DOI 10.23947/2414-1143-2017-9-1-58-62

**UDC 330** 

## PHARMACY MERCHANDISING IN CONSUMER BEHAVIOR SYSTEM

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The results of pharmaceutical merchandising as an element of consumer behavior regulation model atpharmaceutical market are given in the article. The following five aspects can be referred to pharmaceutical merchandising: 1) salesroom (format, pharmacy model, zones planning); 2) laying out (planning, formation and shopwindows design). Different variants of laying out are possible, depending on goals, which are set in front of it: "attractive", "to lay out all assortment", "little-known medications should be laid out" and etc.; 3) commercial (location and accessibility of information for a consumer in the pharmacy). It should be mentioned that the famous merchandising rule does not work for medications, stating that the decision about purchase in 70 % of cases is accepted at the sale points; 4 ) shopwindows assortment (priority formation in laying out on the economic analysis basis). Particularly, under ABC-analysis all received medication titles are arranged into several groups: A group characterizes high-turnover medications (in demand), they comprise 10% of assortment and give 80% of commodity circulation; B group – medium-turnover, 15% of commodity items fall on their interest - provide 15 % of commodity circulation; low-turnover goods of pharmaceutical assortment are included into group C (about 75% of commodity items - comprise 5% from commodity circulations. Additionally, nowadays, group D - acute -turnover commodity groups are emphasized under the analysis of pharmaceutical assortment in many pharmaceutical organizations; 5) integration of "merchandising pharmaceutical companies" (determination of principles and formats of effective "pharmacy reaction" to "merchandising from outside"). In this particular case one can speak about purchase of "popular places at shopwindows". However, the problem is not in the fact that this phenomenon is not popular.

**Key words:** consumer behavior, sales promotion, pharmaceutical merchandising system.

Basing on theoretical postulates of consumer behavior theory and its peculiarities at pharmacological market, the elements of consumer behavior traditional model in pharmacy can be emphasized, in the basis of which there are the following factors of medicine purchase motivation:

- 1. Sensibility to the outside influence. One speaks not only about sensibility to information about adulterations, but also about influence in the form of convincing recommendation from the specialist's side.
- 2. Confidence demonstration. From one side consumer's confidencemanifests in information delivery about oneself, from the other –pharmacyis associated with presence of high quality control, remedies efficiency, safety, scientific justification, high personnel qualification, higher moral-ethicalprinciples and other aspects (for instance, assortment insurance), which also testify in favor of pharmacycredit.
- 3.Deliverance from negative emotions. Evidently, obtaining medicine, a consumer orients himself torecovery. Positive emotions from purchase manifest in this.
- 4. Consumer self-dependence during medicine choosing. Often consumers acquire medicine without pharmacist participation (and without doctor's prescription), orientingeither on own experience of certain medicine using or according to the other consumes recommendation

Parochialism of the given model, according to one's reckoning, is determined by the absence of stimulation methods of rational consumers behavior, to which stimulation actions can be referred. The aim of stimulation actions conduction can be:

- Consumer acquaintance with a new product trademark or the old improved trademark:
  - salesincrease:
  - loyalty formation towards trademark (company).

Generally the presented model of consumer behavior, according to D.Yartsev, called the emersion of such phenomenon, as merchandising in pharmacy [4].

From one's point of view, pharmaceutic merchandising is concluded in the following. Firstly, helps the consumer to learn promptly about presence of required medicine or accompanying product. Secondly, helps the consumer to make elaborate choice for his problems solving. Information about firm and producer country, about effect and use restrictions renders this assistance. Thirdly, it acquires something that can be necessary in future. Thus, with the help of merchandising and after necessary medicine goal seeking, one can remind about those medicine, which should be acquired in medicine chest.

According to our opinion, one can refer to pharmaceutic merchandising the following aspects:

- 1) salesroom (format, pharmacy model, zones planning).
- 2) laying out (planning, formation and window dressing). Depending on goals, which are targeted in front of laying out, its different variants are possible: "attractive", "laying out of all assortment", "laying out of little-known medicine", and etc. However, the corresponding variants of laying out can complicate the search of necessary medicine. The number of variables, which appear to be determining, should be considered during creation of laying out: counter geometry, a certain shopwindow assortment, primary and secondary goals of laying out, design and geometry of medicine packing and the others.
- 3) commercial (placement and information availability for the consumer in the pharmacy). It is worth mentioning that the famous merchandising rule, stating that the purchase decision in 70% is accepted at the place of sales, does not work for medicine. The majority of consumers coming to the pharmacy have already formed certain preferences according to the recommendations of doctor or friends, price, producer or even according to the feebly estimated parameter "It helps/does not help me". With the help of POSm one can correct consumer preferences or remind him about the medicine. As is known, now the pharmacy actively use all spectrum of POS-materials:
- posters banners, hung at the territory of market outlet, the aim of which is to attract attention to thebrand:
- booklets and leaflets, called to inform the consumer about peculiarities and advantages of medication;
- wobblers— polygraphic materials on the plastic leg, which thank to the construction mobilityconcentrate consumer's attention on the shelf with advertised goods;
- shelf-talkers plastic or pasteboard promotional materials, placed directly on the shelf with production and emphasizing it among the general mass of goods;
  - dispensers for single-piece presentation of the product in packing;
  - racks for salesroom, where the production of only advertise brand is placed;
- displays, combine as the function of consumer attention attracting, so his informing about promoted medication.

Among the basic criteria of pharmaceutical POSm – small sizes, as the great majority of-pharmacyoccupies little territory, where 35 thous.of goodsnames should be placed. That is why medicine models with running lights, medication supporters and coin boxes with producers'logos are considered to be popular amongdispensers.

4) shopwindows assortment (priorities formation in laying out on the basis of economic analysis). Particularly, under ABC-analysis all received medication titles are spread into several groups: *group Acharacterizes* high-turnover medications (in demand), they are

comprised 10% of the assortment and give 80% of commodity circulation; group B-mediumturnover, on account of which there are 15% of commodity items -supply 15% of commodity circulation; low-turnover goods of the pharmaceutical assortment are included into the group C(about 75% commodity items) comprise5% from commodity tion. Additionally nowadays the group D- acute-turnover commodity group under the analysis of pharmaceutical assortment at many pharmaceutical organizations. [3, p. 85]. As a rule, parapharmaceutical and cosmeceutical production is referred to them. On the average parapharmacy comprises 30% of turnover in comparison with medications. However, according to the heads of a number of pharmacies and pharmacies networks this correlation should compose 40% [3, p. 87]. This denotes not the medications sales decrease, but sales increase of parapharmacy. Pharmaciesturnover is realized due to qualitative parapharmacy, whereas sale of medications is not a business, but social function realization of pharmacy. Finally, shopwindowds assortment depends on the season. Usually a significant seasonal declineis characterized for commercial sales of the most part of Russian pharmacy in the period from May to August. The corresponding changing of laying out priorities is necessary for this situation alleviation.

The accent should be made on road medicine boxes, medicine boxes for summer visitors, cosmetics against sunburn and etc. It should be mentioned that the high concentration of any regional pharmaceutical market on best-sellers according to the specialists, is considered to be the key factor of pharmaceutical assortment regulation (on the most realized pharmaceutical assortment positions). Items out of stock – the important information source about best-sellers. Unsatisfactory requests should be thoroughly fixed, as from visitors in hall, so by the phone (and through internet, if the pharmacy provides possibility of such order).

The conducted research of the pharmacies assortment of Vladikavkaz showed that the fixation system of items out of stock more than in a half of pharmacies is not reliable due to various reasons (for instance, because of insufficiently effective pharmacists motivation, absence of distinct procedures and sufficient control and etc.).

In some degree customers' quizes can add the passive monitoring of items out of stock. However with their help one can rather define the lack of some assortment categories, than items out of stock of popular positions. That is why analysis of local market assortment structure is efficient in addition to items out of stock analysis. The logic of such analysis is evident: if some product is bought in significant number in the local market, — most probably it is worth selling it.

5) integration "pharmacomanias merchandising" (determination of principles and formats of the effective "pharmacies reaction" to the "merchandising from outside"). In the given case the question is about purchase of "popular places at the shopwindows" by pharmacomanias. However the problem does not consist in the fact that the given phenomenon is not considered to be popular. The complexity is concluded, first of all, in choosing of "popular place" on the shopwindows, and in the second, in impossibility to identify reasonably the cost of "popular place" on the shopwindow. The problem is also concluded in price determination of "popular place" for various pharmacomanias. It is well known that moving of famous and often bought medication to "unpopular place" on the shopwindow can lead to the general earning power decrease in the pharmacy. Thus, from one side, pharmacies lose the perspective income source, and from the other side - pharmacomanias lose important additional possibilities of elaborate investment in the medication promotion. Correlation of medications earning power, earning power of "popular place" relating to the concrete medication and earning power of medication groups is considered to be the key problem for the price formation of "popular place".

Evidently, in perspective the following factors will influence on price formation of "place on the shelf": medication group yield index, medicationprofitability index, rating of place of the shelf and factors of format and pharmacy location.

According to our reckoning, the most effective form of merchandising integration is considered to be institute of medical representatives – medical representatives, the challenge of which is sales increase of company – the producer of medications by means of individual work with pharmacies dispensers. Medical representatives hold workshops for pharmacists, in the course of which not only inform about medication activity, its peculiarities and side effects, but also form loyalty to the advertisedbrand. Pharmacists in their turn form corresponding loyalty of consumer.

Pharmacies become more attractive for cosmetic companies, as a trade channel. Successful brends, which are promoted only through pharmacies, such as, for instance Vichy or Lierac, create positive precedent of pharmacy and cosmetology synthesis. These are different disciplines, but the experts are sure that cosmetic and medicinal assortments are oriented to the same consumer groups. It also should be noted that consumers more believe in products, created according to medical technologies. Popular directions - parapharmaceutics and cosmeceuticsappeared at the junction of cosmetology with pharmacy, and represent bright example of innovations dispersion from pharmaceutics to cosmetics and vice versa[1, p.12].

Mark that despite on todays small growth rates of perfume-cosmetic market (according to the data of analytical company "The Old Fortress"— 10-15% in a year), the significant growth of cosmetics sales dynamics mainly in the pharmacies (to 17-20%) due to more active flow of cosmetics, especially curative cosmetics to pharmaceutical "channel" is expected [2, p.19]. Evidently that competition increases among the famous cosmetics firms for pharmaceutical market, which apparently, will lead to displacement of cheap domestic products that in its turn will condition the growth of average cost of cosmetics products packing in the pharmacy. Considering the current tendencies one can suppose that the basic part of expensive cosmetic products of the category "care" (for skin, hair, nails)and "curative cosmetics" will be sold through pharmaceutical organizations.

It may safely be said that the majority of pharmacies understand the perspective of work with this tradeable segment and will use merchandising means in order to manage consumers' behavior.

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February, 7, 2017