CHAPTER 1

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CHAPTER 1

INTRODUCTION TO THE STUDY

1.1 Introduction

Pharmaceutical selling is unique in nature. Manufacturers and marketer design their promotional strategies targeting intermediary customers and not end users. Unlike consumer products companies that concentrate their all efforts to convince their customers to sell their products, pharmaceutical companies are not required to convince their consumers i.e. patients to sell the medicines. Patients can buy and consume medicines only on the advice of a doctor. Medicines are purchased from drug stores. By law drug stores are not allowed to sell medicines without prescription of a doctor. Thus doctor assumes prime importance in pharmaceutical selling.

Medical representative (MR) is a key link between pharmaceutical companies and physicians. Medical representative's job involves promoting pharmaceutical products to physicians, and persuades them to prescribe it to the end-users (patient). He/she also has to ensure availability of the products at nearby chemist so that patient can purchase easily.

Medical representatives are assigned with specific geographical areas. He/she has to meet selected customers (physicians, chemists, wholesalers) within assigned territory. His prime objective is to achieve sales target. His job involves extensive traveling and long working hours. The present research is an attempt to understand the problems faced by Medical Representatives.

1.2 Management Problem:

With more than 55 lakh population, more than 4000 doctors and 6000 chemists, Pune is one of the important territories for pharmaceutical companies. All major companies have their Regional Manager's headquarter in Pune. This signifies the importance of Pune. Medical representative being key element in the success of pharmaceutical companies, understanding their problems is of prime importance. Knowledge of problem areas provide bases for major decisions like setting sales objectives, designing recruitment policies, designing training and development programs etc.

1.3 Statement of Research Problem

Pune has emerged as new metropolitan city. Rapidly growing population, increasing number of vehicles, high air pollution, poor public transport are some of the major problems faced by citizens of Pune. This changing scenario of the city poses challenging working conditions for Medical Representatives. The statement of research problem is thus "A Study of Problems of Medical Representatives Working in Pune". The title signifies exploration of problems faced by medical representatives working in Pune.

1.4 Objectives of the Study

The research is primarily concerned with understanding problems of medical representatives working in Pune. The objectives of study are as under:

1. To study the job profile of Medical Representatives.
2. To identify the problems of Medical Representatives working in Pune.
3. To determine the causes of attrition of Medical Representatives in Pune.

1.5 Hypotheses

The hypotheses formulated for this study are as under:

1. H_{0-1}: There is no significant difference between the monetary packages offered by Pharmaceutical companies to Medical Representatives and domicile cost in Pune.

2. H_{0-2}: The income of Medical Representatives fulfills their family expectations to create asset.

3. H_{0-3}: Medical Representatives have sufficient time to spend with their family members.

1.6 Scope of the study

a) Geographical Scope

The study is confined to Medical representatives working in Pune only.

b) Conceptual Scope

The study focuses on the understanding problems faced by medical representatives. An attempt has been also made to understand causes of attrition. The Medical Representatives promoting prescription products are included in this study.

c)   Analytical Scope

The data has been processed and analyzed using SPSS and EXCEL. The data has analyzed using statistical methods like percentages, central tendencies; correlation, t-test and chi square test is used to test the significance.

1.7 Importance of the study

This study has unveiled the changing requirements associated with the day-to-day working of medical representatives. This enables the companies to formulate suitable strategies to face the challenges related to medical representative, arising out of changing scenario in Pune. The findings can also form bases for designing suitable training programs.

Medical representatives can have better understanding of working conditions and can prepare themselves to cope with.

This study is significant to academicians and research scholars, for future research.

1.8 Limitations

The scope of the study is confined to Pune city. Medical representatives working for 'Over The Counter (OTC)' products, generic drugs, medical equipments and surgical products are not included in this study. The respondents are those who have been working in the city. The method; used to estimate size of the universe of Medical Representatives; uses assumption. The method of sampling is snowball sampling; in this method initial subjects are identified and these subjects are asked to nominate persons with same traits, as next subject. The process continues until required numbers of samples are obtained. The initial subjects tend to nominate people that they know well. Because of this, it is highly possible that the subjects share the same traits and characteristics, thus, it is possible that the samples obtained is only a small subgroup of the entire population.

1.9 Research Methodology

1.9.1 Research Design:

The purpose of this research is to study the problems of Medical Representatives. The nature of study is identification and description of the problems. Hence design used for this study is both explorative and descriptive research design.

1.9.2 Data Required:

Considering objectives and hypotheses of the study both primary and secondary data was required. Requirements were:

1.9.2.1 Primary Data Requirement:

Demographic data of respondents, Job profile data, Income and expenditure, details, Health related data, Data related to family life and Motives behind changing company.

1.9.2.2 Secondary Data Requirement:

Various concepts used in the study, Census data, Environmental data, Problems of Pune, pharmaceutical Industry, Pharmaceutical selling, and Role of Medical representatives.

1.9.2.3 Source of Primary Data:

The primary data has been collected through structured questionnaire and interviews from medical representatives working in Pune. Office bearers of MSMRA (Maharashtra State Medical Representatives Association) have been also interviewed.

1.9.2.4 Sources of Secondary Data:

The required secondary data has been collected from books, periodicals, various academic journals, and newspapers, websites of MSMRA, Indian Medical Association, Pune, various Annual reports published by Government departments and reports from Non-Government organizations.

1.9.3 Instrument:

Structured questionnaire was designed. The questions related to demographic, job profile, job environment, financial, family time, health, facilities, expectations, and contact details were drafted. Rating scales: 5 points and 10 points, dichotomous, and open ended questions were used to develop the instrument.

1.9.3.1 Instrument testing:

Initially questionnaire was administered to ten respondents. On the basis of their responses and difficulties faced while answering questions; questions regarding family time and habits were revised. Rating scale 7 points revised to 5 points. The order of questions was also revised to facilitate respondents and to ensure smooth flow. Subsequent testing carried out for final correction. Considering difficulties to respond, some of 5 points rating scales were converted to 10 points scale.

1.9.4   Sampling design:

Researcher had made an attempt to get the population details of Medical representatives working in Pune, through MSMRA's, Pune unit. However it was understood that the Pune unit of MSMRA has not been functioning. Two methods for estimating population size were adopted. One experience survey wherein opinion of industry experts were averaged and in second method population size was estimated by multiplying; number of pharmaceutical companies registered with Chemist Association of Pune District (CAPD), with assumed average number of medical representatives working for each company in Pune. 2560 was the average of two estimates, which was considered as size of population. The research has based on data collected from 138 Medical representatives working in Pune. In the absence of sampling frame details; purposive snowball sampling method was adopted.

1.9.5   Data Analysis:

The data was validated and coded. Data processing was done using SPSS and EXCEL software. Analysis was carried out using percentages, central tendencies, dispersions, and correlation. The significance was tested using t-test and chi square test. The articles, research papers, news papers, periodicals, Government reports and various websites were scanned to understand the Pharmaceutical industry, job profile of Medical representatives and to identify constructs for this research on the basis of work of earlier researchers.

1.9.6 Chapterization:

This report is organized in six chapters as follows

Chapter 1 is titled as, 'Introduction to the Study', which deals with the management Problem, research problem, hypothesis, objectives of the study, scope and importance of research and research methodology followed for study.

Chapter 2 is titled as, 'Literature Review', which discuss the research studies done previously in the field of management of 'Sales People' in India and abroad.

Chapter 3 is titled as, 'Theoretical Background' which discusses the concept of Human Resources Management, Functions of HRM, Human Resources Development, Pharmaceutical Marketing, Role of Medical Representatives, Selecting, Recruiting, Training, and Development of Medical Representatives.

Chapter 4 is titled as; 'Industry Profile' which discusses the History and Development of Pharmaceutical Industry, Financial performance of the industry, details of import, import, export, employment etc. Further this chapter also narrates major problems of Pune City namely Poor Public transport, Air Pollution, Traffic Congestion, Parking problems.

Chapter 5 is titled as, 'Data Analysis and Interpretation' in which data is presented in tabular form. The analysis and interpretations are discussed. Analysis is presented in four parts as Demographic, Causes for attrition, Job profile, and Hypothesis testing.

Chapter 6 is titled as, 'Findings and Suggestions' which presents findings and suggestions based on the analysis of data. Suggestions are divided in three categories as Suggestions for Pharmaceutical companies, Suggestions for Medical Representatives, and Suggestions for Government. Further this chapter also discusses scope for further research and conclusions.

1.10 Conclusion

In this chapter management problem, research problem, significance of study, objectives, hypothesis, and research methodology are discussed. Literature review is discussed in chapter two.