

## Customer Relationship Management initiatives in Pharmaceutical Industry in India: The Newer and emerging trends of CRM & their impact

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### ABSTRACT

Pharmaceutical industry in India is one of the fastest growing industries in the country today, growing with an average CGAR of 8.5% with an approx. market size of approx. 2 trillion. The relevance of the Indian Pharmaceutical industry can be measured by the fact that today India is considered as the Pharmacy of the World. However, the industry is now experiencing a rapid change because of the changing scenario in the field of Pharmaceutical Marketing. The dependence of marketing strategies on Key Opinion leaders or decision maker Doctors had given rise to newer trends of marketing strategies to win over the confidence of KOLs. In the current scenario the most important tool which Pharma companies use to retain their KOLs is Customer Relationship management initiatives. Although Indian Pharmaceutical companies are practicing these CRM based marketing since last 2-3 decades or so, there seems a huge paradigm shift from traditional mode of customer relationship management (CRM) to the highly advanced and intuitive means of CRM initiatives, which are in practice now a days. This paradigm shift which was happening at a steady pace, have been hastened due to the sudden emergence of Covid-19. This paper tries to explore these changing trends of CRM marketing strategies adapted by the Indian Pharmaceutical industry, in the field of pharmaceutical marketing in India & the extent of their impact on medical practitioners in India, for whom they are designed.

**Key Words:** Key Opinion Leaders (KOLs), Prescribers (Doctors), Pharma CRM, Newer Trends in CRM, Effectiveness of Newer Trends of CRM, Acceptance of Newer Trend, Prescriptions, Digital CRM

### INTRODUCTION

The Indian Pharmaceutical Industry was practically non-existent till the early 1970's, with the major dominance of the Multinational companies like Glaxo, Pfizer, Roach, etc.; to name a few. But that was history, today India has gained immense importance and has even been considered as a Pharmacy of the world looking into its capabilities of manufacturing highly advanced Pharmaceutical & Biotechnological drugs & vaccines. Due to the changing circumstances Indian Pharma Industry is now able to carve a niche for itself in global pharmaceutical domain. Presently, India is considered as one among the top five pharmaceutical emerging markets of the world. India has established itself as a big mart of the pharmaceutical industry. As of July 2023 the Indian Pharma domestic market accounts to 188225 crores on MAT Jul'23 while 16769 crores in the month of Jul'23 with an incremental value of 841 Cr moving at a CAGR of 8.5%.

Despite of all the challenges Indian Pharmaceutical industry is all set to score new heights in the near future. During FY18 to FY23, the Indian pharmaceutical industry has logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the

domestic market. In FY 2023, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching \$49.78 billion. While exports grew a modest 3%, the domestic market increased 7% year-on-year.

Care Edge ratings expects the pharmaceutical industry to grow at 7-8% in FY24-FY25, supported by a 6-7% growth in exports and an 8-9% growth in the domestic market during the same period. “With the stabilization of raw material prices, freight rates, and easing of pricing pressure in US generics market along with a focus on complex and specialty products, Care Edge Ratings expects the operating margin of industry players to improve by 100-150 bps over FY24-FY25 compared to FY23. The Indian pharma industry is expected to see a growth of around 7% to 8% over FY24-FY25 while the operating profitability of formulation companies to improve to around 23-23.5% and that of APIs/bulk drug companies to improve to around 19-20% during the same period.

### **INTRODUCTION TO PHARMA MARKETING & CRM**

Pharmaceutical Marketing in India is a tricky business. One cannot market the product directly to the customer due to the regulatory restrictions of the country. The product has to be marketed to a bunch of specialists (Doctors in our case) who will then work as Key Opinion Leaders (Supporters) about the product and advise the end customer to consume it as per his/her need. This brings the inception of concept of Customer Relationship Management (CRM) in Indian Pharma Market. CRM in Pharma industry is the most widely used Management tool for the enhancement of Prescription support and for retaining faithful support from a bunch of KOLs across the marketplace. Customer relationship Management is a continuous endeavor in Pharmaceutical Industry, as the sales of scheduled medicines is strictly governed by the law of the country and it depends completely on a third-party advocacy. This Third party in case of Pharmaceutical Industry are Doctors. Although they are not the end consumers of the product but the sale of product happens only when they advocate or prescribe a particular medicine to the end consumer that is Patient in our case. These Doctors not only helps the company is increasing their sales base, they also act as Opinion Makers for a company. Their perception about a company matters more than the mere sales numbers, as they can transfer that perception about a particular company easily in the mind of end consumers, the patients with their opinion or mindset about that company and its products.

Marketing of pharmaceutical products to doctors in older days happens through relationship marketing. Company representatives called Medical Representatives, Sales Officers, Business Executives, ( MR, SO, BE) etc., meet the doctors in their specific geographical Head Quarter, ( mainly a large City or District HQ) and promote their products. The doctors, if satisfied with the efforts of person & quality of medicine in turn prescribe the products to the patients who buy them from the chemist shop. The brands prescribed by the doctors depend upon their exposure to the different brand names present at any given time in the market, for a particular drug formulation. Their knowledge about these brands mainly depends upon the exposure given to them by the medical representatives of various pharmaceutical companies.

Pharmaceutical companies spend a large amount of money on marketing communications directed towards the prescribers (doctors) via their Medical Representatives. Till about early 90s , the main marketing tools Pharma Industry uses for marketing its products via their Medical Representatives includes –

- a) Detailing of the selected or specific products with the help of a product brochure called Visual Aid.
- b) Providing free samples of their Products to the doctors.

- c) Claims the superiority of their Product / molecule / dosage form on the basis of researches published in reputed medical journals across the world.
- d) Small Gifts that hold the company logo or Reminder Cards of their products.
- e) Sponsoring the Continuous Medical Education of Doctors. (CMEs).

All or some of these methods were used by the MRs to promote their products to the doctors and subsequently making them to sale in the market. This entire process was successful to a great extent for majority of Pharma firms but since last few years particularly after the introduction of product patent regime [The Indian Patents (Amendment) act 2005] market scenarios started changing drastically. The older and the traditional ways were no longer beneficial and due to the immense competition within the pharmaceutical market, the Marketing people in the Pharma industry were bound to think about some out of the box solutions to tackle these new challenges. To add to their trouble a new development in July 2012 happened due to a joint meeting of IPA(Indian Pharmaceutical Alliance), OPPI( organization of pharmaceutical producers of India), & IDMA( Indian drug manufacturers association), the Indian Pharma companies have agreed in principle to enforce a Ethical code of conduct, that will restrict them from offering gifts or other freebies to doctors.

Therefore, it's a compulsion for every pharmaceutical company to be in constant touch with its product advocates, who are Doctors, consider them as the Key Opinion Leaders (KOLs) and treat them as their core customers. So, building a strong and long-lasting relationship with this KOLs & their retention becomes the most important aspect of Pharmaceutical Marketing in changing environment. One of the most used models for such retention is Customer Relationship Management techniques. Looking into the fiercely competitive market for Pharmaceutical Companies in India, with time, many new trends have emerged in the field of Pharma CRM which are needed to be explored in the terms of their productivity.

### **CONVENTIONAL PHARMACEUTICAL CRM STRATEGIES BASED ON THE COMPREHENSIVE LITERATURE REVIEW**

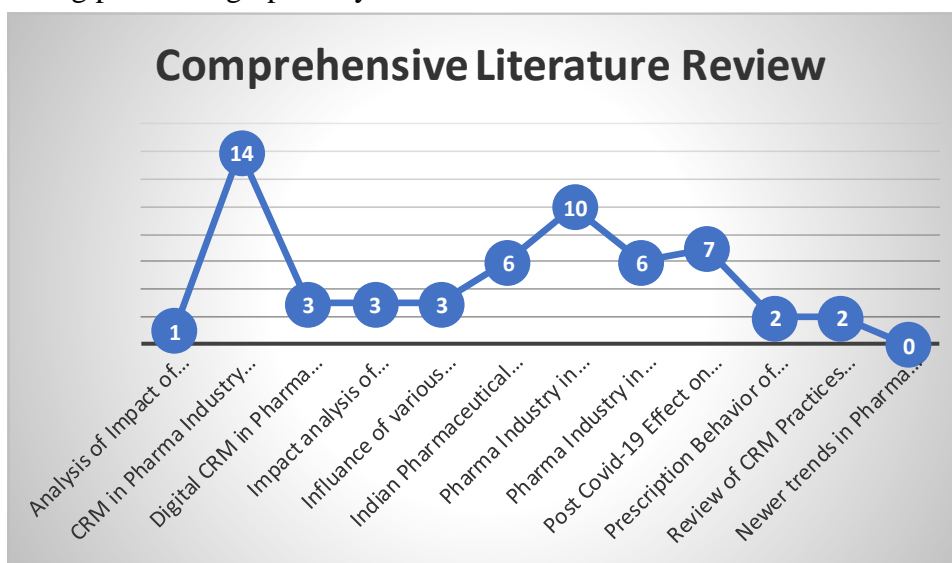
Customer relationship management (CRM) is the strategic process of shaping the interactions between a company and its customers with the goal of maximizing current and lifetime value of customers for the company as well as maximizing, satisfaction for customers. CRM is a complex set of activities that together form the basis for a sustainable and difficult to replicate competitive advantage over others because it involves vital customer-focused strategies. Foundation of CRM in the pharmaceutical industry is based on the relationship between its primary sales force & its prescribers (i.e. doctor) Pharmaceutical companies had gradually realized that they can no longer afford to be only product or market focused. Hence, they have to focus now on customer relationship management (CRM) and gain a complete understanding of their current and potential customers. Companies, which implement CRM, not only increase the efficiency of their sales and marketing efforts, but also enhance their customer's experience and loyalty towards the pharmaceutical company.

To understand the subject of research in depth and finding out the real research gaps, a comprehensive literature review was carried out and a total of 57 past research papers, Literature reviews, Papers presented on the same subject, and web publications in the news portals were studied in details. All the literature studied was classified based on a classification table by marking all the available research based on type of research, tool used for research, research methodology used, and final

purpose of the research. The following research purposes were selected and the total number of studies falls under each research purpose was segregated which is given in below table –

Research Area Details	Total Studies
Analysis of Impact of CRM in Corporate Hospitals	1
CRM in Pharma Industry in India	14
Digital CRM in Pharma Industry in India	3
Impact analysis of Pharma CRM on Doctor's Prescription Behaviour	3
Influence of various factors on Prescription Behaviour of Doctors in India	3
Indian Pharmaceutical Industry	6
Pharma Industry in International Markets	10
Pharma Industry in SAARC countries	6
Post Covid-19 Effect on the Pharma Industry	7
Prescription Behaviour of Doctors in India	2
Review of CRM Practices in India	2
Newer trends in Pharma CRM in India	0
<b>Total Literature Reviewed</b>	<b>57</b>

The same was being presented graphically as –



This led us to the conclusion that firstly, sufficient amount of research work is not being carried out in this particular area, and whatever research is being done is of a very limited geographical boundary. While exploring the literature & prior research articles on the same subjects many new dimensions were studies and the hypothesis was tasted based on the conclusions of the previous researches done in the field of CRM done by pharmaceutical industry in India. Out of all these 57 literature studies 14 were on the topic of CRM practice in pharmaceutical industry in India but did not present its impact analysis on the end customer, that is, the doctor. Only 3 studies present a narrow prospective of impact

of these CRM practices on prescription behavior of doctors and the other 3 gives idea on influence of various other marketing practices on prescription behavior of doctors. There are just 2 studies which highlights the need for reviewing the CRM practices adapted by pharmaceutical industry in India. Most importantly, there was no study or research being carried out on the impact analysis of current CRM practices on prescription behavior of the doctors or on the level of acceptance of these CRM strategies by the doctor community or whether there is any need for changing these strategies for good or not. This signifies a huge research gap in this area and thus this research aims to find out this basic unanswered question. The important understandings while reviewing the literature are being summarized below -In a research paper titled *Factors Influencing the Prescription Behavior of Doctors-An Insight for the Pharmaceutical CRM Strategy Formulation*, Dr Gurpreet Kaur Chhabra concluded that CRM in pharmaceutical industry is all about identifying, satisfying, retaining and maximizing the value of a company's best customers. Its time not that the Indian pharmaceutical market has to re-work upon its ground level of understanding consumer(doctor) behavior. She also stated that prescribing the behavior of doctors is a complex activity involving the interplay of a number of factors which varies from marketing, relationship & CRM strategies adopted by pharmaceutical companies to medical & psychosocial factors. If the CRM strategists have a thorough insight into these factors, they shall be able to design the right CRM strategy for each category of doctors.

In another study titled *Influence of Pharma CRM & Personal Selling Strategies on the Prescription Behavior of Doctors- A Literature Review* by Ms. Gurpreet Kaur and Dr. Deepali Saluja concluded that s. A well designed customer- centric CRM system, helps the Pharma firms in establishing a single view of the customer and in turn present a single face to the customer and develop a meaningful customer segmentation and customizing and differentiating customer communications based on the insights extracted from segmented data. It will help Pharma firm to create a sustainable competitive advantage in this highly competitive market, if they are able to perform and manage it well and better than others. They also noticed that although the doctors still gave importance to knowledge and prefer to prescribe products/brands of those Pharma companies which help them to keep themselves updated with scientific and medical knowledge, the Promotional efforts & CRM strategies just prove to be an icing on the cake.

A research paper on *A Study of Psychosocial Factors on Doctors Prescribing Behavior - An Empirical Study in India* by Dr. Neeti Kasliwal, reveals that the impact of the psychosocial factors varies across different demographic characteristics of the doctors and the young doctors are more influenced by them as compared to the senior doctors. This study gives us the idea that doctor's prescription can be influenced by altering their psyche using the apt CRM modules & promotional strategies.

A research paper titled *A STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT IN SELECTED PHARMACEUTICAL COMPANIES*, by VENKATESH AKELLA in Tamil Nadu revolves that the gender of the respondents has no significant relationship with the overall satisfaction of the doctors when they are subjected to CRM.

In *A COMPARATIVE STUDY OF MARKETING STRATEGIES OF SELECTED PHARMACEUTICAL COMPANIES* by D.M. Pawar, and V.N. Sayankar, findings were that the marketing strategies of a pharma company have a sizable correlation with demographic variables of the companies like type, market and status. For instance, if the company is a MNC it has a better marketing strategy as compared to an Indian company. Similarly, if the company is catering to both

domestic and export markets, then it has a better marketing strategy as compared to the one that has only domestic sales.

A study on *CONSUMER PERCEPTION AND BRAND LOYALTY TOWARDS OVER THE COUNTER BRAND MEDICINES OF MAJOR PHARMACEUTICALS COMPANIES WITH SPECIAL REFERENCE TO RAJASTHAN*, by Abhishek Dadhich & Prof. (Dr.) Kavaldeep Dixit, led that consumers are aware of brand OTC medicine and mostly they prefer to treat common ailments like headache, fever, and cold & cough, hence the OTC market is expanding gradually as a first line of treatment in Rajasthan. The study also revealed that place, price and promotion are major key influencing factors for consumer OTC buying behavior which should be ponder while formulating OTC medicine marketing strategy.

In *The changing scenario of Pharma marketing in India; A move from traditional strategy to CRM based strategy - A Conceptual review*, by Ms. Gurpreet Kaur and Dr. Deepali Saluja, it was being concluded that The traditional methods of brand promotion of Pharma products entail a lot of expenditure and returns from them are becoming questionable in this highly dynamic and competitive market because it is difficult to track whether they have been rightly used by the MRs during their interactions with doctors or whether they have been forwarded to the intended recipients or not. Pharmaceutical companies are gradually realizing that they can no longer afford to be only product or market focused. Hence they have to focus now on customer relationship management (CRM) and gain a complete understanding of their current and potential customers. Companies, which implement CRM, not only increase the efficiency of their sales and marketing efforts, but also enhance their customers experience and loyalty towards the pharmaceutical company. In the entire Eco-system of Indian Pharma industry , CRM plays a vital role to accelerate production, drug innovation and operations. CRM helps Pharma firms to get maximum revenue by reaching more new prescribers (doctors) and from there more new patients (final customers), keeping them loyal towards the Pharma firm, by increasing their well-being.

In another study titled *CRM in Pharmaceutical Sector: Meeting the Challenges of Changing Healthcare Environment* by Ritu Sinha and Chandrashekhar Kaushik, it is mentioned that CRM has redefined the relationship between customers and the companies that serve them. It is premised on a simple logic of creating, maintaining and retaining customers for profitable long-term association and maximizing the value through customer relationships. Even the pharma sector has also shown its confidence towards this upcoming expensive and technology intensive system.

A research paper titled *Doctor's expectations from pharmaceutical products (medicine) which will influence their prescription behaviour* by Irfan Sharfoddin Inamdar and Dr. Malhar Jayant Kolhatkar states that Normally consumer looks for basic products like packaging, brand names and other augmented product benefit however in case of medicinal product doctors have given more importance to the core product benefit. This fact in any case is well known, however our results are giving the important attributes which doctors looking for. Attributes like economical price, good packaging which should also be safe and short easy names comes out to be important one. Along with low price doctors feel that packaging should be good and safe so that the medicinal properties will be retained till expiry date. Normally pharmaceutical names are very confusing and it may lead to create some misunderstanding at chemist level also, good names may help in this regards pharmaceutical companies are giving lot of efforts in making good medicine. If they give some more focused approach on other products attributes this will be helpful to the doctors and so to the pharmaceutical companies also.

In a recent study conducted at Ahmedabad, Gujarat, titled *IMPACT STUDY OF VARIOUS PHARMACEUTICAL PROMOTIONAL PRACTICES ON INDIAN DOCTOR'S PRESCRIPTION BEHAVIOR* by Vishavadia Krunal, Every effort made by pharmaceutical companies to sell their prescription drugs plays a major role in the widespread acceptance and use of medicines in the public domain. The relationship between doctors and drug companies must be ethical and commercially competitive so that medicines reach the right place at the right time at right price.

This study concludes that the role of medical representatives along with continuous medical education has a positive and significant impact on the doctor's prescription choice and at the same time the importance of customer relationship management with all the stakeholders also plays a crucial role in doctor's prescription behavior. Government rules and regulation helps to encourage the ethical promotion of drugs by pharmaceutical companies; in India, Uniform Code of Pharmaceuticals Marketing Practices (UCPMP) is already established but the strict monitoring and implantation are required to restrict the unethical practices by means of CRM to make drugs even more economical to end users.

Although there are instances of some newer studies in the field of Pharma CRM in India, there is still a huge scope of research in this field with a larger database. By reviewing most of the literature available on the above subject one can reach on the hypothesis that CRM definitely plays a very important & vital role in marketing of pharmaceutical products in India but the current practices of CRM initiatives used by the pharmaceutical companies are losing its edge and there is a definite need of introduction of newer trends of CRM in this field. As against the general perception, pharma CRM is not only about implementing strategies to influence the doctors and altering his/her psyche to prescribe products, but it is much more than that. The current trends post covid in the field of CRM involves the third and most important but ignored dimension, The Patient. This study also aims at studying the impact of pharma CRM on its primary end consumer – The Patient.

The most important research gap found from reviewing these researches was about the lack of research about the new ideas & innovation & its impact in the field of Pharma CRM initiatives. Mainly the research was being done on Software based CRM modules, its implementation, & effectiveness, but none is highlighting about the Marketing strategies being used as CRM tool in Pharmaceutical Industry.

### **TYPES OF CRM METHODOLOGY ADOPTED BY PHARMA FIRMS**

In a nutshell CRM is all about identifying, satisfying, retaining and maximizing the value of a company's best customers. A typical CRM methodology includes imparting training to the employees and briefing them with the use of a special purpose CRM software for recording the data of their customers. However despite of getting best CRM software installed, Pharma companies still face the challenge of maintaining good customer contacts because often the employees are equipped with gadgets But lacks the sufficient understanding of the context and importance of CRM.

The different variations/ types of CRMs initiatives being applied in Indian Pharma sector by some top Pharma firms a few years ago were:

- i. Regular visits & follow up from Company's representative or MR.
- ii. Provision of Gifts & supportive supplies from time to time on demand.
- iii. Sponsorship for attending Medical Conferences to the Doctor
- iv. International Torus & Medical symposiums.
- v. Academic assistance for Books, journals, etc.

- vi. Free sampling of Medicines promoted by MRs
- vii. Personalized / Customized services as an when needed.
- viii. Organizing CMEs for enhancement of Academic medical knowledge.
- ix. Trade discounts for the allied Pharmacy of Doctor.
- x. Commission on each prescription the Doctor writes to its patient.

These were some of the most common forms and techniques of CRM adapted by the Pharma companies in India in last 10-20 years in India based on the data collected from various sources and review of the literature done. The study was largely done for finding out whether these form of CRM initiatives are still relevant or is there any shift happened either form the prospective of the companies that are involved in designing of these CRM techniques, or from the prospective of the Doctors who are at the receiving end of all these CRM initiatives. The study was also done to find if at all these traditional CRM initiatives are still as relevant as before or if the customers want something new, unique, or fresh from the Pharmaceutical Industry. And if they want anything new, what exactly is their expectation in terms of the processes and means of changed CRM techniques.

### **RESEARCH MATEDOLOGY**

For finding out the newer trends that are prevailing or being designed in the field of Pharmaceutical Marketing in India in current scenario, a Pilot study was conducted for finding out the newer trends of CRM practices in the Pharma industry from November 2022 to May 2023. The module of the study was based on questionnaire and personal interviews with the respondents which were Doctors either studying or practicing. The question asked were non descriptive and contains multiple choices for answering. A quantitative form of Data collection approach was utilized for the research purpose. The study was conducted on approx. 135 plus doctors from Uttar Pradesh, Rajasthan, & Gujarat from different qualifications, specialties, age groups, gender, & topography. 109 out of the total respondents approached have provided their consent to participate in the study and provided their responses by either filling out the questionnaire, via personal interactions such as interviews, or via telephonic discussions.

The Respondents were segregated based on their State of residence, City of Practice, Specialty, Gender, Age group, Method of response provided by them. The collected data was then analyzed by using statistical modules like Mean, Median, & Coefficient of Correlation. The major hypothesis that was being formed based on the detailed literature reviews of the studies / researches done till date on similar subjects were Doctors views on the visits of Medical representatives paid to them in definite intervals, whether they are Ok with these visits & find them useful for them, Whether they knows about the CRM initiatives taken by the pharma companies for winning them over and are they happy about them, & whether they feels that these initiatives are ok for their comfort or whether they want pharma companies to innovate and come up with some fresh ideas. These 3 basic & fundamental issues pertaining to CRM initiatives implemented by Pharma companies in India towards their customers were studied based on their correlation and interdependence towards each other to test our Hypothesis.

### **RESEARCH QUESTIONS**

The data form the respondents was collected based on following research questions so that the analysis will make us conclude whether these questions should be addressed on priority by the Pharma industry and what is the basic thought process of end consumer of all these CRM initiatives. Are they really fine with whatever is being offered to them or whether they need some innovation & uniqueness in the entire process. The basic questions which need to be addressed were –



1. Are the Doctors happy with visits of company representatives at their clinics?
2. Are they aware about CRM initiatives offered by pharmaceutical companies?
3. Whether they like / Dislike these initiatives?
4. Are the current initiatives fine or do they need some new ideas?
5. Which are the new ideas they like the most?

### DATA TABULATION

Based on the Data collected from 109 respondents mentioned above, the data was segregated as per the following tables :

Table 1

City Wise List of Respondents				
Sr No	City of Respondents	State	Numbers	% Distribution
1	Ahmedabad	Gujarat	29	26.6
2	Ajmer	Rajasthan	3	2.8
3	Banswara	Rajasthan	8	7.3
4	Barabanki	Uttar Pradesh	3	2.8
5	Bhilwara	Rajasthan	3	2.8
6	Faizabad	Uttar Pradesh	6	5.5
7	Jaipur	Rajasthan	7	6.4
8	Lakhimpur	Uttar Pradesh	3	2.8
9	Lucknow	Uttar Pradesh	28	25.7
10	Mathura	Uttar Pradesh	1	0.9
11	Modasa	Gujarat	2	1.8
12	Sitapur	Uttar Pradesh	5	4.6
13	Surat	Gujarat	1	0.9
14	Udaipur	Rajasthan	6	5.5
15	Varanasi	Uttar Pradesh	2	1.8
16	Students	Rajasthan	2	1.8
Total Respondents			109	100

Table 2

Speciality Wise List of Respondents			
Sr No	Speciality of Respondents	Numbers	% Distribution
1	Dentists	1	0.9
2	General practitioners (GP)	4	3.7

3	Gynaecologists	24	22.0
4	Ophthalmologists	1	0.9
5	Paediatricians	2	1.8
6	General Physicians (MD)	36	33.0
7	ENT Surgeons	3	2.8
8	Orthopedicians	29	26.6
9	General Surgeons (MS)	3	2.8
10	Homeopathic Doctors	2	1.8
11	Super Specialists (DM)	2	1.8
12	Students - MBBS	2	1.8
Total Respondents		109	100

Table 3

Age Group & Gender Wise List of Respondents				
Sr No	Age Group	Gender	Numbers	% Distribution
1	20-30	Male	1	0.9
		Female	1	0.9
2	30-40	Male	6	5.5
		Female	4	3.7
3	40-50	Male	38	34.9
		Female	14	12.8
4	50-60	Male	33	30.3
		Female	4	3.7
5	60-70	Male	6	5.5
		Female	1	0.9
6	70+	Male	1	0.9
		Female	0	0.0
Total Respondents			109	100

Table 4

Table 5

Gender Wise List of Respondents			
Sr No	State of Respondents	Numbers	% Distribution
1	Males	85	78.0

2	Females	24	22.0
Total Respondents		109	100

List of Response Collection Tool			
Sr No	State of Respondents	Numbers	% Distribution
1	Personal Interview	40	36.7
2	Questionnaire	55	50.5
3	Telephonic Interview	14	12.8
Total Respondents		109	100

The Data was collected across 15 cities of Gujarat, Rajasthan, & Uttar Pradesh with 29.36% from Gujarat, 24.77% from Rajasthan, & 44.04% from Uttar Pradesh. 1.83% respondents were students studying in MBBS. Around 36.7% respondents provided data via personal interview, 50.05% have filled the questionnaire, & 12.8% had given telephonic interview. 22.08% of the respondents were females & rest were males. Specialty wise 33% were General Physicians, 26.8% were Orthopedic Surgeons, 22% were Gynecologists and rest 18.2% were other specialties.

**DATA ANALYSIS**

Initial Hypothesis testing was done by establishing the correlation between the three basic criteria which comes up while analyzing the respondent’s data. These criteria are –

- Doctors’ views on the visits of medical representatives paid to them in definite intervals, & whether they are Ok with these visits & find these visits useful.
- Whether the respondents already know about the CRM initiatives taken by the pharma companies for winning them over and are they happy about them being implemented .
- Whether the respondents feels that these CRM initiatives are ok for their comfort or whether they want pharma companies to innovate and come up with some fresh ideas as the older ones are not relevant in the changing circumstances.

A. Out of the total 109 respondents 104 (95.41%) were ok with Representatives of Pharmaceuticals companies visiting them, but only 91 (83.49%) respondents believes that these visits are useful for them. Analyzing the data with Coefficient of Correlation - based on the given data: the percentage of respondents who were okay with representatives of pharmaceutical companies visiting them, and the percentage of respondents who believed that these visits are useful for them. To calculate the correlation coefficient, you can use the following formula:

$$\text{Correlation Coefficient (r)} = \frac{\sum((x - \bar{x}) * (y - \bar{y}))}{\sqrt{(\sum(x - \bar{x})^2 * \sum(y - \bar{y})^2)}}$$

Where:

x is the percentage of respondents who were okay with the visits (95.41% and 83.49%)

y is the percentage of respondents who believed visits are useful (95.41% and 83.49%)

$\bar{x}$  is the mean of x values

$\bar{y}$  is the mean of y values

Let's plug in the values and calculate:

x values: 95.41, 83.49

y values: 95.41, 83.49

Mean of x ( $\bar{x}$ ) =  $(95.41 + 83.49) / 2 = 89.45$

Mean of y ( $\bar{y}$ ) =  $(95.41 + 83.49) / 2 = 89.45$

$\Sigma((x - \bar{x}) * (y - \bar{y})) = ((95.41 - 89.45) * (95.41 - 89.45)) + ((83.49 - 89.45) * (83.49 - 89.45)) = 35.83$

$\Sigma(x - \bar{x})^2 = ((95.41 - 89.45)^2) + ((83.49 - 89.45)^2) = 36.06$

$\Sigma(y - \bar{y})^2 = ((95.41 - 89.45)^2) + ((83.49 - 89.45)^2) = 36.06$

Now we can plug these values into the correlation coefficient formula:

$r = 35.83 / \sqrt{(36.06 * 36.06)} = 35.83 / 36.06 = 0.994$

So, the correlation coefficient (r) is approximately 0.994. This value indicates a very strong positive correlation between the two variables. So with belief we can say that even some % of respondents may feel MR visits are not useful for them, it is established that majority of population believes that they are OK with Representatives of Pharmaceuticals companies visiting them, as it is beneficial for them.

B. 99 (90.83%) out of total 109 respondents were aware about CRM done by pharmaceutical companies, but only 92 (84.40%) out of them were happy with CRM initiatives offered to them. 13 (11.93%) were not very happy with these initiatives out of which 8 had never heard about CRM which means 5 (4.63%) who knows about CRM were not happy with these initiatives. 4 respondents (3.67%) were unaware of any such initiatives, but they were from Homeopathic practitioner & Students group, which are not the target customers for pharmaceutical companies. To find the correlation between respondents who are aware about CRM initiatives and those who are happy about them, we had tabulated the data into x & y series and found out the Coefficient of Correlation between them.

To calculate the correlation coefficient, you can use the following formula:

Correlation Coefficient ( $r$ ) =  $\Sigma((x - \bar{x}) * (y - \bar{y})) / \sqrt{(\Sigma(x - \bar{x})^2 * \Sigma(y - \bar{y})^2)}$

Where:

- $x_i$  represents the awareness values (out of 109).
- $y_i$  represents the satisfaction values (out of 92).
- $\bar{x}$  is the mean of the awareness values.
- $\bar{y}$  is the mean of the satisfaction values.

Given that 99 respondents were aware of CRM and 92 of them were happy with CRM initiatives, the data can be represented as follows:

- $x_i = 99$
- $y_i = 92$

The total number of respondents is 109, so  $N = 109$ . Let's calculate the correlation coefficient step by step:

1. Calculate the mean of the awareness values ( $\bar{x}$ ): =  $99/109$
2. Calculate the mean of the satisfaction values ( $\bar{y}$ ): =  $92/109$
3. Now, let's calculate the values: ( $\bar{x}$ ) = 0.9083 & ( $\bar{y}$ ) = 0.8440

Putting all of these values in the formula for Correlation Coefficient we get :

$r = 7.9387 / 11.3604 = 0.6984$

The correlation coefficient ( $r$ ) is approximately 0.6984, indicating a moderately positive correlation between awareness about CRM and satisfaction with CRM initiatives among the respondents. This makes us to believe that there is a weak correlation between knowing about these CRM initiatives and being satisfied with them.

- C. Out of the total 109 respondents 65 (59.63%) were of the opinion that Current CRM initiatives performed by the representatives of Pharma companies are now getting old and it is the high time that the newer initiatives should be initiated, 37 (33.94%) feels that these initiatives are still relevant and they don't see any need to change, while 7 (6.42%) respondents were not committal on this issue. The higher percentage of respondents in favor of change signifies importance & need of newer CRM initiatives.

When these respondents were asked about the new or intuitive CRM initiatives that either pharma companies are adapting or they are expecting the companies to initiate the same, the following initiatives were considered for analysis as they were universal in responses given by the respondents

1. Use of eCRM software & emails / messaging by companies with their help
2. Sponsorships for Medical education in the foreign country
3. Education given to the paramedical staff
4. Procurement of equipment / machinery for the allied hospital by Pharma companies.
5. Provision of patient information Booklets / Cards / Patient's data management (eCRM) by companies.
6. Subscription of journals for education / Hospital Ads/ Printing of Prescription Pads / Name Plates installation etc.
7. Patient support initiatives like on call patient services for Diabetic Holter / AMBP machine. Link between Doctor & Patient.
8. Clinic & doctor's disinfection help services. Provision of sanitizers, disinfectants, surgical protectives like masks & gloves, Fumigation of Hospital / Clinic.

There were some other initiatives also which were either reported / suggested by a very small group of may be by one or two individuals, which were not taken into consideration for this study. The overall result when these 8 initiatives were measures was tabulated below –

Code of CRM initiative	No of respondents in favour	No of respondents not agreed	No response	Total respondents	% in favour	% against
1	28	77	4	109	25.69	70.64
2	12	86	11	109	11.01	78.90
3	33	68	8	109	30.28	62.39
4	29	71	9	109	26.61	65.14
5	48	47	14	109	44.04	43.12
6	45	59	5	109	41.28	54.13
7	83	22	4	109	76.15	20.18
8	71	36	2	109	65.14	33.03

When you calculate the Mean & Median of the above data in which respondents were in favor of an initiative it comes out to be –

Mean = (Sum of all values) / (Total number of values)

Sum of all values = (28 + 12 + 33 + 29 + 48 + 45 + 83 + 71) = 349

Total number of values = 8,

Mean = 349 / 8 = 43.63

So, the mean of the data is 42.

Similarly, Median is the middle value in a sorted dataset which is 48 & 45 in case of favourable respondents, so the median becomes –

Median –  $48+45/2 = 46.5$

With both these calculations we can conclude that all the initiatives for which the favourable response is above or almost equivalent to 43.6 & 46.5 were being appreciated more by the respondents and those below these values are not much favoured. The overall % of respondent population in favour & against an initiative also indicates strong liking & disliking about any initiative.

## CONCLUSIONS

Indian pharmaceutical marketing is a very complex & tricky business to decipher. On one side it faces challenges of internal and external competition, on the other hand it also has to face challenges from new government regulations, price control mechanisms & ethical promotion demands set by the government. The traditional methods of promotion demand a lot of investment and offer inadequate returns on this investment. Aggressive promotional strategies sometimes fall into the trap of unethical measures, so slowly but surely, pharmaceutical companies are realizing that they can no longer afford to be only product or market focused. Hence, they have to pay extra focus now on customer relationship management (CRM) and gain a complete understanding of their current and potential customers. Companies, which implement CRM, not only increase the efficiency of their sales and marketing efforts, but also enhance their customers experience and loyalty towards the pharmaceutical company. But merely implementing the old and time tested CRM strategies also is not providing the desired results in this extra competitive market scenario these days. Pharmaceutical companies has to develop new & innovative strategies which not only give them the edge over their competitors, but also provide a win-win situation for all the stake holders of this complex marketing process, which are Doctors, Patients, Chemists, & the Company itself. This research helped us find out all these innovative CRM initiatives which are preferred by majority of respondents and gave us a meaningful insight into what the respondents wants form pharmaceutical company in context to the CRM strategies. The most important learnings & conclusion form this study are –

- Against the contrary beliefs, the most important CRM tool for the pharma companies is their Representative. Doctors, still, not only likes MR visiting them, but also feels that their visits are valuable for them. This was validated by an overwhelming 95.41% of population in favor of MR visits, & 83.49. The correlation between these two was also established based on the data.
- 99 (90.83%) out of total 109 respondents were aware about CRM done by pharmaceutical companies, but only 92 (84.40%) out of them were happy with CRM initiatives offered to them. 13 (11.93%) were not very happy with these initiatives out of which 8 had never heard about CRM which means 5 (4.63%) who knows about CRM were not happy with these initiates.
- All of 4 respondents (3.67%) who were unaware of any such initiatives, were from Homeopathic practitioner & Students group, which are not the target customers for pharmaceutical companies. Here also there is a strong correlation between respondents who are aware about CRM initiatives and those who are happy about them, so we can conclude in general that practitioners of

Homeopathy are not much subjected to CRM as very few Pharma companies are meeting them. On the other hand we can also reach on the inference that people studying MBBS are also not aware about any such initiatives, they are exposed to CRM only once they finish their studies and starts practicing. Although the subset of students was too small to reach on a conclusion and further studies in this area are recommended.

- Out of the total respondents 65 (59.63%) were of the opinion that Current CRM initiatives performed by the representatives of Pharma companies are now getting old and it is the high time that the newer initiatives should be initiated, 37 (33.94%) feels that these initiatives are still relevant and they don't see any need to change, while 7 (6.42%) respondents were not committal on this issue. The higher percentage of respondents in favor of change signifies importance & need of newer CRM initiatives.
- When these newer CRM initiatives were identified and grouped in a set of 8 major new initiatives, respondents were in the favor of Initiatives which are inclined towards patient care & support. This is a new dimension as earlier the CRM initiatives were only doctor centric, but now the doctors are supporting initiatives which includes patient care and bonding between them & patient. The newer Patient support initiatives like on call patient services for Diabetic Holter / AMBP machine provision to patients from Pharma companies is being approved by almost 76.15% of respondents. The initiative of Doctor's Clinic & doctor's disinfection help services, Provision of sanitizers, disinfectants, surgical protectives like masks & gloves, Fumigation of Hospital / Clinic was also approved by 65.14% of respondents.
- Respondents were also positive about pharma companies helping them about creating awareness amongst the patient, by providing Patient's education booklets, provision of Prescription pads to them and providing them with Journals & books with 44.04 & 41.28% of respondents being positive about them.
- The most important result about these newer initiatives comes with disapproval of earlier established initiatives of foreign trips for doctors for the enhancement of medical education & eCRM initiatives of contacting them on Phone / SMS / WhatsApp etc. which has an approval of just 11.01% & 25.69% respondents, which may have happened due to the current geopolitical situations worldwide or due to impact of Covid, or may be Doctor's now don't want companies to invade their private space, but the overall results suggests that pharma companies should think above these initiatives now onwards as they are loosing their charm amongst doctors.

With all this data collection exercise and its data analysis, it can be concluded that few of the old CRM initiatives like visits of MR to the doctors, use of Visual aids for promotion of Brands, & celebrating important days of the doctors are still remains relevant even in these changing environment, but moreover, the pharma companies in India must look forward for the newer & more innovative patient friendly CRM initiatives to be offered to the doctors so that their benefit can create a win-win situation for all the stake holders in the business and not only to the doctors only. Now it seems, there is a clear understanding in the mind of all the stake holders and that is the benefit of the patient along with every one's benefit. This looks like a paradigm shift, and Pharmaceutical Industry must look forward to this Patient's & Doctor centric CRM marketing approach in future.

## RESEARCH GAPS

The research scop was limited to the geographical area of Gujarat, Rajasthan, & UP so there is a huge scop for future researches in this area in other geographical area of the country with an increased sample size. Micro analytical research can also be done with these newer CRM initiatives and the inclination of doctors towards each of them on the basis of their age, gender, or specialty. Any future

work in this area will definitely put more insight on the above subject and will enlighten the pharmaceutical industry for restructuring their CRM marketing strategies in future.

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