

УДК 658:8

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# Organization and marketing tools to increase sales of over-the-counter medicines in pharmacies

# **Summary**

Pharmaceutical marketing is an activity aimed at meeting the needs of the population in pharmaceutical care. Relevant and specific for this industry promotion tool is recognized marketing mix – marketing complex, the components of which are 4P: product; price (cost); place and promotion.

These components are the most important in determining the marketing policy of each organization. The formation of the marketing complex of pharmacies has its own features, which are related to the specifics: the sale of over-the-counter and prescription medicines, patient health, ethics of promotion, and so on. The urgency of the topic is due to the active development of over-the-counter medicines as a special group for purchase and use, which is clearly reflected in the methods of sale.

Currently, merchandising in pharmacies as a modern type of pharmaceutical marketing is gaining special development. The object of research is the use of the principles of merchandising in a pharmacy. The subject of research – approaches, and means of sales promotion and increase sales of medicines in the application of the principles and rules of application of the principles of merchandising in the pharmacy.

 $\textbf{Key words:} \ or ganization tools, pharmaceutical marketing, pharmacy, over-the-counter medicine, merchandising, POS-materials$ 

**Introduction** Pharmaceutical marketing is an activity aimed at meeting the needs of the population in pharmaceutical care (Bilai, Raikova, Bushuieva, and other, 2016). Relevant and specific for this industry promotion tool is recognized marketing mix - marketing complex, the components of which are 4P: product; price (cost); place and promotion (Dmytrenko, Zavadska & Kosiachenko, 2015).

These components are the most important in determining the marketing policy of each organization (Weekly «Pharmacy». Marketing and management). The formation of the marketing complex of pharmacies has its own features, (Layout on the shelf: problems of merchandising) which are related to the specifics: the sale of over-the-counter and prescription medicines, patient health, ethics of promotion, and so on (Secrets of pharmacy merchandising. Part 1.). The urgency of the topic is due to the active development of over-the-counter medicines as a special group for purchase and use, which is clearly reflected in the methods of sale (Secrets of pharmacy merchandising. Part 2.).

Currently, merchandising in pharmacies as a modern type of pharmaceutical marketing is gaining special development (Badawy, 2017). The object of research is the use of the principles of merchandising in a pharmacy. The subject of research - approaches and means of sales promotion and increase sales of medicines in the application of the principles and rules of application of the principles of merchandising in the pharmacy.

**Methods** include description, synthesis, comparative analysis, system approach, qualitative content analysis, and observation are used in the work.

**The main part** Domestic scientists deal with the problems of organizational features and marketing tools (Z. Mnushko, N. Dikhtyareva, I. Bushuyeva, A. Zimenkovsky, I. Pestun, I. Bondareva., A. Nemchenko,

A. Panfilova, V. Tolochko; I. Levchenko, A. Olkhovska, B. Gromovyk, G. Gasyuk, O. Levitska, V. Boryschuk, O. Kukhar, V. Usenko, L. Unguryan, L. Dmitrenko, N. Zavadska, N. Kosyachenko). But there are very few relevant publications summarizing the recommendations.

Given many years of experience, the most important means of increasing sales were specific advertising materials at points of sale (including pharmacies): POS (Point of sales) and POP (Point of purchase) materials. They are special designs and means for advertising the brand at the point of sale.

Practical, convenient, and profitable places for advertising in the pharmacy:

- 1. Checkout area one of the best places to place ads. POS-materials that are most common and used in the cash area: cash plates for money, checkboxes, posters on clear glass, which separate the space of the cash register. Advertising materials located near the box office should be updated, especially often depending on the season, advertising campaigns on television, promotions held at the pharmacy. It is investigated that when paying, the buyer of the pharmacy can respond to advertising with an instant purchase.
- 2. Places of display of the goods (showcase, racks, the special equipment). Shelftockers, wobblers, displays, flags, packages of medicines with built-in light signals, flashing light bulbs and more are used. Each of them is designed to bring the buyer to his brand, to distinguish it from other products, to mark the visual boundary of the location of the medicines.

Advertising of different medicines is located here close to each other. In this case, it is very important that there is no «war» of advertising materials. Usually, the standard recommendations call for advertising in the trading floor of no more than 15–20 % of the exhibited range. In places where the product is displayed with special

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severity, it is necessary to follow the rules of placement of advertising material in the immediate vicinity of the advertised product.

3. Trading hall – the most common are figures, posters, and other types of posters, enlarged models of packaging, emblems for the floor, hanging structures. But on the trading floor, you need to pay attention to the convenience of advertising materials: on the one hand, they should be clearly visible to the visitor, on the other hand – they should not create inconvenience when moving. It is important not to overdo it with advertising: 1 sq.m. should have no more than one image.

It is constantly necessary to monitor the appearance of advertising material – the type of worn posters or figures causes contempt for the advertised product. It is also important to remember the rule of free entry/exit. Advertising material is not allowed in this area.

Going inside, the visitor hurries to the counter, walking – no longer set up for shopping. In both cases, he reacts poorly to advertising. Also, undesirable delay of the buyer at the door, if the advertisement still attracts his attention, in which case there may be a traffic jam, which psychologically scares away other customers («too many people – I'll go to another pharmacy»).

Knowledge of the peculiarities of human visual perception helps to overcome the discomfort that arises when perceiving a variety of information (messages, price tags, advertising materials, signs, etc.). The ability to read the inscription is directly dependent on the distance to it. If the distance to the inscription: 1, 5 meters – the font size in height should be 7 mm; 3 meters – 15 mm; 5 meters – 25 mm; 10 meters – 40 mm. If it is necessary that the inscription not only reads well but also attracts attention, then you should also consider the width of the letters. With a comfortable visual perception, the height of the letters should be 5 times their width. Also in insufficient light, the size of the letters should be increased by 1,5–2 times.

The laws of visual perception dictate the principles of formation of compositions in the presentation of goods:

- simple symmetrical shapes and compositions are better perceived by buyers than complex ones;
- unbalanced compositions cause feelings of discomfort.

To create compositions on the pharmacy trade equipment, it is possible to use the main components of architecture: usefulness (convenience and profitability), strength (stability), and beauty.

Depending on the space in the pharmacy, the following types of compositions can be organized:

- planar, is those that occupy only one component of the plane horizontally or vertically;
- volume, when using all three spatial axes: height, width, and depth;
- spatial with the predominance of all three axes, but the main importance is depth.

When forming compositions in the presentation of goods, it should be known that the most organically perceived asymmetric compositions with elements of symmetry. The predominance of symmetry in linearly organized compositions creates a sense of order and neatness.

The same feeling is caused by the rhythm set in the presentation, ie special goods of similar size and accompanying elements (price tags, promotional materials, etc.). The composition with the place-

ment in the center of the largest object is called «major», and the smallest – «minor». In the «major» composition, the greatest attention is drawn to the center, and in the «minor» – the periphery. The longer the counter (showcase), the more distracted and less focused on individual items – the more difficult it is for the buyer to select the desired product, as the eyes get tired faster.

Knowing the limitations of visual concentration and using practical merchandising techniques, you can maximize the movement of the buyer's eyes. Among, the main visual stimuli that attract attention are:

- Arrows (pointers), which can be made both in the classical style
  and in the form of various figures, such as footprints on the floor.
   Pointers should be contrasting in color. You can place them both
  horizontally and vertically.
- Information inscriptions, signs, drawings that regulate the activity of cognitive visual resources.
- Color contrasts.
- Lighting effects that allow you to separate different products, orient the visitor's gaze, as well as regulate the flow of customers.
- Elements of dynamics that provide the transition from the elements of statics to the elements of movement (rotating window; fountain, aguarium).

In modern pharmaceutical practice, it is proven that the behavior of a potential customer can be influenced directly at the point of sale. The appearance of the pharmacy, the location of advertising materials in the hall, the harmonious design of the windows can significantly increase sales.

When creating an interior, the pharmacy organization must create its own unique corporate identity - a set of graphic, color, acoustic, video techniques that ensure the unity and memorability of the institution. The process of buying for a visitor becomes easier and more enjoyable if he has the opportunity to immediately see all the goods on display and choose what he needs. The pharmacy visitor feels free to choose. A certain proportion of buyers are afraid to overcome the psychological barrier. And they do not want to depend even on the opinion of the pharmacist. It is easier for these people to look at the window and make their own purchase decisions. The location of the pharmacy must also be taken into account. For visitors to pharmacies in «prosperous» central areas of the city, the level of service is of paramount importance. The situation is different in pharmacies of «sleeping» areas. The flow of buyers is formed largely by locals and the struggle is for a regular buyer. More attention is paid to pricing policy, but this is the stage of the struggle for the buyer, which stops most pharmacies located in the «sleeping» areas.

**Discussion and conclusions** You can effectively present the goods in the window in the following ways:

1. Horizontal – the product is presented along the entire length of the shelf on one or two levels. The most effective, in terms of sales, are the places in the center of the shelf. Goods sold to the left and side of the center of the window are sold worse. It is desirable to use the "pyramid principle" – in the center of the medicines that give the most profit, to the right of the leader – more expensive, left – cheaper.

2. Vertical – laying out the product throughout the height of the equipment. Here, the «strong» places are at the level of the eyes and at the level of the hands, and the «weak» places are at the level of the legs and at the level of the hat.



3. Block – a certain type of product is completely occupied by vertical or horizontal blocks. The color scheme of packaging should vary from light to dark, in the direction of the movement of buyers.

4. Front – the first sample of the product is displayed, so that it is visible in full, others that are displayed after it may be partially visible or invisible. Typically, this type of calculation is used for self-service pharmacies.

There is a pattern: 2 options for packaging goods of the same name increase the possibility of sale by 15 %, 3 options – by 30 %, 4 options – by 60 %, 5 options – by almost 100 % (faceting).

Shelf space must be allocated adequately to sales and profits brought by individual brands and their types. For this purpose, it is necessary to allocate the maximum shelf space to the most favorable goods and to put them first in the course of movement of a stream of buyers, then to place profitable goods and to finish a number of running.

Rules of registration of show windows. The basic rules of registration of showcase will help to place competently goods in a drugstore and by that to attract the attention of buyers, to increase a commodity turnover of the organization and by that will receive profit.

1 rule of registration of showcase – Availability. A person's «purchasing power» is determined by the length of his arm. This statement makes you think that it was convenient for buyers to get the goods from the window (different buyers from different windows).

2 rule of registration of showcase – Rubrication. It is necessary that for each shelf on a show-window clear, executed in one style rubricants which are well readable which will be accessible for understanding to the simple buyer were made. The visitor to the pharmacy should be able to navigate and find the goods he needs.

The correct and clear rubrication will make the choice of medicine easier, will help the visitor to see other goods and will unload workers of the first table. It is impossible to use professional and incomprehensible names such as «Diuretics», «Sorbents», «Hepatoprotectors», «Immunomodulators», «Anthelmintics» in the rubric of shop windows. It is also not recommended to use too simplistic names such as «From the head», «From lice», etc. as a basis for rubrication. Rubricators can be as follows: «Analgesics», «Anti-inflammatory», «Anti-cold», «Medicinal herbs», «Anti-influenza», «Homeopathic medicines». You can highlight the window with an interesting name, for example: «Women's Health», «For tired legs», «Get rid of bad habits», «First-aid kit on the road», «Stork arrived». It is also necessary to make sure that the rubrication of the showcase corresponds to the product that is presented in it.

3 rule of registration of showcase – Next to the name. If you place the appropriate product next to the category, it will increase its sales. In this case, the rubricator serves as a guide for the buyer, and this product is given more attention. If the product is known and widely advertised, there is a high probability of its purchase. This rule can be used for medicines that are located on shelves away from eye level, to further highlight the buyer this product, which is out of his attention.

4 rule of design of showcase – Next to the sales leader. This rule follows from the previous one, but here the role of the rubricator and the center, which attracts the consumer's attention, is performed by the most popular product from this pharmacotherapeutic group. Placing the medicine with the most popular product increases its sales.

The rule is based on the fact that the buyer immediately pays attention to the known medicine. If for some reason he does not take it (for example, does not like the price of the medicine or product), then the next preference will be given to the medicine next to it (preferably on the right side). The place next to the sales leader is good to use for novelties and the medicines promoting in the market.

5 rule of registration of showcase – mass calculation. This rule is used when displaying goods in a pharmacy of open trade. In a pharmacy of a closed-form of trade, at best, a double display of goods (double faceting) is possible. Sales in the pharmacy are growing in proportion to the number of simultaneously visible front sides of the product. If you put two packaging options for the same medicine, sales will increase by 15 %, three packages (triple faceting) – by 30 %, four – by 60 %. The numbers are, of course, conditional and can vary depending on the specific situation. At the mass display, the visitor has a feeling that this product is in high demand in the pharmacy and is associated with low price and quality of the medicine. The larger the area occupied by the product, the better it is noticeable and the more it attracts attention.

6 rule of window dressing – FIFO rule (First In, First Out - «first come - first left»). According to this rule, the goods that came to the pharmacy first must be sold first. When the goods are displayed in the pharmacy's open hall, the packages of goods that have just arrived at the pharmacy must be placed behind the «old» goods. The rule is used to reduce the costs of the organization for goods that have expired.

7 rule of registration of show windows – Fullness of a show window. The principle of open pharmacies (pharmaceutical markets) is that the maximum turnover can be done only when the shelves are full. Empty spaces in the windows after the sale of goods create a negative impression of buyers.

8 rule of registration of showcase – Rule of registration of price tags. Price is an important criterion when making a purchase decision. The buyer can leave the pharmacy if he does not have a clear idea of the price of the product. The price of the product must be clearly marked and the buyer must see it well. To avoid confusion and conflict situations, it is necessary to place the price tag so that the buyer is clear to which specific medicine or product it belongs. You can not simultaneously place in the window two packages of the same type of medicine at different prices. The price tag should not cover the packaging or the name of the medicine.

For the convenience of self-service customers and pharmacy staff, use special plastic price tags, which are attached to the front of the window. You can use special signs of bright color, such as yellow or unusual shape to attract the attention of visitors to the pharmacy and to highlight the product that participates in any promotion, and so on.

9 rule of design of showcase – Illumination of showcase. In order to highlight the product in the shop window or in a not very profitable place of the trade hall (for example, the «cold zone» of the pharmacy trade hall) there is an illumination of shop windows. It should attract the visitor's attention and not blind him. Lighting behind the goods mutes the volume, softens the light differences in the packaging. Side lighting increases the volume, emphasizes the vertical boundaries. With such lighting, keep in mind that the highest product should not



be near the edges of the shelf, otherwise it will block the light. It is very important that the backlight used does not damage the product, as incorrectly selected light bulbs or the wrong equipment can lead, for example, to melting of packaging with medical cosmetics, etc.

The system of promotion of the pharmaceutical company on the market has actual value and carries out the following functions:

- 1, acquaintance with a medicinal product or a trademark of a medicinal product and attract the attention of specialists;
- 2. fixation in the minds of specialists of the exclusive offer of the medicine;
- 3. creating a positive image of the brand of the medicine in order to inspire confidence in it by professionals who in the future will prescribe patients advertised medicines;
- 4. providing information on the properties and benefits of the medicine, neutralizing the advertising of competing medicines;
  - 5. formation of «recognizability» of packaging or trademarks;
- 6. formation of the company's strategy for the development and launch of new medicines.

Every day there are new types of medicines and new names. Among them are those without which the saving of hundreds of thousands of lives would be impossible, or those that significantly improve the quality of life of millions of people. Advertising of medicines is one of the areas of information support of a stable pharmaceutical market and must comply with legal acts of Ukraine and international principles in the field of circulation of medicines in order to guarantee their effectiveness, safety, and quality, including at the point of sale.

For successful operations and increase in sales of medicines, I provide suggestions for effective merchandising:

- The location of the pharmaceutical product should take into account advertising and any promotions of manufacturers to increase sales of their products; a contingent of patients, solvency, profile, and specialization of the pharmacy
- The visitor should easily find the medicine in a certain place, you can use signs and inscriptions
- The most active area is the location at eye level.

A characteristic feature of the placement of medicines in the pharmacy is also their seasonality. In autumn, anthelmintic, antiparasitic, antibacterial, and for the treatment of respiratory organs, etc. should be located in priority places.

In winter – anti-cold, antiviral, antibacterial medicines for the treatment of respiratory and rhinitis.

During the spring – vitamins and minerals, medicines for weight loss, tonics, antihypertensives, antihistamines, etc.

In summer – antibacterial, antifungal, antihistamine, anthelmintic medicines.

This should also be taken into account for the successful operation of the pharmacy and increase sales of medicines.

Results Merchandising is marketing in a retail outlet (pharmacy), which consists of the technique of placing goods, development, and placement of advertising materials at the point of sale. The use of merchandising techniques is aimed at attracting the attention of consumers, increasing sales of goods through emotional (spontaneous) purchases. Additional tasks of merchandising are to strengthen the image of the manufacturer; facilitating the purchase process;

providing convenience for customers; attracting new customers and keeping old ones; increase the volume of purchases.

Merchandising begins with the design of the facade and windows of the pharmacy. The interior of the pharmacy should have a certain style, comfortable layout, which takes into account the direction of the flow of visitors, good smell and sounds. The location of the goods in the shop windows depends on the level of their demand (goods with high demand should be better visible). The most active area is the location at eye level.

The visitor should easily find the product in a certain place. Inscriptions and pointers are used for this purpose. The location of the pharmaceutical product should take into account advertising and any promotions of manufacturers aimed at stimulating sales of their products; pharmacy profile, the contingent of patients, solvency, etc.

Promotional materials are located near the places where visitors are most often. The objectives of the demonstration of goods on the shelves are:

- to encourage the buyer who has already purchased the product before, to make a repeat purchase;
- in the case of the first purchase to encourage the buyer to buy a product of a particular company;
- to encourage the buyer to consume the company's goods instead of the competitor's goods;
- in case of an unplanned purchase to encourage the buyer to make a choice in favor of a particular company;
- with a planned purchase to ensure the easy finding of the brand he is looking for.

When placing goods on the shelves, it is necessary to take into account the main features of consumer behavior in the pharmacy. Buyers tend to look to the right, so the product located on the right has a better chance of being bought.

The main focus of the buyer belongs to the central group of goods on the shelf. Teaching rules are used for quick and easy orientation of pharmacy visitors: it is recommended to place the products of one pharmacotherapeutic group horizontally along one line and symmetrically relative to each other; the price must be indicated on the exhibited goods; the products that are bought the most should be located in the form of castle walls at the edges; as well as the rule of the corporate unit, which provides for a comprehensive presentation of the goods of one manufacturer.

When placing goods on the shelves use, for example, the following laws of merchandising: the law of stock (all goods on the shelves must be provided with a 3-day stock); the law of location provides for the mandatory presence of a minimum set of assortment items; the law of presentation (one name of the goods should be presented in several units or variants of packing).

The peculiarity of placing goods in the pharmacy is also their seasonality. In autumn, anthelmintic, antiparasitic, antibacterial, and for the treatment of respiratory organs, etc. should be located in priority places. In winter – anti-cold medicines, antiviral, antibacterial, for the treatment of respiratory and rhinitis. During the spring - vitamins and minerals, medicines for weight loss, tonics, antihypertensives, antihistamines, etc. In summer - antibacterial, antifungal, antihistamine, anthelmintic medicines.

Additional Information. The author declares no conflict of interest.



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#### Резюме

# Організаційні та маркетингові інструменти для підвищення продажу безрецептурних препаратів в умовах аптек

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Фармацевтичний маркетинг є діяльністю, спрямованою на задоволення потреб населення в фармацевтичній допомозі. Актуальним та специфічним для цієї галузі інструментом просування визнано marketing mix – маркетинговий комплекс, складовими якого  $\varepsilon$  4P: product – товар (продукт); price – ціна (вартість); place – місце та promotion – просування.

Ці складові є найважливішими у визначенні маркетингової політики кожної організації. Формування комплексу маркетингу аптечних закладів має свої особливості, які пов'язані зі специфікою: реалізація безрецептурних та рецептурних препаратів, здоров'я пацієнтів, етичність промоції тощо.

Актуальність теми зумовлена активним розвитком відпуску лікарських препаратів безрецептурного відпуску як особливої групи щодо купівлі та застосування, що чітко відображається на методах збуту. У теперішній час особливого розвитку набуває мерчандайзинг в аптеках як сучасний різновид фармацевтичного маркетингу. Об'єкт дослідження – використання принципів мерчандайзингу в аптечному закладі. Предмет дослідження – підходи та засоби стимулювання збуту та підвищення продажів лікарських засобів при застосуванні принципів та правил застосування мерчандайзингу в аптечному закладі.

**Ключові слова:** організаційні інструменти, фармацевтичний маркетинг, аптека, безрецептурні лікарські засоби, мерчандайзинг, POS-матеріали

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#### Резюме

### Организационные и маркетинговые инструменты для повышения продаж безрецептурных препаратов в условиях аптеки

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Фармацевтический маркетинг является деятельностью, направленной на удовлетворение потребностей населения в фармацевтической помощи. Актуальным и специфическим для данной отрасли инструментом продвижения признан marketing mix – маркетинговый комплекс, составляющими которого являются 4P: product – товар (продукт) price – цена (стоимость); place – место и promotion – продвижение.

В определении маркетинговой политики каждой организации эти составляющие являются важнейшими. Свои особенности имеет формирование комплекса маркетинга аптечных учреждений, которые вытекают из специфики: реализация безрецептурных и рецептурных препаратов, здоровье пациентов, этичность продвижения и тому подобное.

Актуальность темы обусловлена активным развитием отпуска безрецептурных лекарственных препаратов как особой группы по покупке и применению, четко отображается на методах сбыта. В настоящее время особое развитие получает мерчандайзинг в аптеках как современная разновидность фармацевтического маркетинга. Объект исследования – использование принципов мерчандайзинга в аптечном учреждении. Предмет исследования – подходы и средства стимулирования сбыта и повышение продаж лекарственных средств при применении принципов и правил мерчандайзинга в аптечном учреждении.

**Ключевые слова:** организационные инструменты, фармацевтический маркетинг, аптека, безрецептурные лекарственные средства, мерчандайзинг, POS-материалы

Стаття надійшла в редакцію: 14.11.2021 Стаття пройшла рецензування: 21.11.2021 Стаття прийнята до друку: 28.11.2021 Received: 14.11.2021 Reviewed: 21.11.2021 Published: 28.11.2021