



STRATEGIC MARKET SEGMENTATION: AN OPPORTUNITY TO INTEGRATE MEDICAL AND MARKETING ACTIVITIES IN MYSORE

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Abstract

Prescriber segmentation divides prescribers into various groupings, allowing pharmaceutical marketers to comprehend markets from the perspective of prescribers. Marketing managers must have a thorough understanding of prescriber needs, behaviour, and perspectives in order to develop effective marketing strategies. In today's competitive market, when diminishing client loyalty and excessive customer churn continue to erode profit margins, understanding customers is more crucial than ever. Strategic decision makers cannot analyse and put into practice plans to increase customer profitability and the efficacy of marketing campaigns without accurate, verifiable segmentation of customers according to value. This article makes an effort to examine the various criteria that marketers and other industry experts use to categorize prescribers for prescription medications. Moreover, to recommend the most effective segmentation plan to help pharmaceutical firms function better.

Keywords: *pharmaceutical, Segmentations, Marketing Strategies and Client Loyalty.*

Introduction

By assisting businesses in anticipating and deploying strategic solutions to external challenges and opportunities in today's rapidly evolving business environment, segmentation plays a critical role in corporate performance. Rapid technological advancement, globalization, and deregulation have created both opportunities and challenges for the pharmaceutical sector. Market segmentation has long been regarded as one of the most essential ideas in contemporary marketing. Segmentation offers recommendations for a company's marketing strategy and resource allocation among markets and products, in addition to being one of the main ways to operationalize marketing principles. Managers in the field make a lot of noise about segmentation, but in reality, it is rarely employed effectively because different consumers have different needs.

Review of Literature

MacLennan and Mackenzie's 2000. The strategic market segmentation can serve as a base for developing advantages that will boost sales and enhance overall marketing effectiveness. The majority of pharmaceutical companies still base their product development and commercialization plans on cursory, incomplete, or intuitive marketing analysis and the resulting marketing strategy, missing crucial opportunities and delivering incomplete or inappropriate strategies.

Nandini (2004) proposed the need for a focused approach to segmentation tactics. Even while marketers are already aware of their target segment, it is necessary to segment the audience more precisely in terms of benefits, occasions, and usage patterns.



Kaur Mandeep 2004. Market segmentation is essential so that a company can tailor its product offerings to the demands, tastes, and preferences of its target market. They segmented the passenger automobile market using cluster analysis, a cutting-edge multivariate technique.

Vinith Kumar Nair (2007) discovered that male consumers prefer to buy and select the brand of cosmetics on their own. The study also found that while female consumers prefer to buy cosmetics from any convenient store, male consumers prefer to buy all of their cosmetic items from a single store.

Approach of Segmentation

With the aid of products and services that are tailored to each segment's specific demands, organizations can more successfully and efficiently serve huge, heterogeneous markets. Members of a segment are homogeneous if their wants and behaviours are comparable. According to Goodwin and Gentry (2000), a key foundation for market segmentation is lifestyle. According to the study, people going through life changes have distinctive patterns of consumer behaviour as well as typical reactions to marketing solicitations. The segmentation model necessitates the selection of a segmentation foundation. Below, the main segmentation factors are briefly explained (Kotler, 2003).

Geographic Segmentation: As the name suggests, geographic segmentation involves splitting the market into different geographic areas such as regions, cities, districts, and villages. This premise for segmentation is predicated on the idea that prescribers in a certain region share the same tastes and patterns of prescription.

Demographic segmentation: One of the most popular segmentation techniques used to categorize prescribers is demographic segmentation. Based on factors like the length of practice, age, gender, medical specialization, sex, and the number of patients a doctor sees each day, it separates the prescribers into groups. The patient's income also has a significant impact. If a patient's ability to pay is restricted, he will naturally choose to visit a physician whose costs are reasonable and who recommends less expensive medications.

Benefit Segmentation:When consumers buy and use things, they're aiming to satisfy particular requirements and wants. In essence, people search for goods that offer particular advantages to them. Benefit segmentation refers to the process of identifying consumer groups that are seeking particular advantages from using a given good or service.

Multiple Segmentation:Because it reveals vital information about the target market, marketers frequently combine various characteristics.

Objective

1. To analyse and assess the different segmentation criteria used by Health care companies to choose their target markets.
2. To establish a proper segmentation approach for marketers of items including prescription drugs.

Research Methodology

The field force of the five Health care companies businesses with the fastest rising revenue—Glaxo Pharmaceuticals Limited, Nicholas Piramal Pharmaceutical Limited, Sun Pharmaceuticals Limited,



Aristo Pharmaceuticals (P) Limited, and Emcure Pharmaceuticals Limited—makes up the study's sample. There were 70 replies in all. The research has a diagnostic purpose. By offering them appropriate techniques to please their target respondents in Mysuru, the research assists the marketers of prescription pharmaceuticals. The respondents were given the prepared questionnaire to complete. Each variable was given a three-point weighting scale (High, Medium, and Low), and the respondents were asked to rank them accordingly.

Data Analysis

Any firm must carefully consider its target market. A business may decide to promote its goods to all users or to specific subgroups. Prescription medicine businesses split their target markets to enable targeted marketing. Using percentages, means, and S.D. approaches, the respondent's priorities and preferences for the numerous characteristics used to segment the prescribers are evaluated.

The demographic segment (mean 1.51) is clearly the most significant segment taken into account by all pharmaceutical companies under investigation when choosing their target market. The geographic (mean 1.83) and psychographic (mean 1.94) parts are the next to be taken into account. Additionally, the analysis of variance demonstrates that the F value is significant at the level of 0.01 for a number of segments, including the demographic segment ($F = 7.495$), psychographic segment ($F = 7.888^{**}$), and geographic segment ($F = 6.737^{**}$). This indicates that the means, or the responses, of different people, are significantly different from one another.

Segmentation Strategy

Pharma businesses' reliance on a single market segment is insufficient for segmenting the prescriber base, according to their segmentation strategy. Due to the intense competition, businesses must focus on practically every single variable. They must employ a psychographic and behavioural approach in addition to a demographic and geographic approach to segment the prescriber base. The fierce rivalry among businesses and the shifting market environment necessitate a strategic strategy. We advise businesses to adopt an integrated segmentation strategy, in which the data is first divided into geographic segments using the priori segmentation technique and then clustered based on demographic, psychographic, and geographic factors.

We propose that any attempt to utilize a single foundation for segmentation for all marketing decisions may result in wrong marketing judgments as well as resource waste, in contrast to the theory of segmentation, which suggests that there is a single optimal technique for segmenting the market. Although segmentation is frequently discussed by marketing managers, it is rarely applied effectively. Marketing deceives and works past print advertising and sales force attempts to get the product to final consumers in the pharmaceutical industry. Typically, a market segmentation approach is not used when segmenting the prescriber base. Managers and salespeople strive to tailor the product to the market, rather than the other way around. By using a comparable strategy, the same product is promoted to a variety of heterogeneous prescribers.

Suggestions

We advise marketers to use integrated segmentation as the most effective method for dividing prescribers into groups based on shared criteria and then using a distinct marketing strategy for each category. The integrated segmentation approach examines the psychographics (attitudes, beliefs, and values) and demographics (individual prescription behaviours) of prescribers. For a specific product,



for instance, one segment might be made up of doctors who are price-sensitive, another might be made up of doctors who are devoted to a particular manufacturer's brand, and a third might be made up of doctors who are hostile to salespeople. For each sector, pharmaceutical executives can create marketing and sales strategies.

Conclusion

We propose that any attempt to utilize a single foundation for segmentation for all marketing decisions may result in wrong marketing judgments as well as resource waste, in contrast to the theory of segmentation, which suggests that there is a single optimal technique for segmenting the market. Although segmentation is frequently discussed by marketing managers, it is rarely applied effectively. Marketing deceives and works past print advertising and sales force attempts to get the product to final consumers in the pharmaceutical industry. Typically, a market segmentation approach is not used when segmenting the prescriber base. Managers and salespeople strive to tailor the product to the market, rather than the other way around. By using a comparable strategy, the same product is promoted to a variety of heterogeneous prescribers. We advise marketers to use integrated segmentation as the most effective method for dividing prescribers into groups based on shared criteria and then using a distinct marketing strategy for each category. The integrated segmentation approach examines the psychographics (attitudes, beliefs, and values) and demographics (individual prescription behaviours) of prescribers. For a specific product, for instance, one segment might be made up of doctors who are price-sensitive, another might be made up of doctors who are devoted to a particular manufacturer's brand, and a third might be made up of doctors who are hostile to salespeople. For each sector, pharmaceutical executives can create marketing and sales strategies.

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