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FACTORS OF INFLUENCE ON THE MANAGEMENT OF SALES ACTIVITIES OF PHARMACEUTICAL ENTERPRISES

Olena V. Garmatiuk¹, Postgraduate, senior lecturer

Abstract *The purpose of the study is to determine the factors that affect the sales activity of pharmaceutical enterprises. Empirical research methods were used to achieve the goal; methods of theoretical research. The article determines that there are a number of factors affecting the stable growth and development of the pharmaceutical sector. Factors influencing the external and internal environment, such as product factors, enterprise opportunity factors, consumer factors, and market factors, are highlighted. It was determined that the quality of the medicinal product is an important factor affecting sales. High therapeutic indicators, modern technologies, the absence of side effects in medicinal products contribute to the demand for them, and, on the contrary, the inconsistency of the declared quality in the process of using a new drug reduces the demand and, as a result, the sale of the medicinal product. Forming an effective sales policy, pharmaceutical manufacturers must understand the essence of consumer behavior when purchasing pharmaceutical products, taking into account the factors influencing their behavior. The following factors of consumer behavior are highlighted: physiological factors; cultural factors; social factors; economic factors; personal factors. It was determined that market factors are manifested in the characteristics of the level of competition in the market situation, seasonality of sales. Skillful use of the influence of these factors allows you to avoid undesirable phenomena, and sometimes to achieve prosperity. It is suggested that pharmaceutical enterprises use the proposed group of factors for the purpose of early detection of risks affecting sales activities.*

Key words: *pharmaceutical market, pharmaceutical products, factors, competition, quality, distribution channels, sales, sales activity, promotion.*

¹ Pavlo Tychna Uman State Pedagogical University postgraduate, senior lecturer Department of Marketing, Management and Business Management, ORCID: <https://orcid.org/0000-0002-2589-3269>; e-mail: harmatiuk.o@udpu.edu.ua

ФАКТОРИ ВПЛИВУ НА УПРАВЛІННЯ ЗБУТОВОЮ ДІЯЛЬНІСТЮ ФАРМАЦЕВТИЧНИХ ПІДПРИЄМСТВ

О. В. Гарматюк¹, аспірант, старший викладач

Анотація. Метою дослідження є визначення факторів, які впливають на збутову діяльність фармацевтичних підприємств. Для досягнення мети використовувалися методи емпіричного дослідження; методи теоретичного дослідження. У статті визначено, що існує ряд факторів, що впливають на стабільне зростання і розвиток фармацевтичного сектору. Виділено фактори впливу зовнішнього та внутрішнього середовища, такі як фактори товару, фактори можливостей підприємства, фактори споживачів, фактори ринку.

Ключові слова: фармацевтичний ринок, фармацевтична продукція, фактори, конкуренція, якість, канали розподілу, збут, збутова діяльність, промоція.

Formulation of the problem. The sales activity of pharmaceutical enterprises and the distribution channels of pharmaceutical products depend on the influence of both internal and external factors of the enterprise. Analysis of the influence of these factors on the sales activity of the enterprise and their adequate assessment allows effective management decisions to be made.

Analysis of recent research, publications and selection of previously unsolved parts of the overall problem. Scientists such as studied theoretical and methodological aspects of the influence of factors on sales activity and their role in making management decisions: D. G. Legeza, S. O. Tulchynska, Yu. Ye Lebedeva, Yu.S. Zaloznova, N.V. Trushkina, O.P. Piven, V.V. Maly, L.P. Dorokhova, O.Yu. Rogulya, O.M. Horrible, S. Sendyona, I. Odeyemi, K.

Maman, L. Iona, A. Vodab, R. Butnaruc, G. Butnarudand, G. Chirita. The question of the efficiency of sales activity management is reflected in the domestic works of scientists, in particular D. V. Kabachenko, M. A. Demydenko, T. V. Ilchenko, S. M. Ivanov. However, in our opinion, not enough attention is paid to the factors that affect sales activity in terms of pharmaceutical enterprises.

The purpose of the article. Determined factors affecting the sales activity of pharmaceutical enterprises and their consideration during sales activities. Constantly changing conditions of the economy, globalization of the market, and the growth of competition present business entities with the task of solving the problem of their strategic development. The source is an analysis of its activity on the market [1].

The sales strategy of an enterprise - a

¹ Уманський державний педагогічний університет імені Павла Тичини; викладач кафедри технологій та організації туризму і готельно-ресторанної справи; ідентифікатор ORCID: <https://orcid.org/0000-0002-6661-4780>; e-mail: barvinok.n@udpu.edu.ua

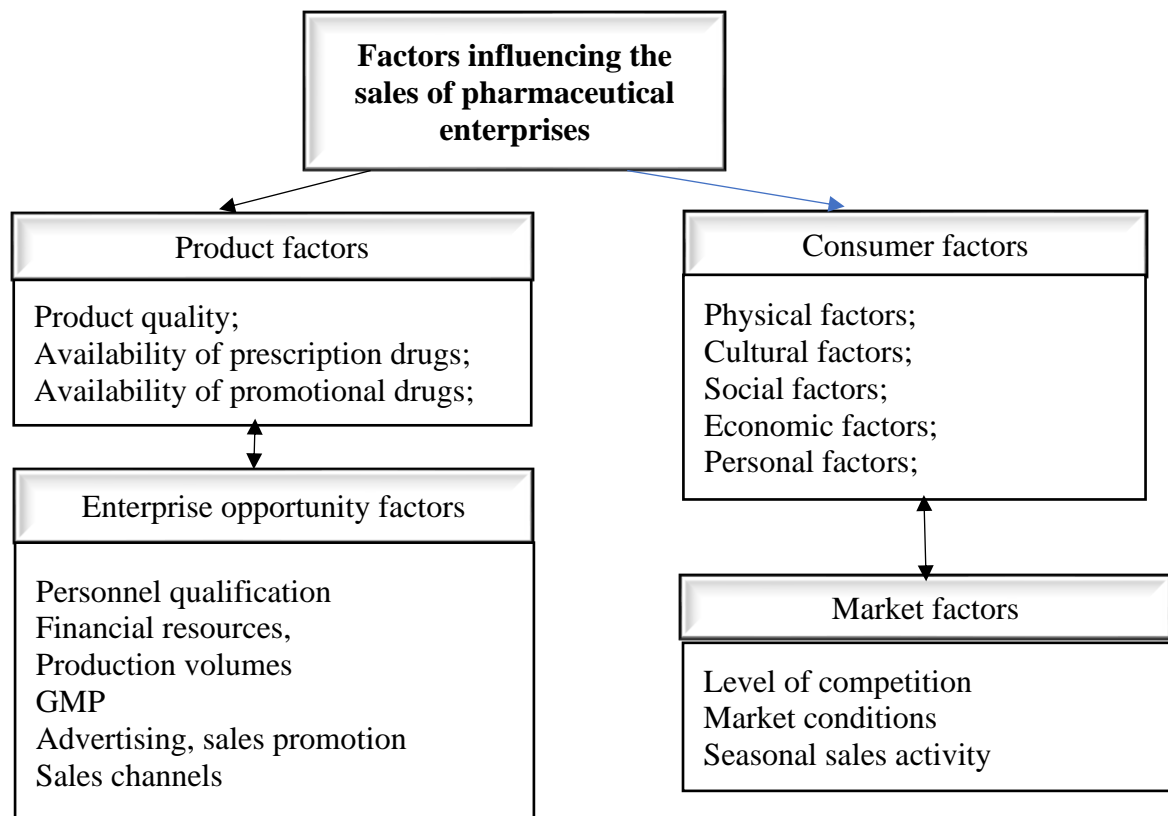
product manufacturer should be considered as a purposeful activity, the principles and methods of which are designed to organize the movement of the flow of goods to the final consumer. The main task of the sales strategy is to create conditions for transforming the needs of a potential buyer into real demand for a specific product [2].

The pharmaceutical industry is one of the fastest growing in any country. This is because the consumer segment of this industry covers all strata of the population, regardless of age, belonging to a social strategy, and the type of household activity. There are a number of factors that influence the stable growth and development of the pharmaceutical sector: The influence of exogenous factors on the state of human health based on the current, steadily deteriorating environmental situation in the

world; development of certain layers of pharmacology: biologically active additives; creation of analogues of expensive drugs (generics) at a significantly reduced cost.

Thus, enterprises of various types of activity and forms of ownership are constantly looking for ways to improve the efficiency of their work. This is also because the external environment is becoming more and more aggressive, it is actively influenced by globalization, and competition on the market has intensified recently.

In our opinion, factors influencing the external and internal environment should be distinguished, such as product factors, enterprise capabilities factors, consumer factors, rice market factors. 1.



*Fig. 1 – Factors influencing the sales activity of pharmaceutical enterprises
 Source: development of the author*

An important factor affecting sales is the quality of the medicinal product. High therapeutic indicators, modern technologies, the absence of side effects in medicinal products contribute to the demand for them, and, on the contrary, the inconsistency of the declared quality in the process of using a new drug reduces the demand and, as a result, the sale of the medicinal product.

The peculiarities of the sale of pharmaceutical products are connected with the high social significance of the pharmaceutical industry as a sphere of public production, which results in a significant level of its regulation by the state authorities of the country. In this connection, the sale of pharmaceutical products is carried out under conditions of significant restrictions.

The biggest restriction is the sale of prescription drugs, according to the law, information about these pharmaceutical products can be distributed only in specialized publications designed for medical and pharmaceutical workers. Therefore, when developing a sales policy, it is necessary to remember that the target audience for the sale of prescription drugs is doctors.

In modern conditions, the pharmaceutical market is characterized by a significant increase in demand for over-the-counter drugs. This is largely due to a change in the worldview of the population regarding their health and compliance with the rules of a healthy lifestyle, the prevalence of self-prevention and self-treatment, and the increase in the

availability of information about human diseases and drugs for their treatment [3].

Promotional and advertising activities are important as a means of informing healthcare professionals about the availability and use of new medicines, as well as providing advice on new ways of using existing medicines. This type of information complements the existing knowledge of healthcare professionals and allows them to provide more effective patient care, taking into account the most up-to-date legal remedies. Pharmaceutical promotion can be characterized as a mediated, non-personal form of information transfer of goods to the end user or his representative in the person of a doctor or pharmacist. Special magazines, brochures and a system of direct mail information correspondence in the target group are the main carriers of advertising [10]. However, mass media, such as television, radio, and the Internet, are gaining more and more importance today in the advertising of medicinal products. The presence of promotional drugs promotes consumer awareness and, accordingly, stimulates both purchases.

Forming an effective sales policy, pharmaceutical manufacturers must understand the essence of consumer behavior when purchasing pharmaceutical products, taking into account the factors influencing their behavior. In connection with the specificity of the medicinal product as a product, the behavior of consumers in the pharmaceutical market has a number of peculiarities. A systematic study of patterns of consumer behavior in

the pharmaceutical market is needed, where factors influencing their behavior should be investigated.

In our opinion, it is appropriate to highlight the following factors of consumer behavior: physiological factors; cultural factors; social factors; economic factors; personal factors.

Physiological factors are the basis of the practice of drug consumption. Only an unsatisfactory physical condition makes a person need to consult a doctor or buy a medicine in order to avoid unpleasant sensations in the body. This group of factors includes, first of all, an assessment of the state of health of potential consumers. The activity of consumers in the drug market depends, first of all, on the state of health. To better understand the needs and motives of consumers, it is necessary to consider other factors that influence consumer behavior [11]. The choice of one or another drug is determined not only by the presence of diseases and the demographic status of the respondent, but also by information systems that determine the behavior of the population on the drug market. Information systems significantly influence the formation of the culture of the population in relation to their health. Sources of information provide advertising of medicinal products, form the demand for medicinal products and influence decision-making about the treatment regimen.

A significant influence on the behavior of consumers in the pharmaceutical market is exerted by cultural factors, which primarily characterize the presence of a culture of

drug consumption, that is, a behavior model that minimizes the possibility of the appearance of various types of risks. So, for example, when health problems arise, a person can act in different ways: go to a doctor and get qualified help or, ignoring the illness, lead a normal lifestyle, which will increase the likelihood of health risks.

A group of personal and psychological factors is of particular importance for the study of the consumer: lifestyle, social status, beliefs and attitudes. Lifestyle is a certain type of behavior of an individual or a group of people, which records persistently reproduced traits, mannerisms, habits, tastes, and inclinations. This is one of the most important characteristics of a lifestyle as an established form of being an individual. Status reflects an integrated indicator of the position of a social group and its representatives in society, in the system of social ties and relations. Social significance they assessed in such concepts as, for example, prestige and authority. The content of needs, appearing in the form of beliefs, a certain worldview of an individual. As for the attitude, it expresses the readiness of the subject, which arises when they perceive a certain object or situation and ensures the stable nature of the activity in relation to them.

Market factors are manifested in the characteristics of the level of competition in the market situation, seasonality of sales. The management of the enterprise's sales activities is carried out on the basis of the expansion of the target market associated with factors [8]. Skillful use of the

influence of these factors allows you to avoid undesirable phenomena, and sometimes to achieve prosperity.

The factor of competitive struggle is one of the decisive ones, since it is this position of the firm that is an inevitable condition for improving or worsening the results of sales policy, respectively, sums up the work of the firm in the chosen field of business. That is why sales channels should be built in such a way that they are best protected from the influence of competitors and are able to realize the competitive advantages of their products [7].

Seasonality in the pharmaceutical market is one of the key factors in the formation of both the production program of an industrial pharmaceutical enterprise and the development of an assortment policy of retail pharmaceutical companies. The factor of seasonal sales is probably the most well-known factor that is first of all mentioned when planning and analyzing sales of pharmaceutical products. Means how sales change depending on the time of year, season, month.

Changes in the volume of sales depending on the season are characteristic of many goods and services, and pharmaceutical goods are no exception. The main part of retail sales is for autumn and the beginning of winter (3-4 quarters) - 53-55%. In the first quarter, the volume of sales decreases, and in the second, although there is an increase, it is insignificant up to 4%. The summer months have the lowest sales. For example, in the autumn months there is a maximum demand for vaccines

associated with vaccination against influenza. At the same time, pharmacies begin to stock up on antiviral agents, immunostimulants, the main sales of which fall on the end of autumn and the beginning of winter, as well as in February - March. In addition to annual fluctuations, changes in sales volumes depend on the scale of the flu epidemic and colds.

In the spring and summer, the demand for antihistamines increases. In the summer months, in the case of hot weather, the number of manifestations of cardiovascular diseases increases, which causes an increase in the demand for the corresponding medicinal products.

In our opinion, taking into account the seasonality of sales of medicinal products on the pharmaceutical market will provide an opportunity to optimize the production and sales program of pharmaceutical enterprises. To smooth out the seasonal fluctuations that occur in the sale of drugs, it is advisable to use various marketing technologies.

The specificity of medicinal products as a product determines the peculiarities of the structure of sales channels of pharmaceutical products. Medicinal products are divided into prescription drugs, which can be purchased at a pharmacy only with a doctor's prescription and the therapy of which takes place under the supervision of a doctor (at home or in a medical and preventive institution), and non-prescription drugs, which can be freely purchased at a pharmacy and can be used for self-medication. Depending on this, the final

consumers are the patients themselves, who receive the drug in a pharmacy, or medical and preventive institutions that purchase drugs for use in patients who are currently undergoing treatment. Zero-level channels are possible in cases where the manufacturing company of the treatment and prevention facility directly sells the drugs. To carry out such an agreement, the volume of the order must be significant. This sales method is quite uncommon in Ukraine.

This is because, on the one hand, it is easier for the manufacturer to use the services of an intermediary to sell sufficient batches of medicines, and on the other hand, in the context of budgetary savings of federal healthcare funds during the economic crisis, healthcare institutions cannot place large enough orders for medicines [4].

The most commonly used distribution channel is a single-tier one, where a pharmacy acts as an intermediary [5].

The most common way of selling medicines in Ukraine is a two- and three-level channel, which includes two or three intermediaries, respectively. Among them, one or two are wholesale intermediaries and one retail [6].

Ukrainian experience shows that in the pharmaceutical market, as in many other markets, manufacturing companies

do without intermediaries in order to bring their products directly to the end consumer in extremely rare cases [7].

The peculiarities of the modern pharmaceutical market of medicines are the growth of the retail and especially the retail network of pharmacy organizations, the tendency to reduce the number of distribution-wholesale firms and their concentration.

The expediency of intermediaries in the pharmaceutical market is also explained by the difficulty of direct purchases of goods from manufacturers by pharmacies and healthcare facilities for a number of reasons:

- Often the minimum amount of the contract and delivery lot is so significant that it is impossible to fulfill them due to lack of funds;

- The purchase of large batches of medicines can cause overcrowding in pharmacies;

- Costs for direct purchases of goods by pharmacies increase the amount of costs, which ultimately affects the price.

Contribution. The obtained results will allow for a comprehensive, detailed and structured analysis of the factor influence on the sales activities of pharmaceutical enterprises, which will allow for implementation in real conditions in order to improve the efficiency of sales activities.

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