

CATEGORY APPROACH IN THE PHARMACY PRODUCT RANGE MANAGEMENT

Zhadko S. V., Bilal Celic

National University of Pharmacy, Kharkiv, Ukraine

svzhadkopharm@gmail.com

Management of the pharmacy assortment should ensure, on the one hand, the uninterrupted supply of medicines and other goods to meet the needs of patients (social effect), and on the other hand, ensuring the profit and profitability of the pharmacy (economic effect). The range of products of a modern pharmacy includes thousands of assortment items, both unique and interchangeable products, which makes managing the product range a difficult task.

The aim of this work is to analyze the essence and process of category approach in the pharmacy product range management.

Category management is a strategic approach used in retail and consumer-packaged goods industries to effectively manage and organize products within specific categories based on customer preferences, market trends, and other relevant factors. The model of category management was developed by Brian F. Harris in 1997.

The product range of the pharmacy include prescription-compounded medications (extemporaneous preparation of medicines), prescription-only commercially available medications; over the counter (on non-prescription) medications; pharmaceutical grade vitamins; dietary supplements; herbal and homeopathic remedies. The drugs may be divided into six classes, namely oral drugs; injectable drugs; infusion fluids; vaccines, immunoglobulins and antisera; drugs for external use and antiseptics and disinfectants. Pharmacy product categories may be based on the on the GS1 Global Product Classifications, which defines a common set of categories that can be used for any product in any industry. This classification includes 19 product categories that may be offered in the pharmacy, among them pain relief; respiratory and allergies; eye and ear care; health supplements; natural and homeopathic; personal aids and repellents; family planning; baby treatment; medical devices and so on.

The process of category management includes eight steps:

1. Defining the category with products that serve the same or similar purpose, develop subcategories to meet different consumer needs.
2. Assessing the category's role in the retailer's entire portfolio considering the potential profit margin.
3. Assessing performance means periodic review of categories and subcategories (sales data, profitability of the category, SWOT-analysis, XYZ-analysis). Category manager can use the Pareto principle or ABC analysis to help dissect the products and find where high levels of spend are accrued and where there is need to focus attention.
4. Setting objectives and targets (sales, volume sales, share, product assortment).
5. Developing strategies. Strategy examples are Transaction Building, Cash Generating, Profit Generating, Traffic Building, Excitement Generating, Turf Protecting, Image Enhancing.

6. Developing category tactics as pricing, promotions, penetration, and product assortment.
7. Implementation the plan.
8. Review.

The entire category management process, excluding implementation, requires between 16 and 24 weeks. Organization needs a team of multiple people, external consultant, or facilitator to organize and run each category plan. Effective category management requires a category manager to be assigned to each category. Depending on the size of the company and the number of business units, it may be possible for one person to be responsible for multiple categories.

Hence, category approach is good opportunity to improve management of the pharmacy product range.

UNBRANDED PHARMACEUTICAL CAMPAIGNS AS A PROMISING TOOL IN PHARMACEUTICAL MARKETING

Zhadko S. V., Nwachukwu Chukwuebuka Collins
National University of Pharmacy, Kharkiv, Ukraine
svzhadkopharm@gmail.com

The classic set of pharmaceutical marketing tools includes direct-to-consumer advertising, point-of-sale advertising, public relations, sales promotion, sponsorship, branding, and others. The possibility of realizing companies in the digital environment enriches this set of tools: from search engine optimization and targeting to social networks and influence marketing. The healthcare sector, particularly pharmaceutical companies, operates under unique marketing regulations due to the intricate nature of medical treatments. These regulations restrict the information that can be shared publicly, creating challenges for extensive advertising campaigns. Responding to this, such a relatively new marketing tool as unbranded pharmaceutical campaigns is gaining more and more use.

The aim of this work is to analyze and describe unbranded pharmaceutical campaigns as a promising tool in drug promotion, as well as their importance and challenges and planning.

The paper uses methods of descriptive marketing analysis, retrospective analysis, and case study.

Nowadays, pharmaceutical companies use mix of both direct-to-consumer advertising and unbranded pharmaceutical campaigns. Unbranded pharmaceutical campaigns is a good way to promote prescription-only medications. This marketing strategy aims to create awareness of medical issues in the health sector. While branded advertisements highlight benefits of a specific product as a therapeutic option with the purpose to sell this product and raise brand recognition, unbranded commercials focus exclusively on illnesses, avoiding promoting specific medicine or brand.

The primary goal of unbranded campaigns is not to promote any medicine or pharmaceutical brand but to educate patients and raise awareness of certain illnesses. As a result, both patients and healthcare providers obtain a thorough