



MARKETING Club^{157th}

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Molecule to Million Diverse Strategies



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JOIN FREE

LIVE WEBINAR

| Date | Time | Time | Time | Place |
|------------------|------------------|----------------|----------------|----------------|
| 1.10.24 Tues. | 10:00PM Egypt | 10:00PM KSA | 11:00PM UAE | Online Zoom |



Molecule to Million

Pharma Diverse Strategies

Dr Kamal Fayad



Summary

▶ Biography

▶ **Back to Basics**

Sales, Marketing, Promotion Definitions

Drug Market Push & Pull Strategy

Need, Want and Demand

Competitive Benchmarking

Maslow's Hierarchy of Needs

Buying Decision

Market targeting

Niche Market (*micro-market*)

Product Life Cycle (PLC)

▶ Marketing Strategies P 25

market dominance

▶ Product Extension & Cannibalization

▶ Ansoff Matrix

▶ Competition

▶ SWOT

▶ PESTIL

▶ 4 P's & 4C's

▶ The Six Buying Motivators

▶ Direct to consumer advertising (DTCA)



Bio

HCP, **C-level** Marketing Head in **Blue-Chip** Companies, **+27-year** Experience, Entrepreneur, Public Speaker, Lecturer

- ▶ Hospitals, Medical Laboratories
- ▶ Pharmaceuticals, Medical devices
- ▶ Cosmetics, Perfumes, and Luxury Industries



Area of Competence

- ▶ Strategic Marketing
- ▶ Digital Marketing
- ▶ Gen Ai Applications
- ▶ Digital Transformation
- ▶ IOT in Retail Marketing
- ▶ Influencer Marketing
- ▶ Social Media Marketing
- ▶ Digital PR
- ▶ AI Marketing

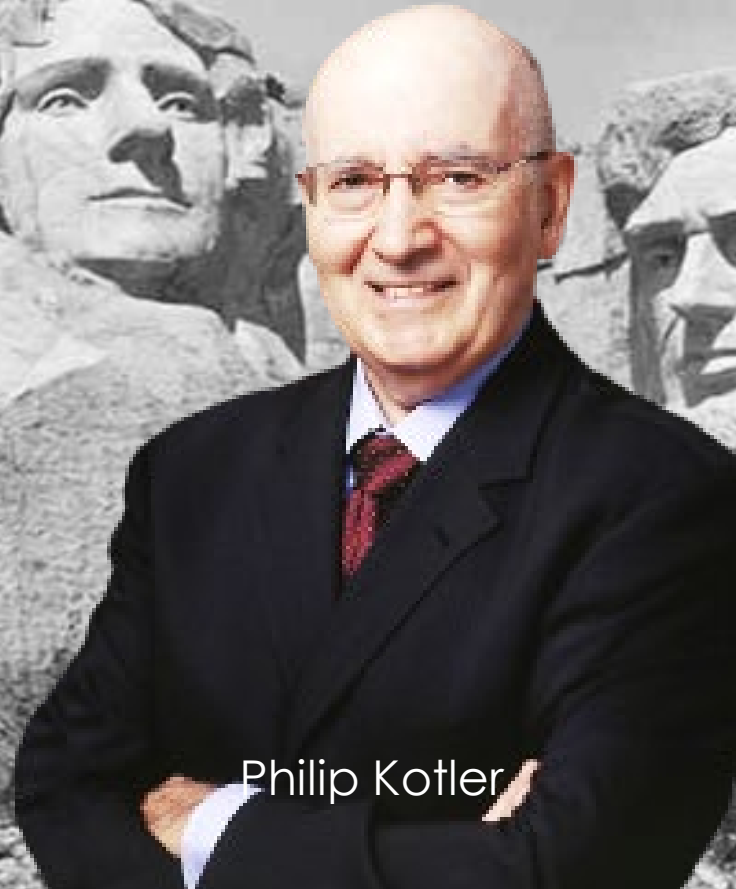
Anti-Allergic, Anti-Fungal, Gyn, Cardio:
anti-hypertensive, Anti- Arrhythmic, Anti-
Cough: mucosolvents, Anti-Psychotics:
Anti- Depressants, Anti- Schizophrenia,
Gastro: digestives, anti- Flatulence,
Antibiotics, Herbal Medicine, Food
Supplements, (Nutraceuticals: Iron
supplements, Ca+Vit D, Omega 3,
Ginseng, Anti-Dizziness, Multi- Vitamins,
Sexual Enhancers SDD), Medical Devices,
FMCG: toothpastes, Mouthwash



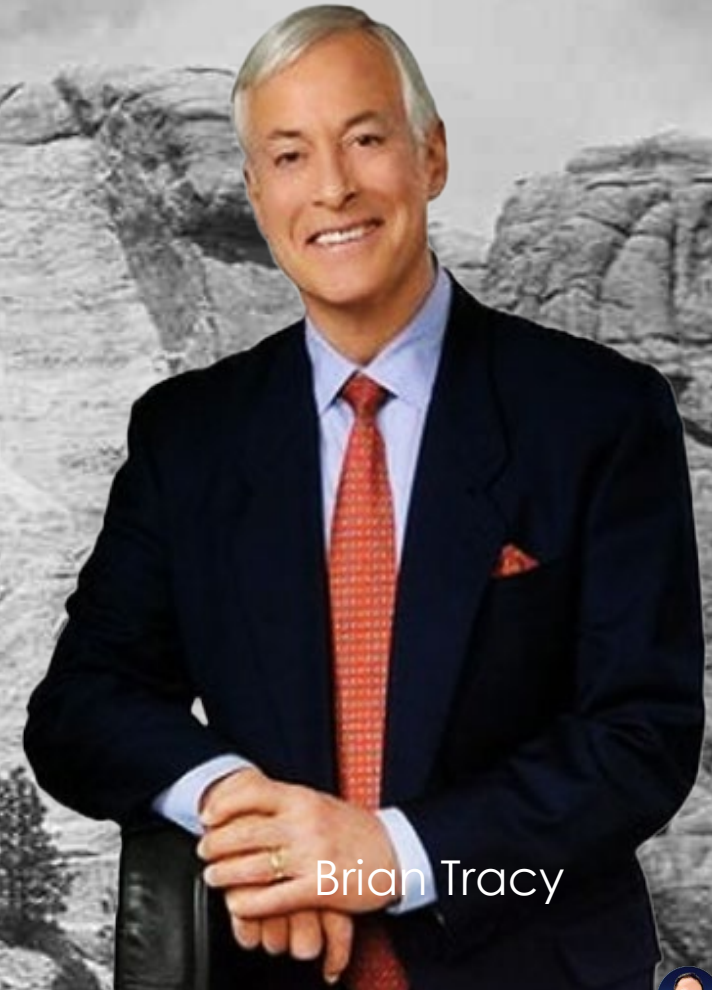
Postgraduate Lecturers Legend Icons



Sith Goden



Philip Kotler



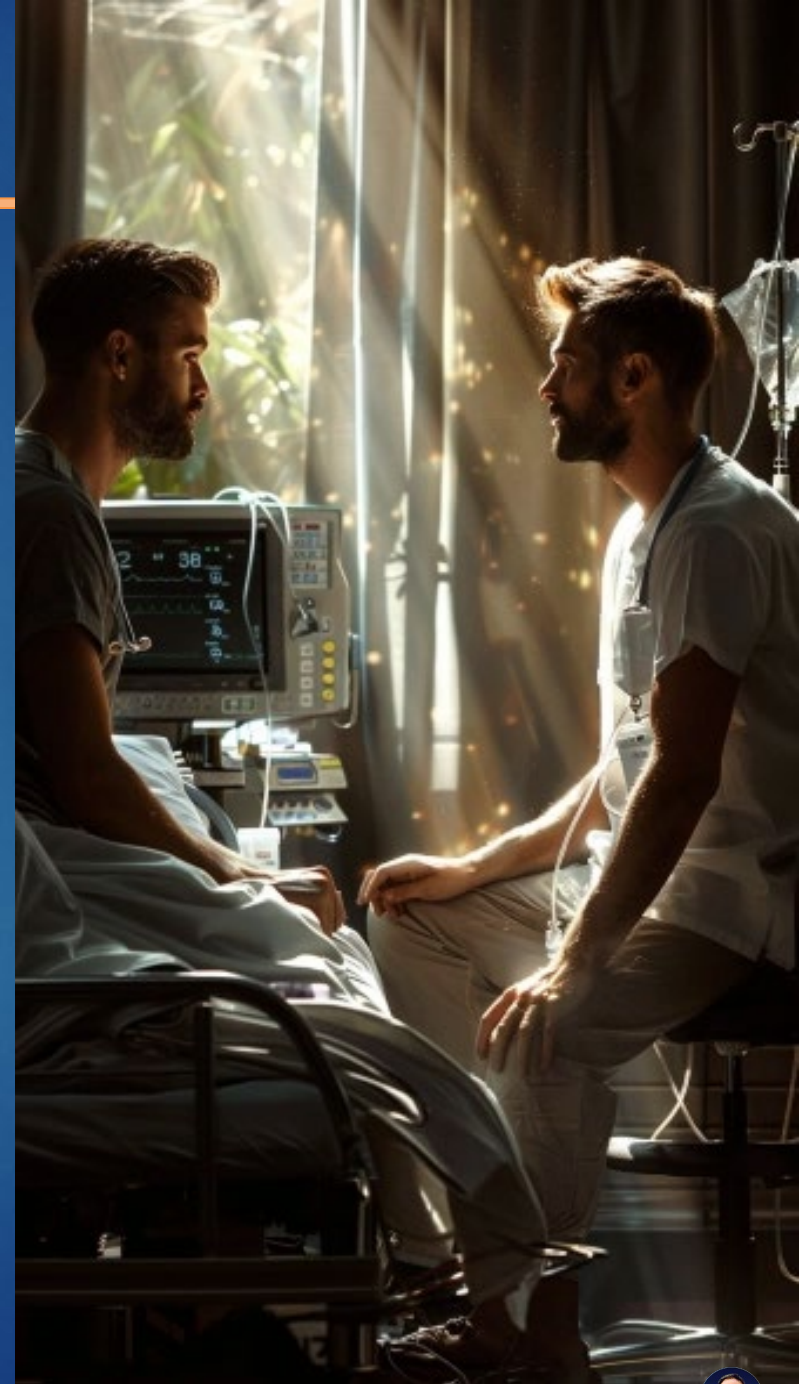
Brian Tracy



Marketing definition

- ▶ **Creating** customer value & satisfaction.
- ▶ A process by which individuals and groups obtain what they need and want through creating and exchanging products and **value** with others.

i.e. simply the delivery of customer satisfaction at a profit.



Sales Definition

A number of activities designed to promote customer ***purchase*** of a product or service. Sales can be done in person or over the phone, through e-mail or other communication media.



Promotion definition

- ▶ To encourage the existence or progress of an object, including a product, service, an idea or an organization.
- ▶ **Promotion increases sales**
- ▶ Two major objectives of any promotion program:
 1. Information (awareness).
 2. Persuasion.

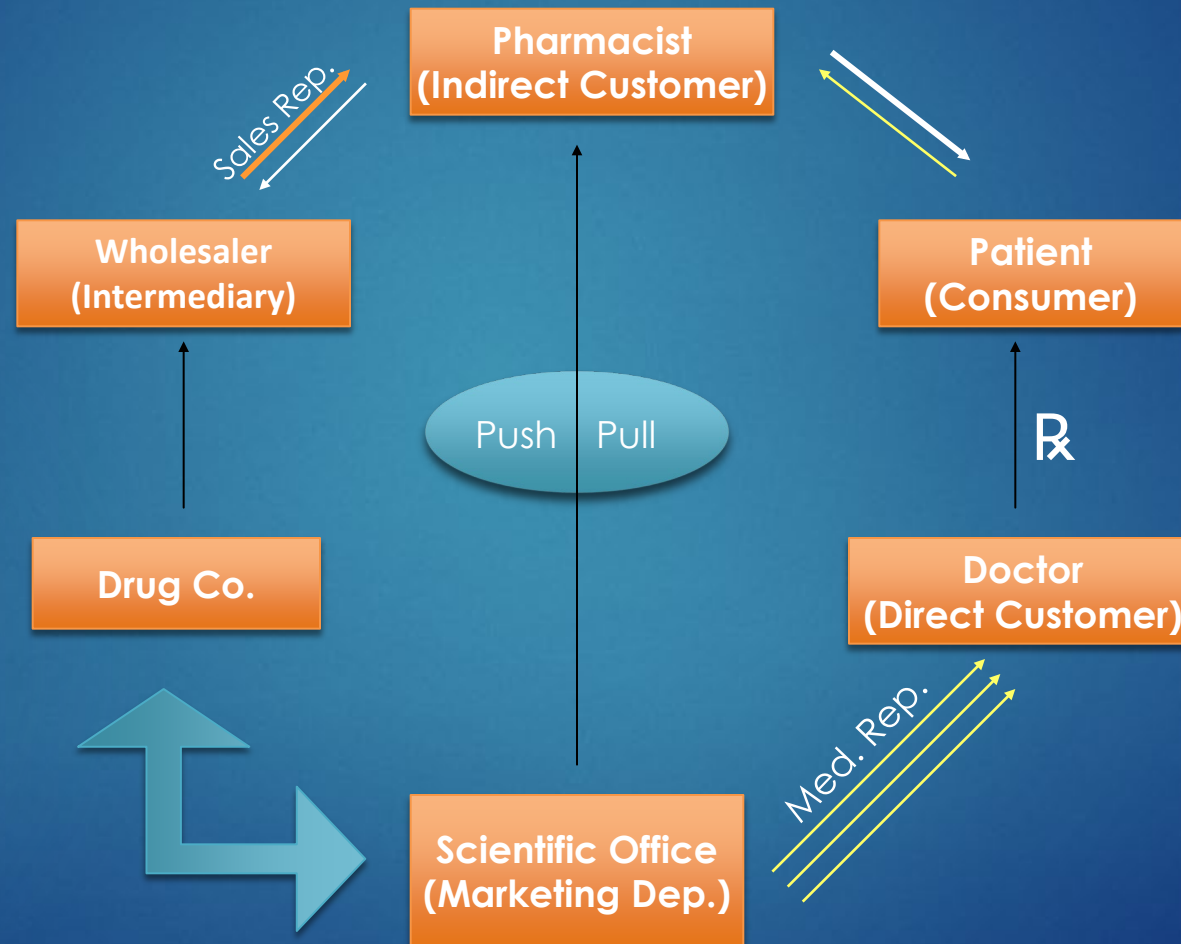


The Market

The **activity**, set of institutions, and **processes** for creating, communicating, delivering, and exchanging **offerings** that have **value** for customers, partners and society at large.



Drug Sales Cycle





**What are consumer's needs, wants
and demands?**



Needs

A state of ***felt deprivation*** for basic items such as food, clothing and complex needs



Wants

A form that a human need
takes as shaped
by culture and individual personality



Demands

Human wants to
specific brand
backed by ***buying power.***



ABC Needs in any medicine

Ethical doctor needs:

- A. High Efficacy.
- B. High Safety.
- C. High Convenience.



Competitive Benchmarking

| Importance | | Product/service Benefit | Performance | | | |
|------------|---------|-------------------------|-------------|--------------|------------|-----------|
| Doctor | Patient | | Poor | Satisfactory | good | |
| H | - | Co. services | | <u>LT</u> | C | F |
| M | M | Efficacy | | | <u>L</u> T | C F |
| H | H | <u>ttt</u> Nasal Obstr. | <u>L</u> | TC | | F |
| - | M | Economical | <u>L</u> | F | T | C |
| H | H | Convenience | | <u>LF</u> | | TC |
| H | H | Fast onset | F | | CT | <u>L</u> |
| M | M | Non-Sedating | | | TC | <u>FL</u> |
| L | L | High Safety | F | C | T | <u>L</u> |

Livostin nasal spray (Janssen-Cilag).

Fluxinase nasal spray (GSK) : corticosteroids.

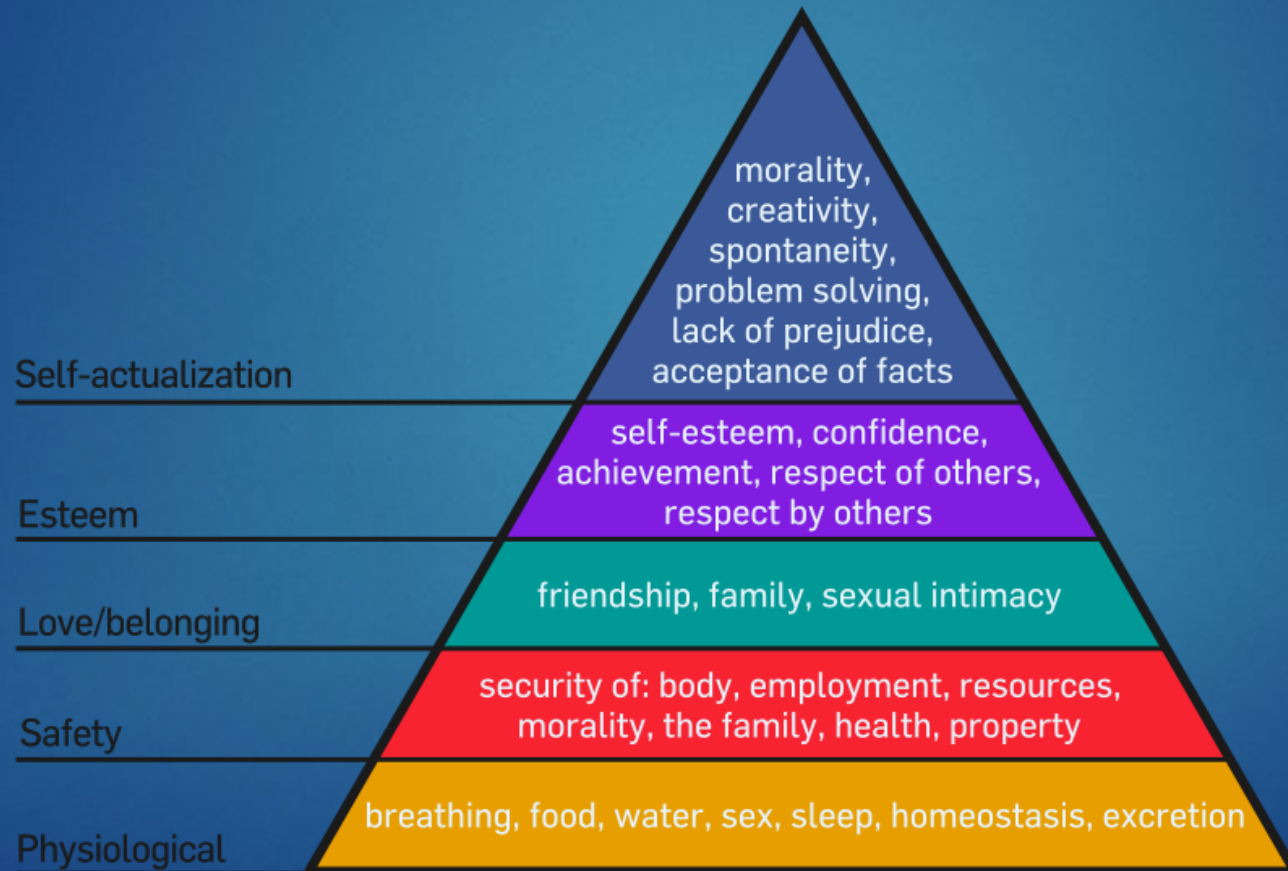
Claritine tablets (American Schering Plough) : non sedating antihistamine.

Telfast tablets (Avantis) : non sedating antihistamine.



Maslow's Hierarchy of Needs

(Theory of Human Motivation)



How do customers choose among products or services?

- ▶ **Customer value:** value gained from owning a product and costs of obtaining the product. (benefits/costs) or (what you get / what you give).
- ▶ **Customer satisfaction:** the products performance in delivery value relative to the buyer's expectations (value delivered/expectations).



Buying & Selling functions

- ▶ **Buying function:** looking for and evaluating goods or services.
- ▶ **Selling function:** involves promoting the product, and it includes the use of personal selling, detail aid or other direct and mass selling methods.



Decision Making Unit (DMU)

Buying Center (team/committee)

- ▶ **Initiator:** request to purchase or recognizes the problem.
- ▶ **Gatekeeper:** control the flow of information into and out of the company and buying center.
- ▶ **Decider:** the actual purchase decision, don't have or need formal authority but have sufficient weight.
- ▶ **Influencer:** contributes specifications, evaluates and recommends which supplier.
- ▶ **Purchasing Manager:** selects the suppliers and manages the buying.



Market targeting

Target Segment depends on:

- ▶ ***The market attractiveness:***
size, growth, price sensitivity and costs.
- ▶ ***The competitive dynamics.***
- ▶ ***The strength of the strategic advantage.***



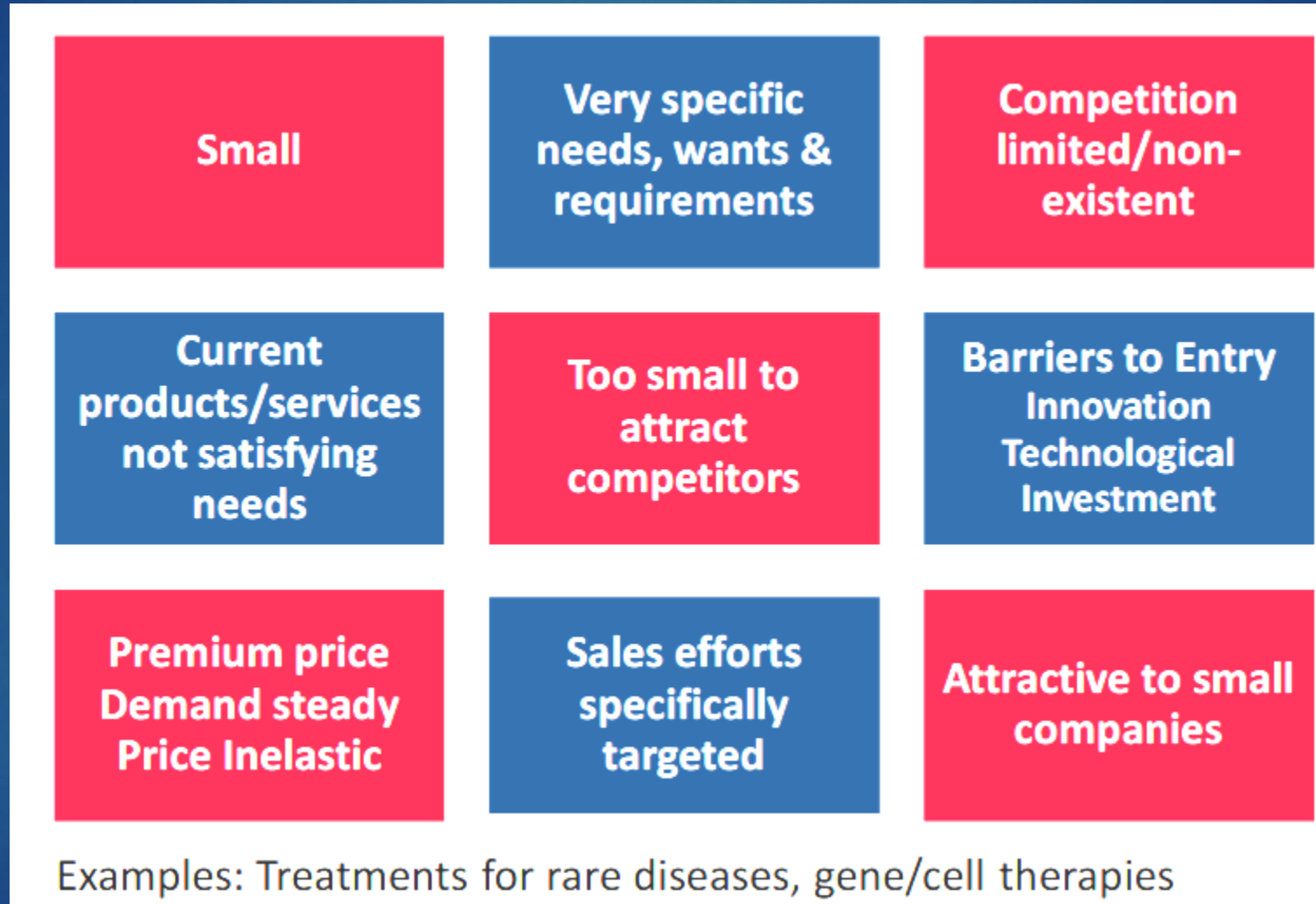
Niche Market (*micromarket*)

- ▶ A small specific and well defined segment.
- ▶ Created by identifying needs that are not addressed by other firms.

e.g. oncology, autoimmune, anti-flu vaccines

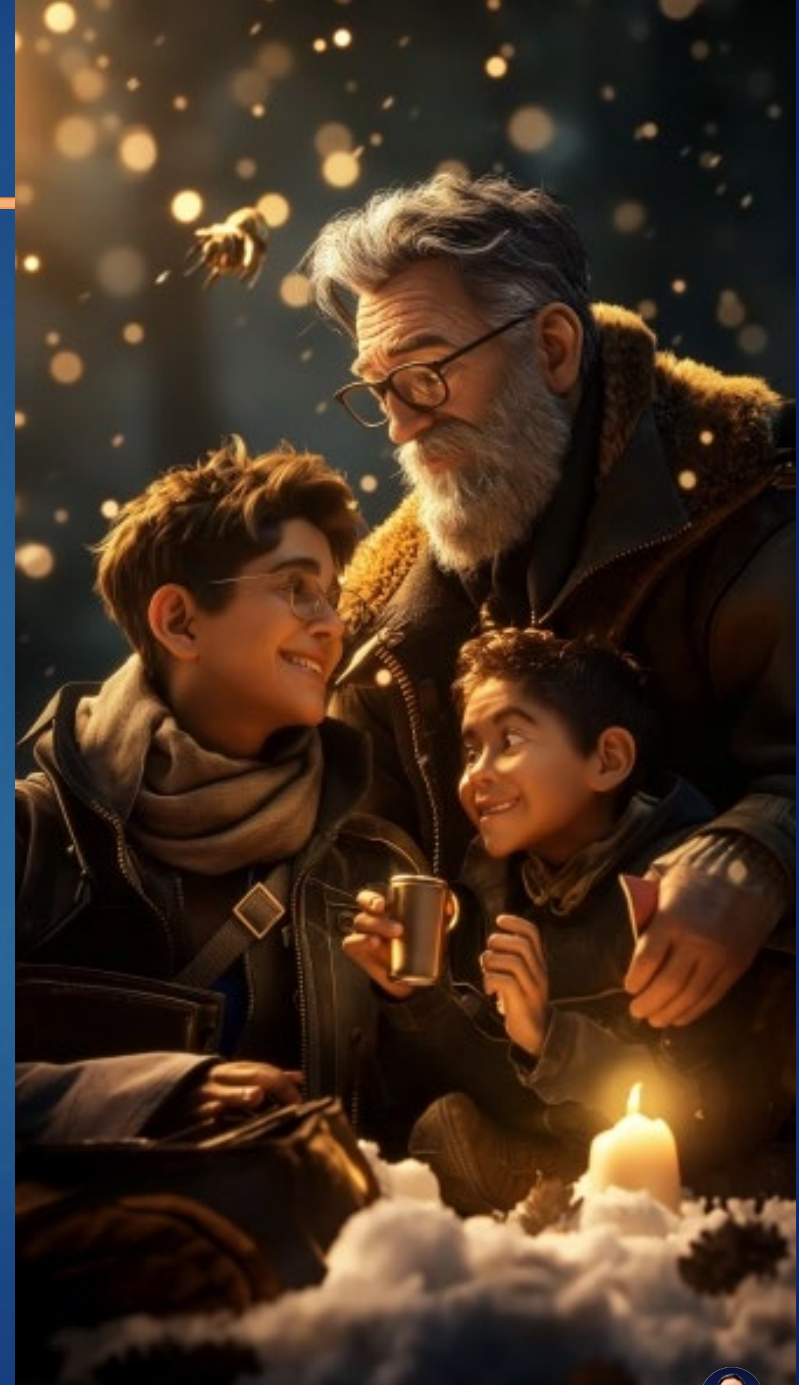


Niche Markets



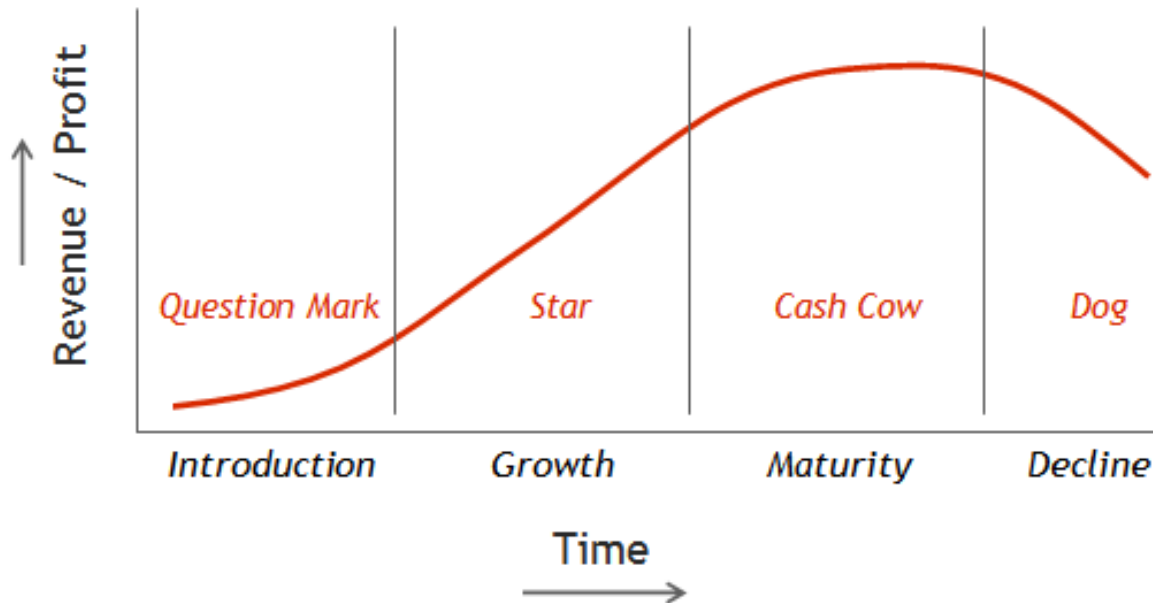
Product Life Cycle (PLC)

1. Introduction.
2. Growth.
3. Maturity.
4. Decline

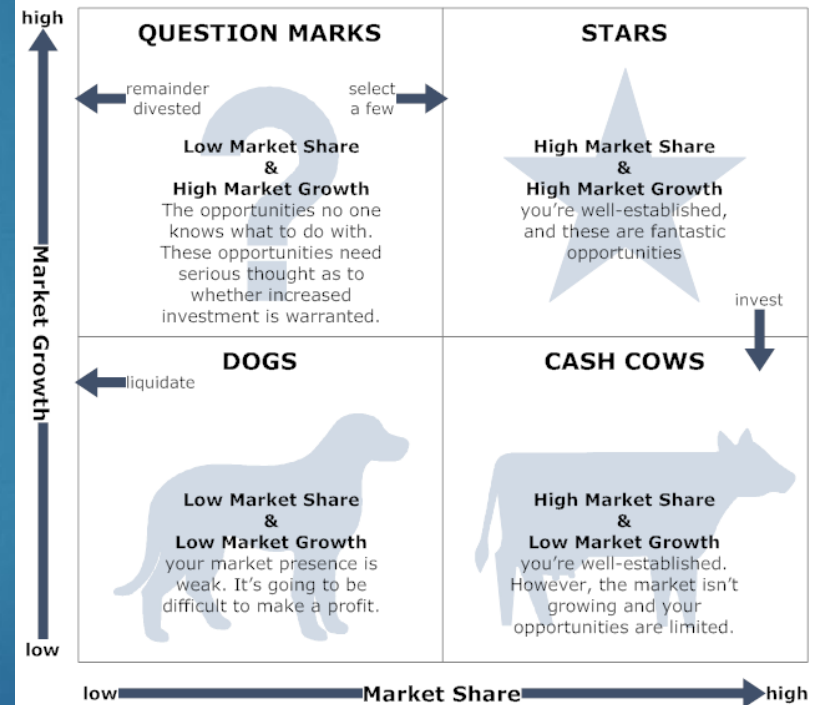


Product Life Cycle & BCG matrix

BCG positions throughout the product life cycle:



Growth-Share Matrix



Marketing Strategies

- ▶ A process that can allow an organization to concentrate its resources on the optimal opportunities with the goals.

(increasing sales and achieving a sustainable competitive advantage)

- ▶ There are several different ways of analyzing the various marketing strategies.



Marketing strategy (cont.)

- ▶ Involves careful and precise scanning of the internal and external environments.
- ▶ Internal environmental factors include the marketing mix and marketing mix ..
- ▶ External environmental factors include customer analysis...

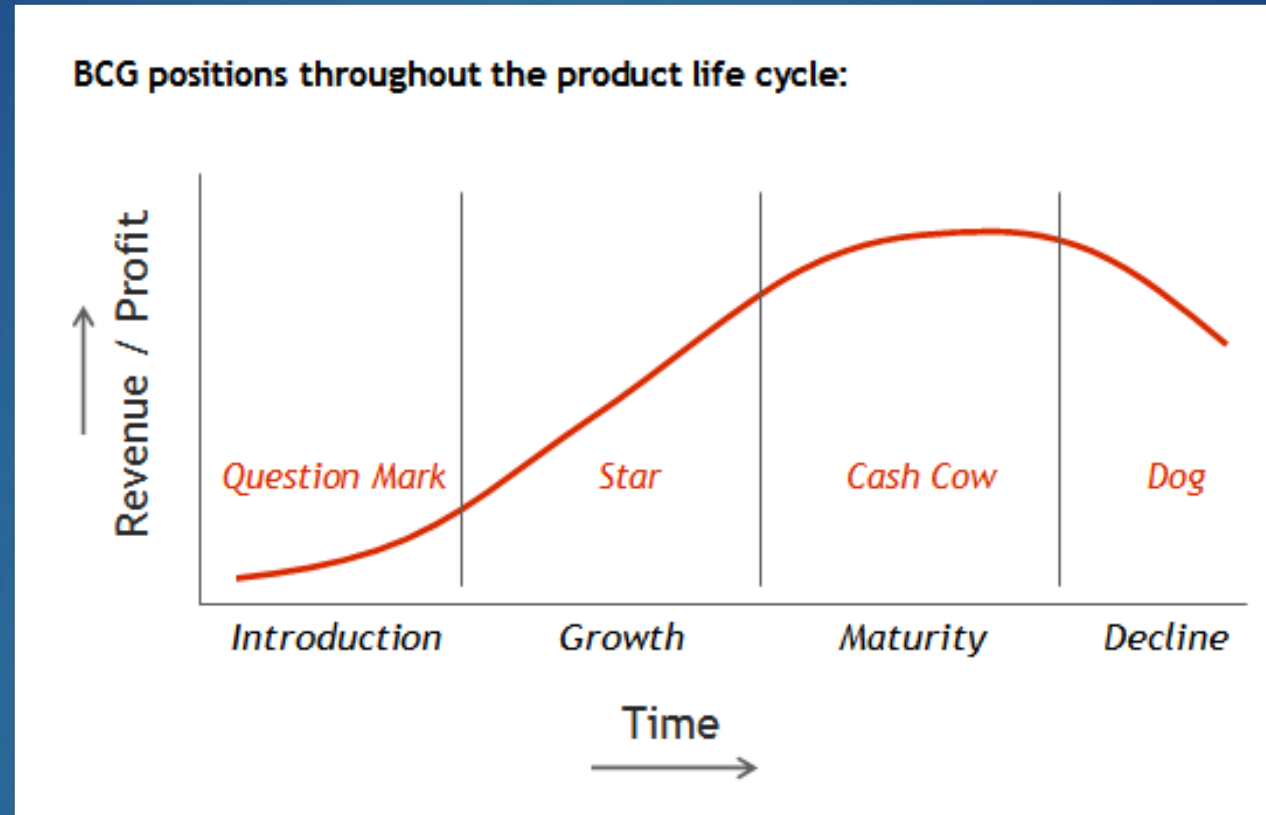


Marketing strategy (cont.)

- ▶ When environmental scan is complete, a strategic plan can be constructed.
- ▶ to identify business alternatives, establish challenging goals, determine the optimal marketing mix to attain these goals, and detail implementation.
- ▶ A final step in developing a marketing strategy is to create a plan to monitor progress.



Marketing Strategies based on PLC.



Market Penetration or Niche Targeting

Segment expansion or Brand expansion

Maintenance Strategy

X harvesting strategy
√ divesting strategy



Marketing Strategies

based on market dominance

- ▶ Leader
- ▶ Challenger
- ▶ Follower
- ▶ Nicher



Brand extension (stretching)

Marketing strategy in which a firm marketing a product with a well-developed image uses the same brand name in a different product category.

e.g. Panadol's, Strepsil's ..



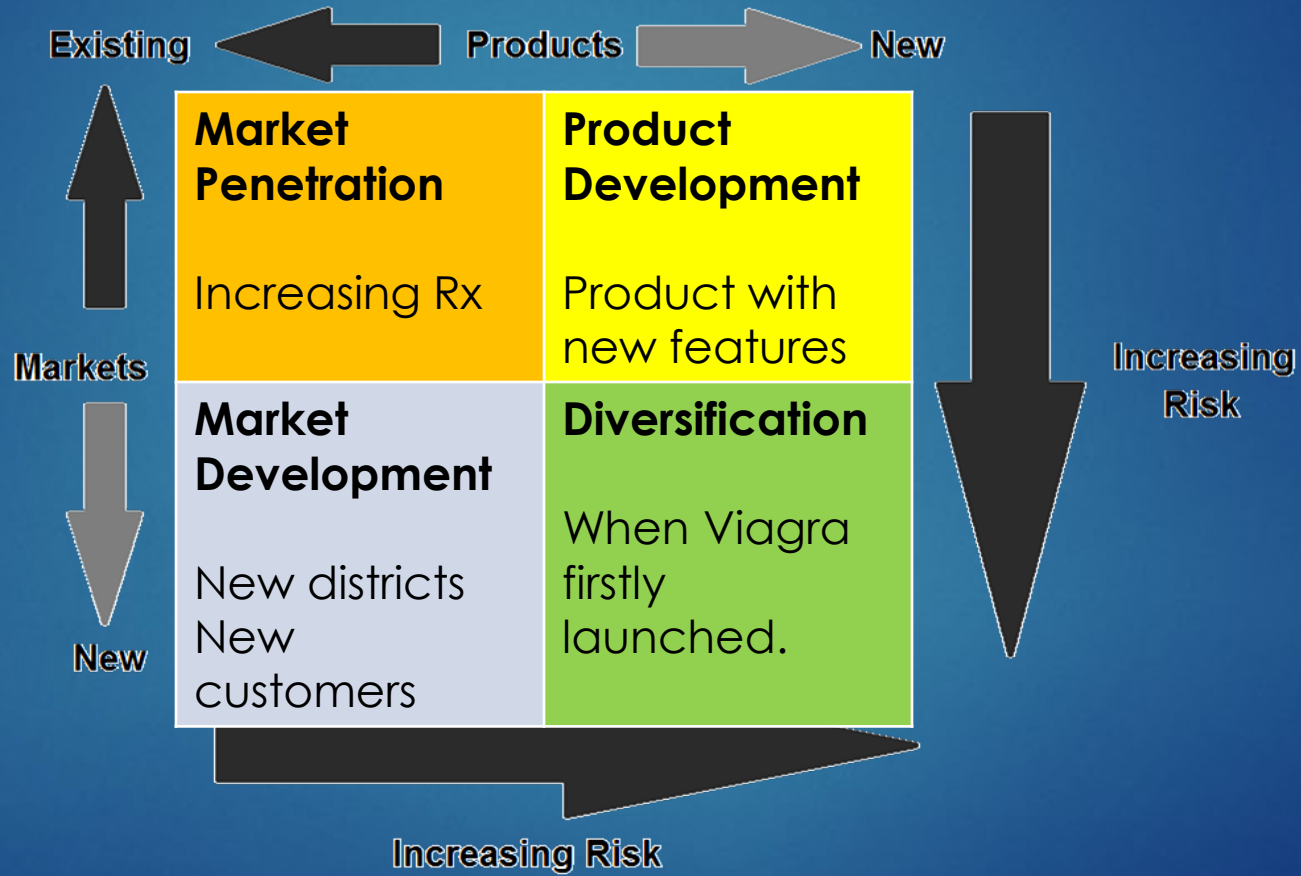
Cannibalization

Refers to a reduction in sales volume, sales revenue, or market share of one product as a result of the introduction of a new product by the same producer.

e.g. low sales volume of normal Panadol, compared to Panadol Extra.

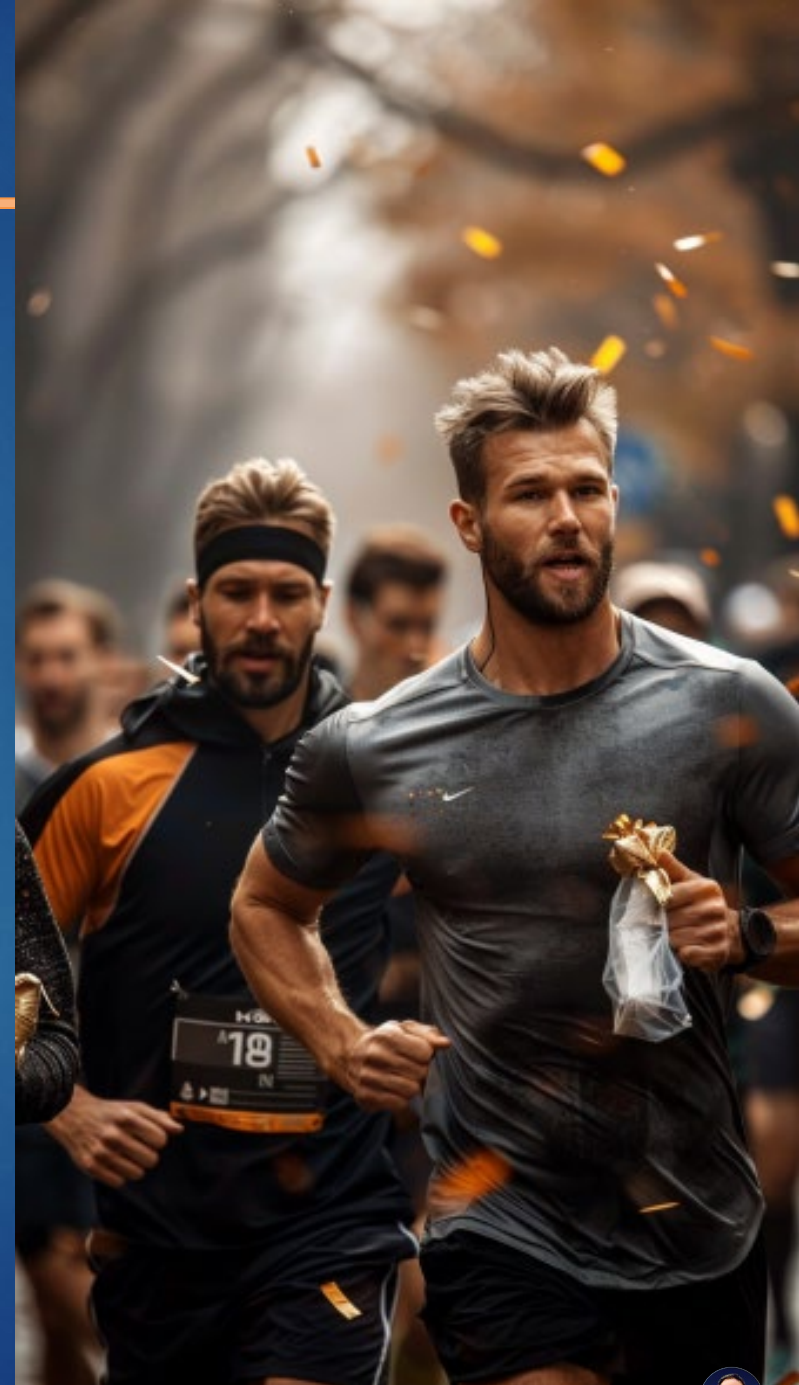


Ansoff Matrix



Competition

Includes all of the actual or potential rival offerings and substitutes that a buyer might consider.



SWOT Analysis

- ▶ A framework to develop overall corporate marketing or product strategies.
- ▶ For integrating and cross-analyzing data collected in the market audit, situation audit and product positioning.
- ▶ The objective is “planning” what to do.



SWOT Analysis

- ▶ **SW:** Strengths and Weaknesses of a company or product (internal factors controllable by the company).
- ▶ **OT:** Opportunities & threats (in the market/environment) are external factors which are uncontrollable by the organization.



SWOT Analysis

designed to help produce :

- ▶ The optimum segment to attack.
- ▶ The positioning 'promotional message" to communicate.
- ▶ The strategy that will bring success .
- ▶ Tactical objectives and their priority .
- ▶ A tactical plan.
- ▶ Final check .



ATOCRC



Opportunities and threats

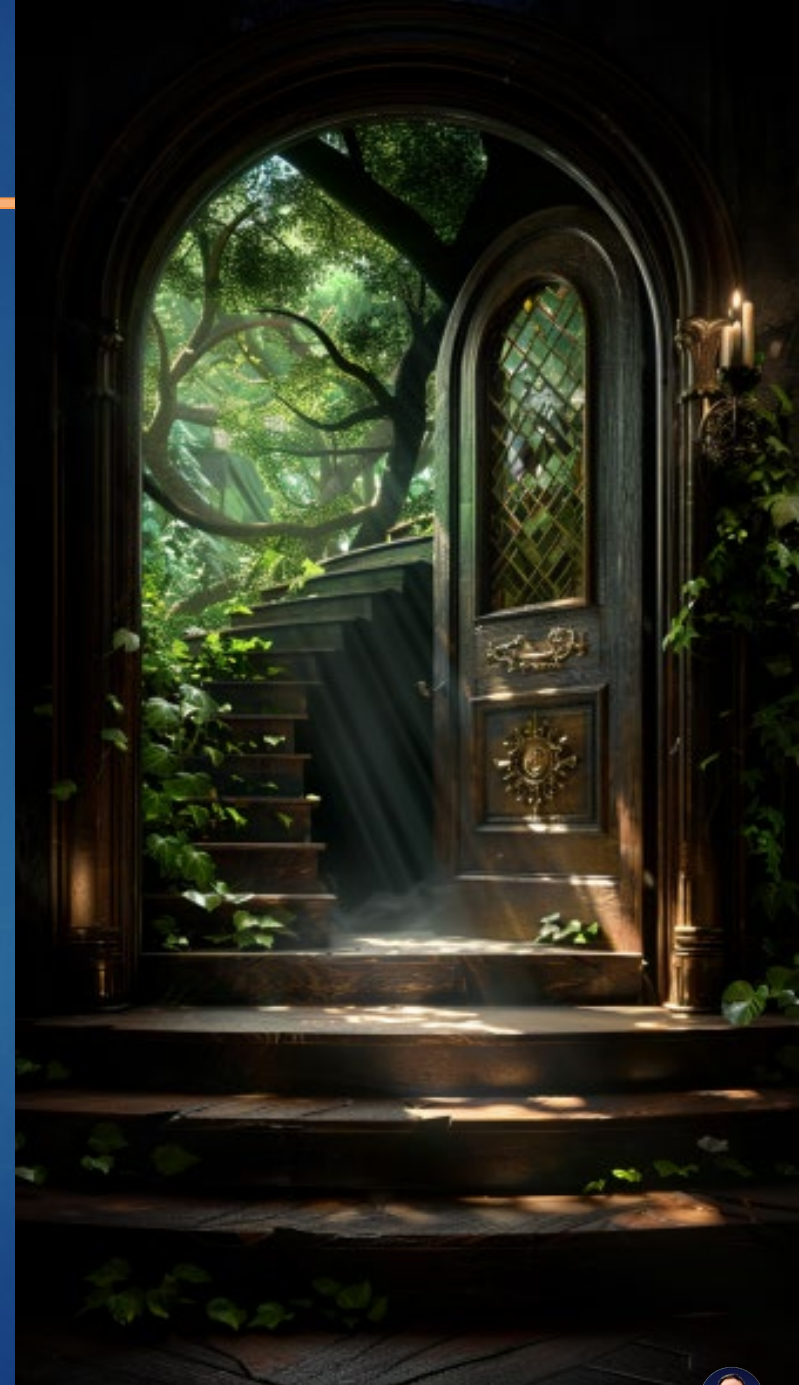
- ▶ Market segment and Competition
- ▶ Environment



List of Opportunities

In the market segment :

- ▶ Large segment size.
- ▶ High growth rate.
- ▶ High level of customer interest.
- ▶ High degree of acceptance.
- ▶ Many new customers.
- ▶ Low level of price sensitivity



List of Opportunities

In the environment

- ▶ Few government regulations
- ▶ Little negative public opinion.
- ▶ Growth economy.
- ▶ Competition: few competitors
 - Weak selling power
 - no new products
 - little promotion activity



Examples of strengths

In The product.

- ▶ Highly effective product
- ▶ Very reliable.
- ▶ Convenient packaging
- ▶ Acceptable pricing.
- ▶ Excellent technically
- ▶ High market segment share
- ▶ Good trade mark.
- ▶ Excellent delivery



Examples of strengths

In The Company:

- ▶ Large size
- ▶ Excellent reputation
- ▶ Adequate promotion budgets --Productive R&D.
- ▶ Well-motivated sales force
- ▶ Effective sales force
- ▶ Well-trained sales force
- ▶ Excellent distribution
- ▶ Excellent back-up information



ATOGRCE



SWOT

Strengths

Product:

1. **Fast onset of action: Major strength.**
2. **Safety: Minor Strength**
3. **Highly Profitable.**

Promotion

3. Sales force effectiveness: Major strength
4. Reputation: Major strength

Personnel:

5. Dedicated representatives: Major Strength

Weaknesses

Price:

1. Expensive: Minor weakness

Product:

2. Efficacy with nasal obst.: Neutral performance
3. Inconvenience: Minor weakness

Marketing:

4. Service quality: Major weakness
5. Market Share: Major weakness

Opportunities Matrix

| | | | |
|----------------|---|--|--|
| Attractiveness | + | Market Penetration: Tender business Competitors side-effect... | Mkt penetration: - Insurance. - New Prospects |
| | - | | Niche markets: Hurghada, Sharm, Areesh ... |
| | | - | + |
| | | Probability | |

Threats Matrix

| | | | |
|-------------|---|-----------------|---|
| Seriousness | + | Generics | 1. Local steroids orientatn. 2. Competitors services. 3. Rumors on the efficacy |
| | - | | 1. New Competitor attack: 2. Well-established drugs |
| | | - | + |
| | | Probability | |



External forces affecting marketing of products

P.E.S.T.

- ▶ Political
- ▶ Economical
- ▶ Social
- ▶ Technological environments.



Political

- ▶ **Politics..**
- ▶ **Governmental Decisions:** flu vaccine, medical insurance...
- ▶ **Occupation..**
- ▶ **Legislations:** FDA
- ▶ **Policies:** psychological medicines, red Rx.



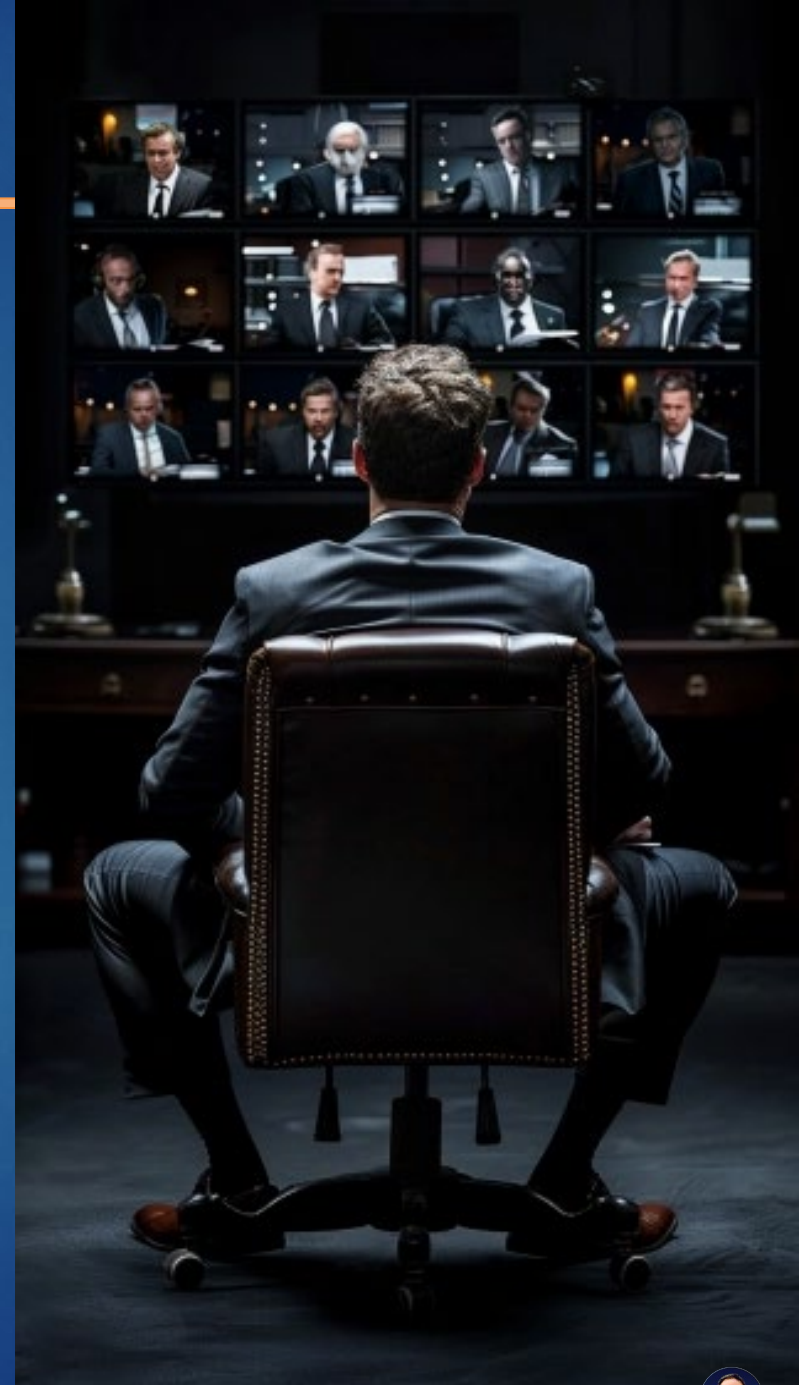
Economical

- ▶ **Nationally:** annual income, welfare, country inflation...
- ▶ **Globally:** Dollar price, gold price, raw material price, global inflation ...



Social

- ▶ **Society forces** as family, friends, media affect our attitudes, interests, opinions, what we buy, how we behave.
- ▶ If a change in structure of a population happens, this will affect the supply and demand of goods and services. e.g. *marriage rate, population growth rate...*



Technological

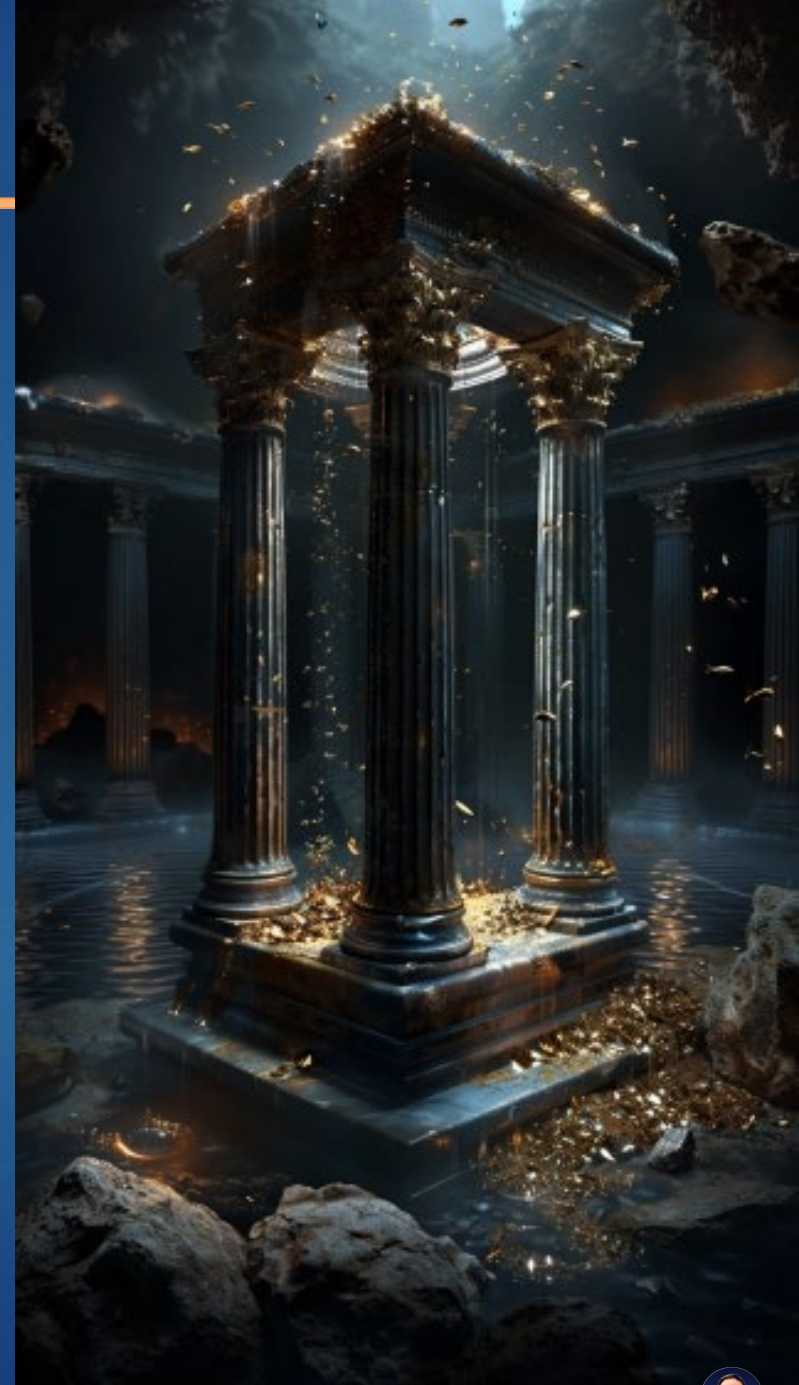
- ▶ Internet and electronic government.
- ▶ R&D departments are pressured to develop up to date technology products.
- ▶ High technology investigational devices.
- ▶ Digital advertising.



7 P's

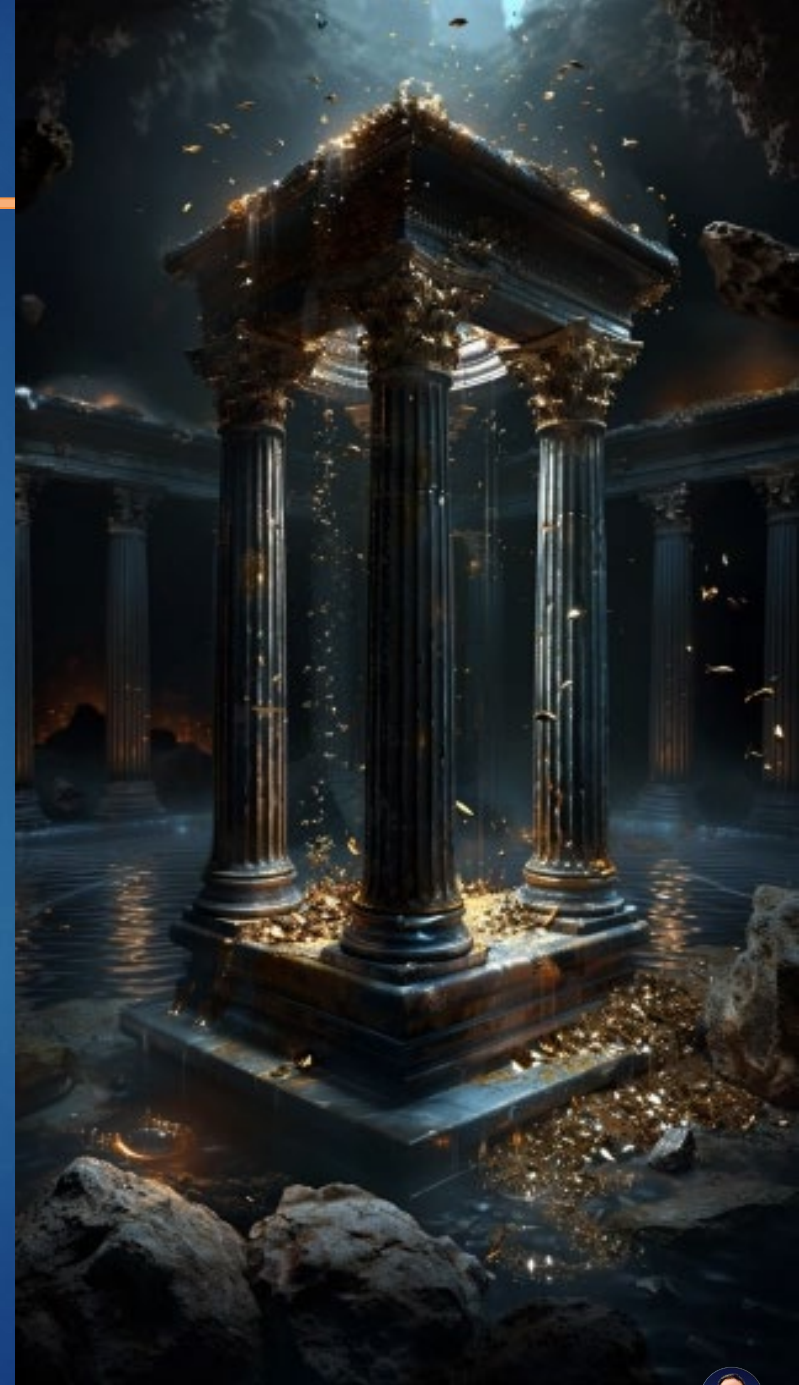
Product, Price, Place, Promotion Process, Personnel, Physical Evidence

These are controllable variables which must be managed carefully to meet the needs of the target group.



4 P's vs. 4 C's

- ▶ Product → Customer
- ▶ Price → Cost
- ▶ Place → Convenience
- ▶ Promotion → Communication



Product Strategies

- ▶ Features/benefits.
- ▶ Positioning.
- ▶ Differential advantages.



Product viewed

Level 1 Core product.

Level 2 Actual product:

e.g. add benefits to compete).

Level 3 Augmented product:

additional non-tangible benefits
e.g. warranties, delivery, after
sale services.



Product Decisions

- ▶ Design
- ▶ Quality
- ▶ Branding



Pricing

- ▶ It costs to produce, design, distribute and promote a product.
- ▶ Pricing is difficult and must reflect the supply & demand relationship.



Take into account

- ▶ Fixed and variable costs.
- ▶ Competition.
- ▶ Company objectives and credo.
- ▶ Proposed positioning strategies.
- ▶ Target group & willingness to pay.



Pricing Strategies

Depends on company's objectives

- 1- Penetration pricing
- 2- Skimming pricing
- 3- Competition pricing
- 4- Product line pricing
- 5- Bundle pricing
- 6- Psychological pricing
- 7- Premium pricing
- 8- Optional pricing



Place

- ▶ Distribute product to user at the right place and at the right time.
- ▶ Efficiently.



Channels of Distribution

1- *Direct* Distribution

manufacturer → consumer

2- *Indirect* Distribution

manufacturer → wholesaler → retailer → consumer



Distribution Strategies

- ▶ Intensive distribution
e.g. all channels
- ▶ Exclusive distribution
e.g. no sub-agents
- ▶ Selective distribution
e.g. pharmacy chains



Promotion definition

All informational and persuasive activities by manufacturers the effect of which is to induce the prescription, supply, purchase and/or use of medicinal products.

WHO



Promotional objectives

- ▶ To inform
- ▶ To persuade

* *Rational decision making*

* *Promotion is usually performed by well-trained “Medical representatives” or “Detail-men”.*



Advertising

- ▶ Any form of communication using any form of mass media or a controlled message in purchased time or space.
- ▶ It is non-personal and paid.



Advertising

- ▶ Advertising helps to change the health habits of **people** they consult their doctors more.
- ▶ Advertising in medical journals remains the primary source of **doctor's** up-to-date information.



Advertising

- ▶ They say that even breakthrough drugs without advertising may fail!
- ▶ A new product is new only once!
The first 6 months of a product's life are very determining to its success.



Forms of advertising

- ▶ Journals
- ▶ Direct mail & e-mail
- ▶ Bill boards
- ▶ Newspapers
- ▶ TV
- ▶ Radio
- ▶ Sales people
- ▶ Newsletters
- ▶ Directories & reference books (PDR)
- ▶ Electronics (video material, internet)
- ▶ Word of mouth.



Driving forces for advertising

- ▶ Competition
- ▶ Short patent period
- ▶ Strong Generics



AIDA

- ▶ **Attention:** grab attention
- ▶ **Interest:** hold through promotional features
- ▶ **Desire:** make desirable
- ▶ **Action:** purchase action



Public Relations

Developing positive relationships with the public.

e.g. PR advertorials in newspapers and medical studies sponsored by pharmaceutical companies...



Sales Promotion

- ▶ *Hajj offer.*
- ▶ *End of the year offer.*
- ▶ *Bonus.*
- ▶ *Special discount.*
- ▶ *1+1 free.*





The Six Buying Motivators



1. Making a gain

Buying to increase yield, power, health or money return.

most valuable power



vitaminwater. power-c
fragrant c + vitamin
20 FL. OZ. • 591 mL

- 3 championships... and counting
- 1,845 bottles of vitaminwater... and chugging
- 1 mvp award... and long overdue

GLACÉAU
vitaminwater.
try it... it works for kobe



2. Fear of Loss

Buying to protect from damage or loss.



THERE IS A WAY OUT.

Champix can help you find your way out of smoking. In fact, it can increase your chance of quitting by around four times*. That's why over 40,000 kiwis used Champix last year to try and quit smoking. To find out if Champix is right for you, talk to your doctor or visit champix.co.nz.

CHAMPIX
varenicline tartrate

* It's been shown that by end of a 12-week Champix programme, you're four times more likely to have quit than if you'd taken no medication.
© 2015 Pfizer Inc. Champix (varenicline) is a prescription medicine that helps reduce urges to smoke. Champix is fully licensed under special authority. A prescription charge and certain doctor's fees apply. Do not take CHAMPIX if you are allergic to varenicline or any other listed ingredients. Do not take if you have ever had depression, other mental health problems, or any conditions that are listed as contraindications. Some people have had changes in behavior. Most of having thinking and acts as having others. If you or your family notice changes in your behavior, mood or thinking, stop taking CHAMPIX and see your doctor. Some people have had changes in heart rate. CHAMPIX may be used in pregnancy. If you are pregnant, think you may be pregnant, or are breastfeeding, do not take CHAMPIX. Some people have had changes in blood pressure. If you are taking other medicines, tell your doctor. Some side effects include nausea, constipation, headache, dizziness, difficulty sleeping and decreased appetite. Tell your doctor about all the medicines you are taking. Always read the patient information leaflet and ask your doctor for more information. Please see the patient information leaflet for full details. Champix is available from www.medicines.govt.nz or www.nzpharm.co.nz. Ph 0800 333 333.

smokefree
ADYARAO
NEW ZEALAND
2025



3. Pleasure

Buying because of enjoyment



4- Avoidance of pain

Buying because it will
remove physical or
mental pain.



The joy of movement.



5. Pride

Buying because of inner feelings of wanting the best.

**FIGHT
SINUSITIS,
NOT
YOURSELF**



„GeloMyrtol forte“ — relieves the symptoms of sinusitis and bronchitis



6- Social Approval

Buying because of the influences or reactions of others.



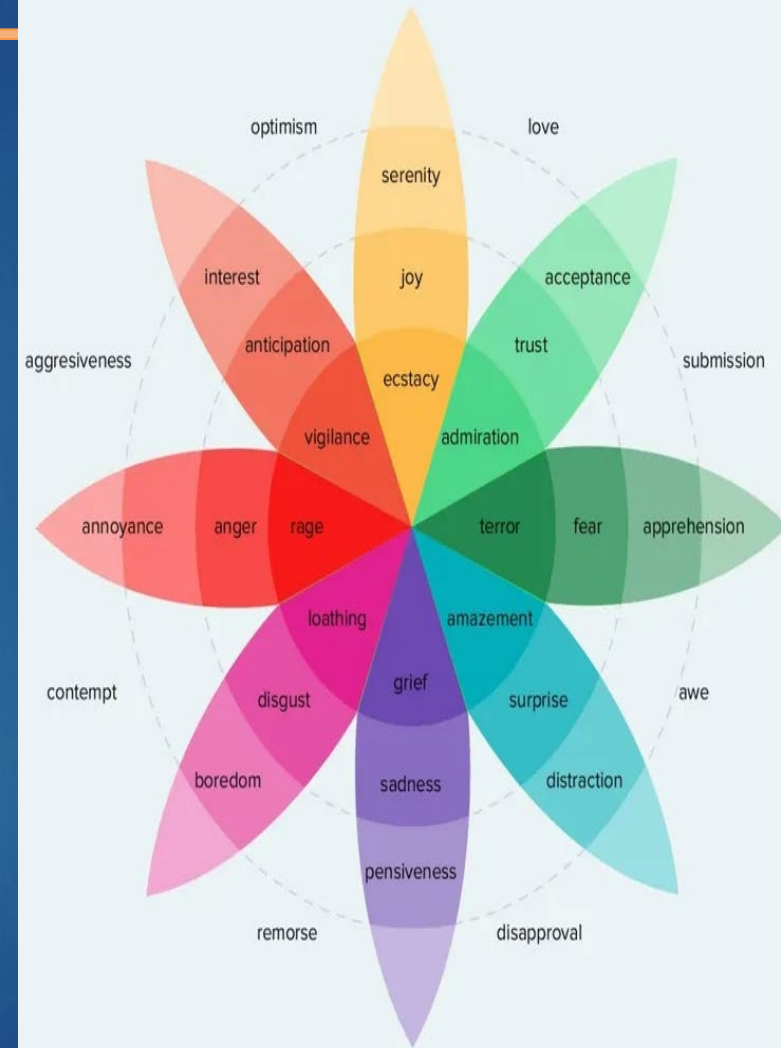
Direct to consumer advertising (DTCA)

- ▶ Used mainly for a group of drugs called: Life style drugs.
- ▶ “Educate and sell at the same time”
- ▶ "A new product is new only once".



Powerful Emotional Factors

- ▶ Value of one's health or loved ones.
- ▶ Fear of death.
- ▶ Fear of disability.
- ▶ Responsibility of taking care of one's health and that of loved ones.
- ▶ Self consciousness and vanity.
- ▶ Shame.
- ▶ Vulnerability of people who are aging, ailing.



DTC and doctors

- ▶ DTC ads are claimed not to interfere with doctor / patient relationship and to enhance their communication with them.



DTC and doctors

- ▶ But it may pressure some weak doctors
- ▶ 25% people who visited doctors after a DTC received a new diagnosis of a condition.



Disease awareness campaigns

- ▶ Educate patients about a disease
- ▶ Increase visits to doctors
- ▶ Eventually increase sales
- ▶ Urged by governments *otherwise, many patients will continue using wrong medications, high expenses, risk of side effects, days missed of work and increase health care on country.*





SCAN
ME



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