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EVALUATING MODERN COMMUNICATION MARKETING TOOLS IN PROMOTION OF PHARMACEUTICAL BRANDS

The main factor for the successful development of the national pharmaceutical market in the context of European integration is the mandatory ensuring the highest possible compliance of national legislation with EU standards. Thus, in 2015, the national forum «Regulatory Policy in the Pharmaceutical Industry» was held where progress was noted in this direction: «legislative regulation in the field of quality control of medicines meets EU requirements in general». Another positive factor which was noted by experts from the EU is that the medicine quality control system in Ukraine is relatively rigid. The main problems of Ukraine's pharmaceutical market is the problem of self-treatment, as a result of which patients complain about the ineffectiveness of both national and imported medicines [11].

It should be noted that the state of scientific development of the communication aspect of marketing theory in the pharmaceutical market of Ukraine does not correspond to the practical needs of the subjects of demand and proposals on them at present. The general theory of marketing communications is thoroughly developed in the foreign papers (including those which are translated in our country) and national scholars such as J. Bernette, P. Blau, G. Broum, A. Karami, J. O'Shounesi, A. Center, O. Azaryan, V. Bojko, T. Lukianets, A. Pavlenko, T. Primak, E. Romat and others. However, the scientific works of the mentioned authors cannot claim to consider the content of marketing communications in the form of innovative approaches to the promotion of hospital products. However, the previous work of the author was aimed at finding alternatives to the market requirements of the marketing complex communications which are necessary for optimizing retail sales of medicines.

Ukrainian market of pharmaceutical products belongs to monopolistic competition markets because it is characterized by a significant number of manufacturers, differentiation of positioning, non-price competition, accentuation on trademarks and brands. The growth of competition in the pharmaceutical market of Ukraine makes many companies look for fundamentally new models of development in order to form a new philosophy of existence in a changing healthcare system. The costs of advancing medicines are growing in the absence of confidence in their profitability, and in some cases –payback.

In an effort to maintain the former level of profitability, pharmacies are taking measures to improve production efficiency and optimize the cost structure. All this necessitates the systematization of measures to stimulate sales, as well as the development of a template scheme for the promotion

of medicines in the Ukrainian market. In our opinion, it would be advisable to conduct an analysis of the state of marketing use of communications tools by Ukrainian pharmaceutical companies.

The advertising market for pharmaceuticals is closely correlated with the dynamics of retail trades. In 2014, as a result of the devaluation of the national currency, there was a decline in the volume of pharmacy sales of OTC medicines, as well as investments in their promotion on TV in dollar terms. Also, the seasonal nature of this type of investment, which is due to seasonal demand many advertised medicines [9]. This is evidenced by the analytical system of the market research PharmXplorer / Pharmstandard company Proxima Research, which publishes the site apteka.ua. In assessing the volume of TV commercial in-kind, the weighted GRP-WGRP (weighted GRP) is used in the analysis, which takes into account videos with a single show duration (30 seconds).

It is important to mention that within the framework of the TV advertising market research, the total volume of investments is calculated in the prices of price-lists of advertising agencies (open-rate). However, it should be mentioned that the actual costs of companies on TV advertising is significantly lower than stated in these price lists. Thus, according to the company «StarLight Sales», in the first half of 2017, the volume of investments of pharmaceutical companies on TV advertising amounted to 32 million dollars, which is 7 times less than it is provided in the price lists of the agencies. When displaying the TV-promotion indicators, the data calculated for the gene collection «Universe» is considered. The image advertising of pharmaceutical companies wasn't taken into consideration in the total volume of investments [6].

Today, the advertising market for medicines on television is confidently moving from the down to up (Fig. 1).

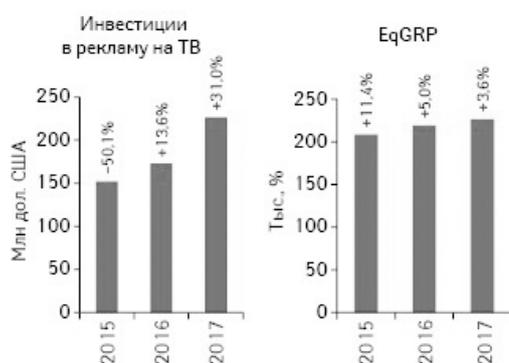


Fig. 1. Dynamics of the volume of investments of pharmaceutical companies in advertising of medicinal products on TV and the level of contact with the audience (EqGRP) in the first half of 2015–2017 [6]

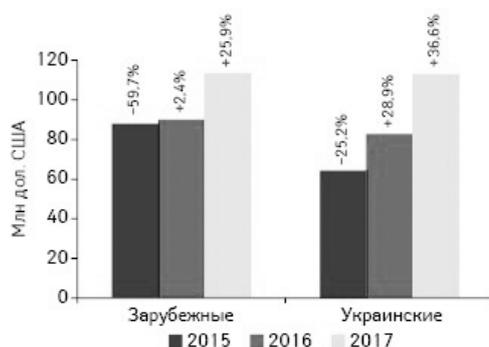


Fig. 2. The volume of investments in TV advertising of medicines in terms of foreign and national production in the first half of 2015–2017 [6]

As a result of the first half of 2017, the volume of pharmaceutical companies' capital investment in TV advertising reached \$226.1, it was raised up to 31 % while comparing with the same period last year. EqGRP, which reflects the level of contact with the viewer, also shows a positive dynamics.

It is important to note that the national pharmaceutical companies in recent years began to show more activity on television, ahead of the growth rate of investment of foreign colleagues (Fig. 2)

Advertising is prohibited, for the whole group of prescription medicines and preparations without prescription prohibited by the Ministry of Health of Ukraine for advertising (Order of 17.06.2013 № 514). The list contains 300 trademarks of both: foreign and national medicines.

Many brands which are advertised on television are seasonal and they are reflected in the dynamics of pharmaceutical companies' investments in advertising. Thus, in the autumn-winter period (from September to April), the volume of investments in advertising of medicines of groups A «Medicines that affecting the digestive system and metabolism», N «Medicines that acting on the nervous system», R «Medicines that acting on the respiratory system» and M «Medicines that affectingt the musculoskeletal system». These medicines head the top-list of ATS-classification groups in terms of investment in advertising. The most popular among the pharmaceutical companies are TV channels such as «Studio 1 + 1», «Inter», «Ukraine» and «STB» (Table).

Top 10 TV channels by volume of investment in advertising of medicines on television [14]

2015	2016	2017	Channel	Volume of investments, thousand dollars	EqGRP, тис. %	Thousand exits
2	1	1	Studio «1+1»	51 898,6	47,0	36,5
1	2	2	Inter	38 477,7	34,4	32,2
4	4	3	Ukraine	35 084,6	28,5	20,7
3	3	4	STB	26 979,9	20,8	28,8
5	5	5	ICTV	12 121,3	11,4	14,9
8	6	6	TET	10 891,4	14,1	30,6
6	7	7	New channel	9 364,9	8,2	17,1
7	8	8	HTH	7 284,3	11,3	20,1
11	10	9	PLUS-PLUS	6 246,7	10,4	34,6
9	9	10	2+2	4 734,6	7,9	26,2

In the study period, they accumulate about 70 % of the total volume of investments in TV advertising medicines.

The leader in the rating of medicines' brands in terms of investment in TV advertising in the period under investigation is the NO-SPA brand. Top-10 ranking includes Magnicon and Lospyrin brands which were increased with the help of advertising budgets.

Within the framework of this review, it is worth paying attention to radio and non-specialized press, which are also popular ways of communication with the end-user. In the study period, there was a slight decrease in the volume of investments in advertising of medicinal products for these channels (Fig. 3).

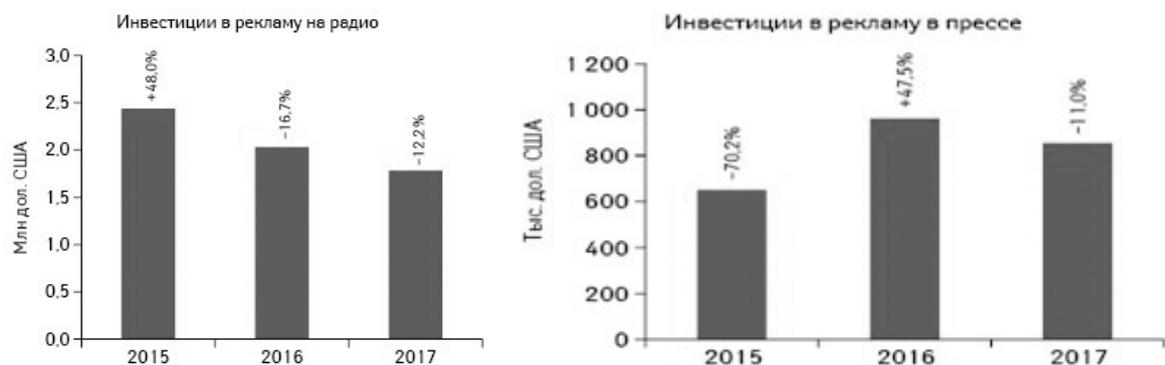


Fig. 3. Dynamics of investment volume in advertising of medicines on radio and non-specialized press on the results of first half-year 2015–2017 [14]

According to the results of the first half of 2017, advertising of pharmaceuticals on the radio of the pharmaceutical company sent 1.8 million dollars, and advertising in non-specialized publications — 854 thousand dollars. The leaders in terms of investment in advertising on radio and in the non-specialized press were medicines of groups A «Medicines that affecting the digestive system and metabolism», R «Respiratory system», C «Medicines that affecting the cardiovascular system», M «Medicines that affecting the musculoskeletal system» and N «Medicines that acting on the nervous system».

INTERNET. According to the results of the first half of 2017, more than 118 million displays of advertising of medicines on the Internet (graphics and video) were recorded. Top 5 most frequently advertised ATS classes form medicines of groups A «Digestive and Metabolism», C «Cardiovascular Disease», D «Dermatologicals», R «Medicines that acting on the respiratory system» and M «Medicines that affecting the musculoskeletal system» (Fig. 4).

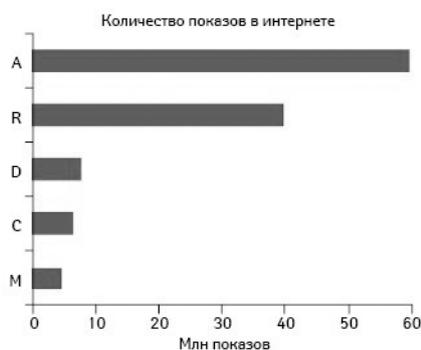


Fig. 4. Top 5 groups of ATS-classification of level 1 by the number of displays of advertising of medicinal products on the Internet (in graphic announcements and video) by the results of the first half-year 2017 [14]

Trends in this market remain positive, this is facilitated by high activity of national and foreign companies. In addition, forecasts of the development of the media market of Ukraine are generally optimistic, which allows us to remain optimistic about the market for advertising medicines.

Today, one of the most important indicators of the efficiency of pharmaceutical enterprises is the formation of effective marketing communications policies in the system of promotion of pharmaceutical brands.

In Ukraine, the production of pharmaceutical products is carried out by about 117 national enterprises, accounting for 50 % of the market for pharmaceuticals. The main means of marketing communication policy remains advertising and direct consultations of pharmacists (pharmacists). Marketing in the pharmaceutical business is quite free. There is the possibility of promoting medicines through the participation of companies in various charity events and holidays. In Ukraine, according to the results of the first half of 2017, more than 118 million impressions of advertising of medicines on the Internet (graphics and video) were recorded.

The main direction of implementation of marketing communication policy at PJSC «Lekhim» is the implementation of mono-distribution, technology and tools for product promotion. Company «Lekhim» has the agreements with the company of pharmaceutical marketing «Profarma» to promote such medicinal products as: «Pankreazim», Pechayevsky».

In the conditions of growing competition from national and foreign companies, the introduction of marketing is a prerequisite for the implementation of marketing strategies and the use of adequate marketing activities. The main purpose of marketing is to provide a brand position on the market, bring the product through the trading network (channels) to the consumer and build long-term relationships based on loyalty programs. A plan for the formation of the marketing department is detailed a step-by-step, its main and specific functions (introduction certificate) are substantiated.

Therefore, in order to conduct an awareness-raising campaign, we propose the use of a media mix that will take place wavy during the campaign period and consists of a combination of such media channels and media carriers: in the first stage of the use is the radio advertising, specialized publications, on the second — specialized printed advertising, specialized publications; on the third — the press. Thus, PJSC «Technolog» (Lekhim), using the offered means of communication of goods, can not only improve its quantitative indicators, but also significantly improve its image, consumer awareness, marketing activities, and significantly improve the competitive position.

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