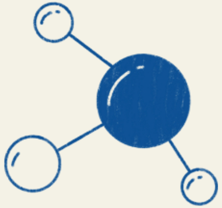

STUDY ON IMPACT OF PRICE ON PHARMACEUTICAL BRANDS

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MBA PM-13(0292)

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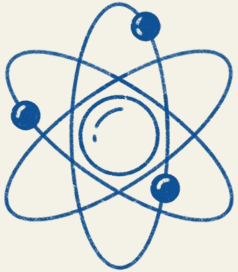

01

INTRODUCTION

Introduction

- Pricing plays a crucial role in the success of any product .
- Perceived price is a psychological construct influenced by various factors, including personal beliefs, expectations, social comparisons, and marketing strategies.
- When examining consumer shopping behaviour and product selection, customer perceptions of price, quality, and value are seen as key drivers which make a brand.
- According to the WHO, having access to medicines is a fundamental human right; but, as prescription costs continue to rise, many patients face financial hardships which impacts brand image.
- Therefore price creates a positive or negative attitude about a brand.

- The impact of price on brand image research is investigating how pricing strategies and price perceptions influence consumers' perceptions, attitudes, and behaviors towards a brand.
- Therefore, looking for price quality relationship by finding does a higher price imply a higher level of quality, and vice versa, on price value perception, price sensitivity which rides the opinion about brand image.
- Marketers can identify how to strategically position their brand, in the market by examining the impact of price on brand.
- Helps in decision making and mapping pricing strategies to gain competitive advantage.

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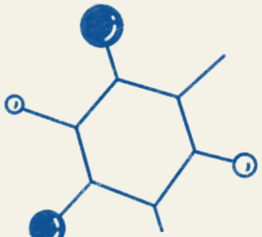
OBJECTIVE



Objective

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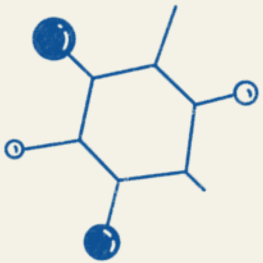
Objective 1

To assess the impact of price on brand perception and determine its influence on consumer attitude and purchase behaviour



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Objective 2

To find out how stakeholder/patient factors (such as age and role) influence the impact of price on brand.

Research questions

- How does the perceived affordability of pharmaceutical products influence brand image among healthcare professionals and patients?
- What are the factors that healthcare professionals and patients consider when assessing the value of pharmaceutical products in relation to their price?
- What impact do patients and HPC’s characteristics- age and role- have on a brand.

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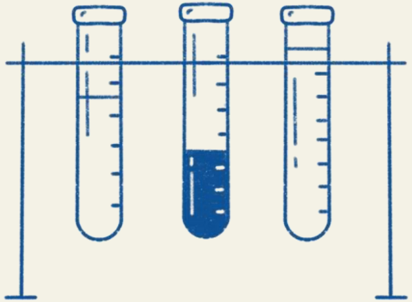
Methodology



Research Design:

This study's research methodology was a cross-sectional survey. The survey has respondents including HCPs, chemists, healthcare consumers, patients, MR and asks about the brand image, product's price, value, and other benefits. The participants' characteristics, such as age, and role (work status), will be revealed through the demographic data. Question-based data will meet the objective.

Sample Selection:

People who are HCPS, chemists, patients, healthcare consumers or other healthcare related fields (MR) are included in the sample population for this study.Age>20 is enrolled, convenience sampling strategy has been used, with sample size of participants.

- **Data Collection:**

Through the recruitment channels, participants will receive an online survey form that will be used as:(1) demographics, and (2) questions about consumer perception, affordability and price . Questions about the participants' age, and role will be included in the demographics section.The questions about the impact of price on brand will cover topics including how price is important, what value do consumers find in the product, and the reasons why users switch

- **Data Analysis:**

Descriptive statistics were utilised as the method of data analysis in this study. The demographic information and data based on the questions will be summarised using descriptive statistics. The data will be summarised using Microsoft Excel. The data will be examined and visualised using a variety of graphs, including bar charts, pie charts, column charts.

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Results and Discussions

Analysis of Respondents Demographics

1. Age

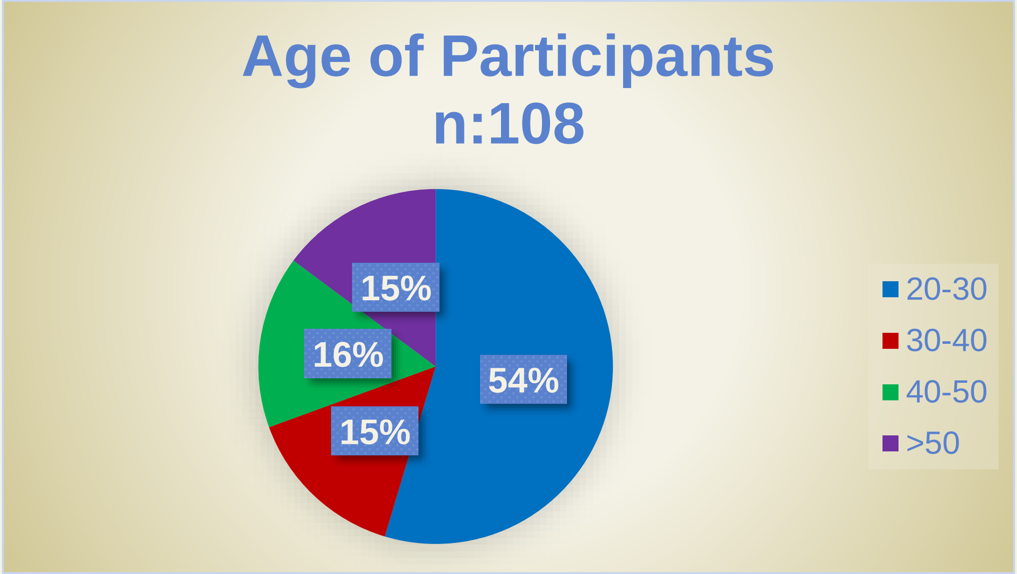


Figure 5.1: Pie chart showing age of participants.

2. Role

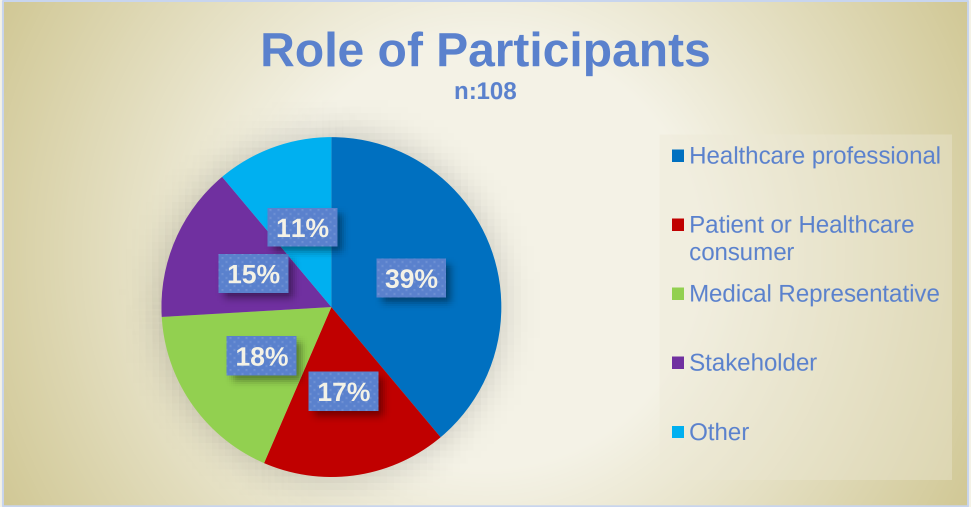
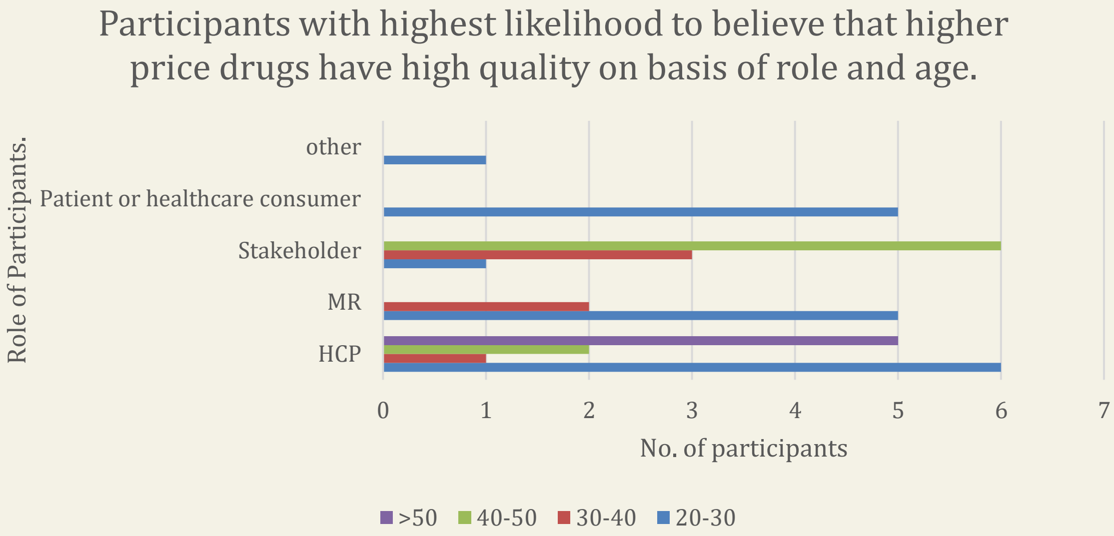


Figure 5.2: Pie chart showing Role of participants

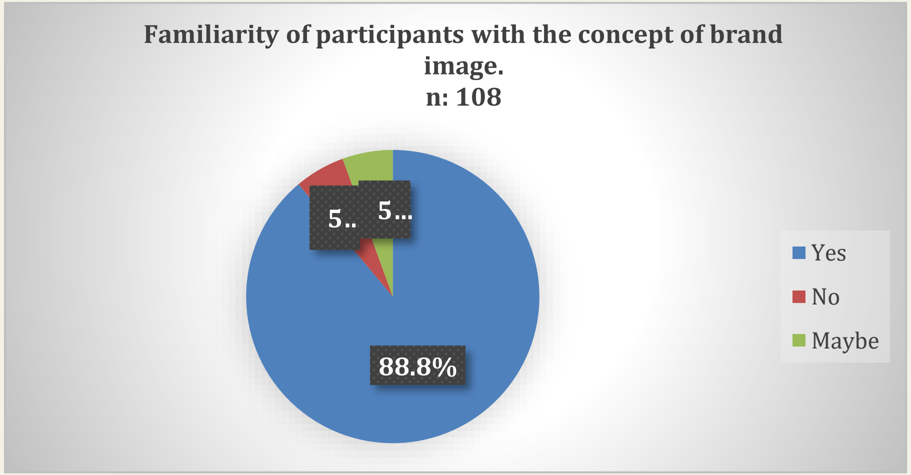
3. Participants with highest likelihood to believe that higher price drugs have high quality on basis of role and age.



- **Figure:5.3 Horizontal bar graph showing participants with highest likelihood to believe that higher price drugs have high quality on basis of role and age.**

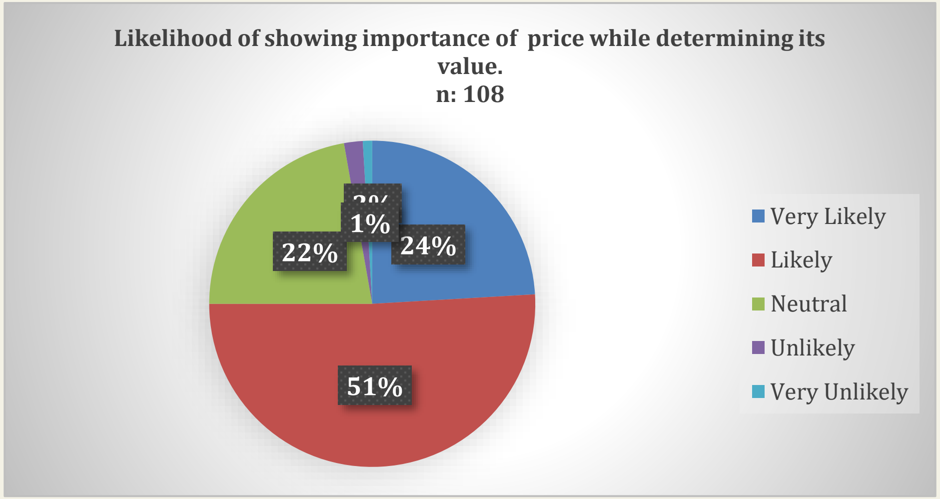
Analysis of Questions Based on the Research Objectives and Questions:

4.Participants familiarise themselves with the concept of brand image in the pharmaceutical industry.



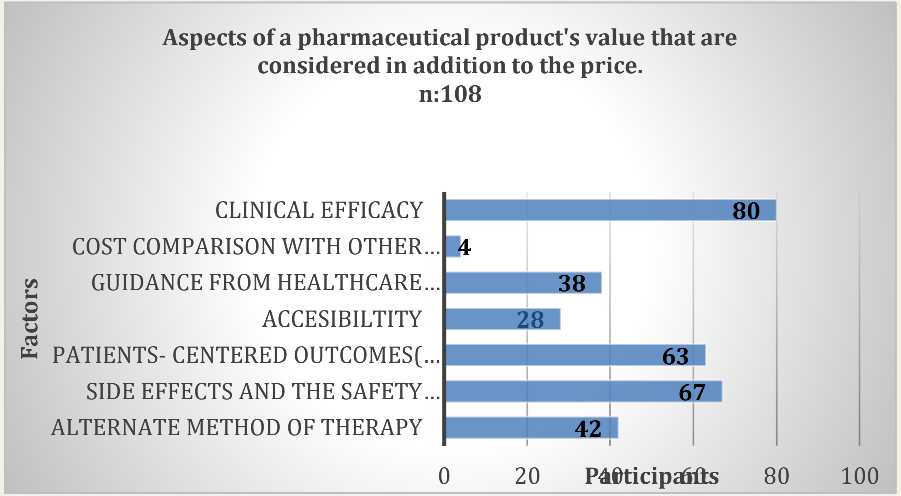
- Figure 5.4: Pie chart showing familiarity of participants with the concept of brand image in the pharmaceutical industry.

5. Importance of the price of a pharmaceutical product when determining its value to the participants.



- **Figure 5.5: Pie-chart showing importance of price of a pharmaceutical product when**
- **determining its value by participants.**

6.Other aspects of a pharmaceutical product's value that are considered in addition to the price.



- Figure 5.6: Horizontal bar chart showing other aspects of a pharmaceutical product's value that are considered in addition to the price.

7.A pharmaceutical product's price should be justified by the overall benefits it offers.

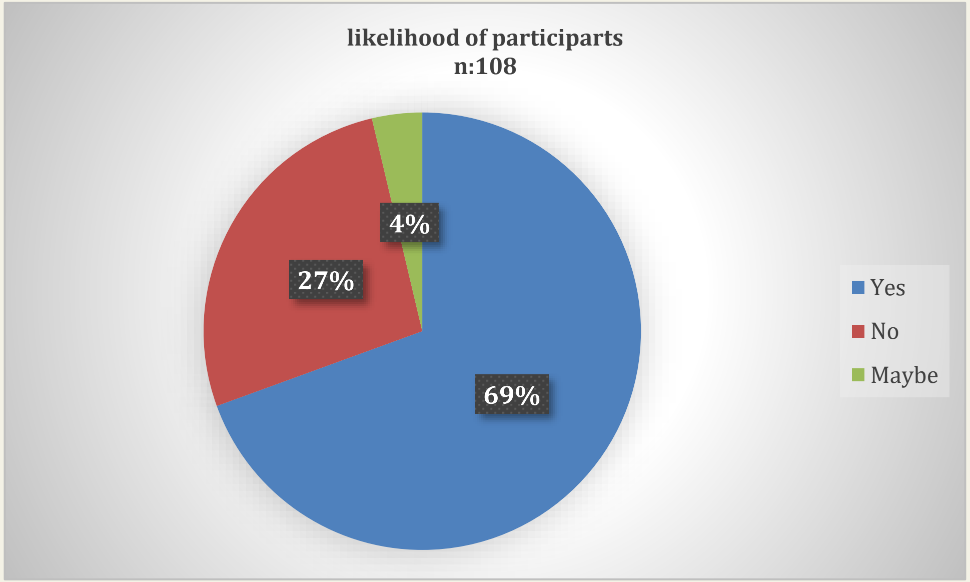
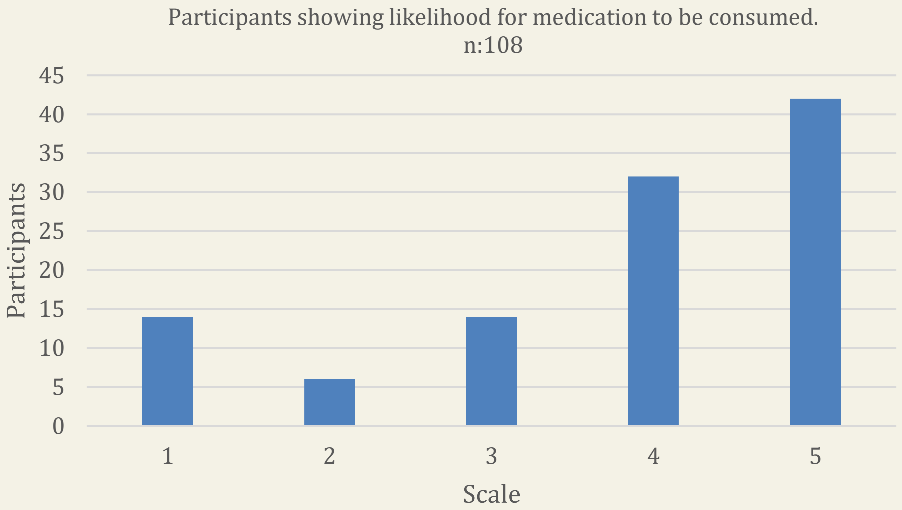


Figure 5.7: Pie chart showing pharmaceutical product's price should be justified by the overall benefits it offers.

8. A pharmaceutical medication costs more but offers a lot more benefits than cheaper alternatives, how likely is it to be promoted, prescribed, or consumed.



- **Figure 5.8: Scale for likelihood for a medication to be promoted, prescribed or consumed by participants.**

9.When setting their product prices, pharmaceutical companies should give affordability equal weight.

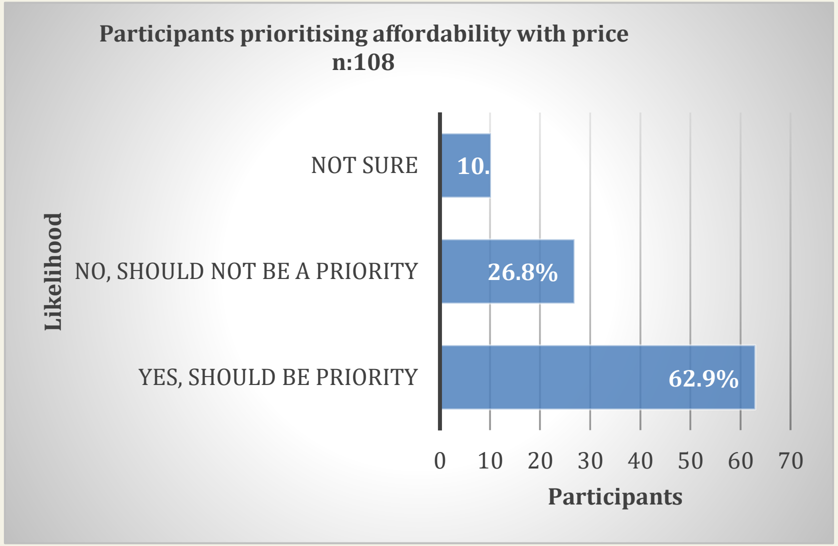
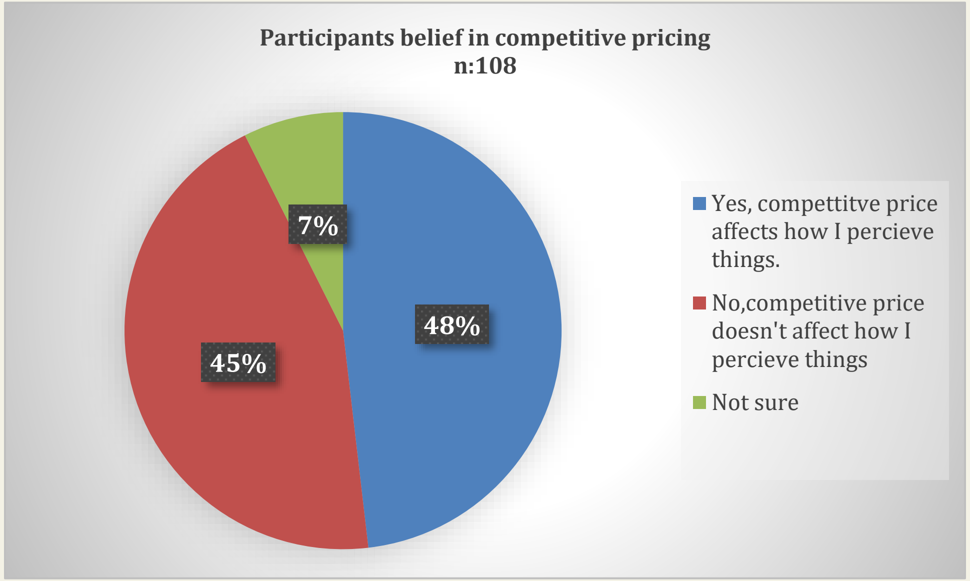


Figure 5.9: Bar graph showing Participants prioritising affordability with price.

10.Believing in a pharmaceutical company that offers competitive pricing comparatively to its closest competitors.



- Figure 5.10: Pie chart showing participants believing in a pharmaceutical company that offers competitive pricing comparatively to its closest competitors.

10. Believing that a pharmaceutical product that costs more will be of greater quality when compared to lower priced alternatives

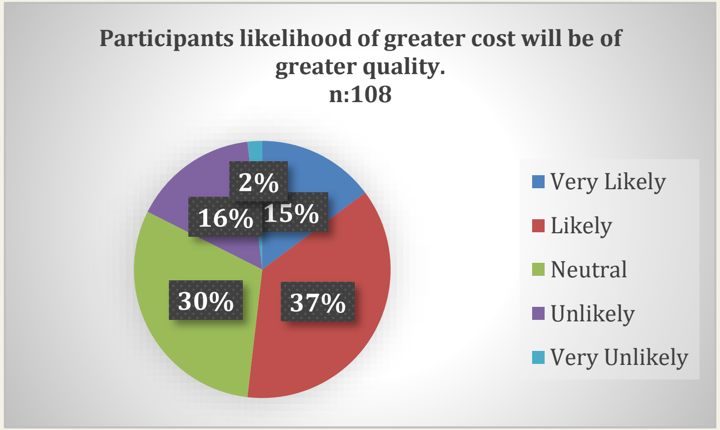
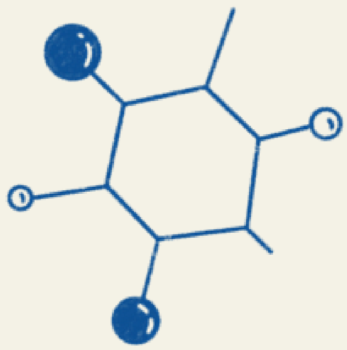


Figure 5.11: Pie chart showing Participants believing products of greater cost will be of greater quality.

04

CONCLUSION

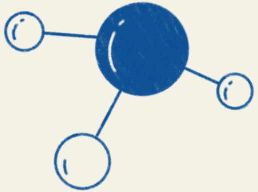


Conclusion

- This study set out to study the impact of price on brand.Most participants reported importance of price of a pharmaceutical product when determining its value as it gives the brand a positive attitude and confidence in the prescribing pattern of physician and by the patient adherence due to its affordability as cost is bear by themselves, participants labelled “likely" to consider price when determining its value, as high price may make drugs more valuable to them.
- The investigation of the participants' views on the importance of a pharmaceutical product's price or cost in evaluating its value reveals information about their attitudes and thoughts about how they see a brand.
- The component with the most influence among the participants was chosen: "Clinical efficacy." This illustrates that clinical trials and their success generate stronger outcomes to build a brand, and if the price of such products is high, the brand has significant market value and customers perceive it positively in comparison to the product with side effects.

- The analysis of participants' satisfaction levels with the justification of product’s price with overall benefits it offers recommended that it reports a positive impact of brand despite its price, as higher benefits are unique selling points of a product making it a brand thus should be offered with appropriate prices may it be high or low.
- Additional insights are also provided by the analysis of the likelihood of medication to be promoted, prescribed, or consumed by participants which is given the highest weightage if it costs more and provides more benefits which means brand is perceived on the basis of price.
- Furthermore, the analysis of participants' likelihood of choosing affordability as a factor while setting its price is given priority by majority of participants as affordability can positively impact brand reputation and can drive cost-conscious clients.

- By offering competitive prices, the pharmaceutical company may differentiate itself from its competitors. If the company consistently provides high-quality products at cheap prices, it will be able to establish a distinct selling point in the market.
- A strong endorsement of the brands with greater price gives greater quality when compared to lower priced alternatives.
- Newer and innovative brands may attract younger HCPs who are more open to trying new approaches and technologies. Brand loyalty tends to increase with age, and established loyalty can influence how consumers perceive pricing.
- This study helps in understanding brand perception, understanding that high priced drug creates a greater brand image, competitive pricing leads to distinction leading to greater brand image. If a brand is viewed as affordable and offers good value for money, it might foster positive associations with the brand.



Thanks!