported the find of "chalcone" a new anti-diabetic drug by Indian scientists that can be sourced from plants. "Chalcone" can be very easily found in many plants improves insulin sensitivity and also reduces the blood glucose levels in just the same way as the commercially available anti-diabetic drugs do.

Special strategies need to be adopted taking into account the typical requirements of a peculiar phase of the life cycle of the product.

	INTRODUCTION	GROWTH	MATURITY	DECLINE
Marketing objectives	Create product awareness & trial	Maximize market share	Maximize profits while defending market share	Reduce expenditure & "milk" brand
Product	Offer basic	Offer new features, extensions, service, & warranty	Diversify brand & models	Phase out weak items
Price	Usually high; use cost +	Maintain pricing	Match or lower than competitors	Cut price
Distribution	High expenses	Increase number of outlets	Intensify distribution	Very selective
Promotion	Build awareness among early adopters	Build awareness & interest in mass market	Stress brand differences & benefits	Reduce level to maintain loyal customers

**Figure 3 Summary of marketing strategies in PLC**

(Source: Jain, 2017)

Mullins et al. (2010) introduced the brand life cycle model as a structure that gives opportunities and dangers in the marketplace and the industry, so as to enable the organizations to more readily envision changes in the product's vital market objective, its strategy, and its marketing program. Mullins et al. discovered that products experience five particular stages, for example, introduction, development, shakeout, maturity, and decline during their life cycle, or don't follow the bend in view of numerous elements. Mullins et al. suggested by recognizing and understanding the phase of the brand life cycle, business pioneers can distinguish the reactions that marketing chiefs make to the changing conditions

looked by the product. Prajapati et al. (2013) recognized and depicted ways to deal with overseeing and expanding the existence cycle of pharmaceutical products to augment the return on speculation. Prajapati et al. affirmed the ascent in development costs for new particles, the decrease in dispatch of new products and the productivity of research and development, made the pharmaceutical organizations depend on the existence cycle the executive procedures to boost their benefit. Prajapati et al. given a model of life cycle stages: (a) product development stage (includes development of new product thought), (b) endorsement stage (administrative endorsement), (c) presentation stage (incorporates product

dispatch and greatest effect on deals), (d) commercialization and quality administration stage (related with a time of most elevated deals returns and spotlight on expanding piece of the pie), and (e) decay stage (related with product withdrawal and decrease in pieces of the overall industry). Nikolopoulos, Buxton, Khamash, and Stern (2016) recognized four brand life cycle stages: (a) presentation related with low product deals and high marketing costs; (b) development described with expanded product deals and presentation of lower estimated impersonation products from the contenders; (c) development portrayed with top product deals followed by a decay, and extreme piece of the overall industry rivalry; and (d) decrease decay of product deals and benefits from product deals. Nikolopoulos et al. recorded that the brand life cycle applies to both brand and conventional professionally prescribed medications. Nikolopoulos et al. given a gauging rivalry model of brand and nonexclusive physician endorsed sedates when patent expiry. Nikolopoulos et al. affirmed that marketing directors need to understand the brand life cycle model and the deals designs, and apply diverse marketing systems for each phase of the brand life cycle to address these examples. Wagner and Wakeman (2016) portrayed the commercialization of a product as a process from product creation to post-patent expiry, and gave a model of life cycle stages: (a) pre-dispatch stage, where R&D exercises and clinical preliminaries occur; (b) marketing and deals stage, where organizations sell protected products under selectiveness, and (c) post-restrictiveness stage, where the licenses lose eliteness, and conventional medication rivalry exists. Wagner and Wakeman talked about the speed of product commercialization, and the elements affecting the speed of product commercialization: the span of clinical preliminaries during pre-dispatch stage, and the organization's speculation into the product commercialization. Wagner and

Wakeman reported that pharmaceutical organizations spend about 17% of their deals from professionally prescribed medications on Research and development exercises. Wagner and Wakeman declared that organizations put more assets into products with high anticipated worth, (for example, the financial significance of the treated expire and the difficult it unravels, and product quality), and offer these products for sale to the public quicker than products with low anticipated worth and return on venture. Visiongain (2018b) examined and investigated the existence cycle the board techniques that organizations are utilizing to augment the product business life and revenue age, comprising of measures, for example, reformulations, new mixes of medications and expanded sign extents, and the utilization of partnerships, permitting, mergers and acquisitions. The colleagues gave forward-looking deals examination from 2010-2020, organization headings, conversations of business and innovative developments and investigation of market drivers and restrictions, rivalry, opportunities and dangers impacting the different parts of brand life cycle the executives for pharmaceuticals. The colleagues showed that optimized brand life cycle the board will be of critical significance to the pharmaceutical industry in the coming years. Pramod, Tahir, Charoo, Ansari, and Ali (2016) talked about product development systems concentrating on the product quality, and their effect on the product portfolio exhibitions in pharmaceutical and organizations. Pramod et al. tended to the significance of task and product portfolio the executives on the organizations' presentation in the marketplace, and noted research and development processes are critical for effectively creating imaginative products. Pramod et al. underlined the need of consistent product quality and process enhancements for the duration of the lifecycle from development through commercialization & past product end.

### Conclusion

Pharmaceutical industry in India is poised for a major growth (IBEF, 2020). Indian pharmaceutical segment is expected to develop to US\$ 100 billion, while clinical gadget market is expected to develop US\$ 25 billion by 2025. Pharmaceuticals export from India remained at US\$ 20.70 billion in FY20. Pharmaceuticals export incorporate mass medications, intermediates, tranquilize definitions, biologicals, Ayush and natural products and surgicals. India's biotechnology industry containing biopharmaceuticals, bio-services, bio-agribusiness, bio-industry, and bioinformatics is expected develop at a normal development pace of around 30 percent a y-o-y to reach US\$ 100 billion by

2025. India's domestic pharmaceutical market turnover was at Rs 1.4 lakh crore (US\$ 20.03 billion) in 2019, up 9.8 percent y-o-y from Rs 129,015 crore (US\$ 18.12 billion) in 2018. Undoubtedly knowledge addition and development in the field of role of marketing strategies in progression of pharmaceutical brands on its life cycle will help the industry to achieve these targets. Given this background, a study entitled "Study of marketing strategies of anti-diabetic drugs for progressing from introduction to growth phase in the brand lifecycle" was undertaken with a special focus on anti-diabetic drugs. The study is expected to make valuable academic as well as practical contributions.

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