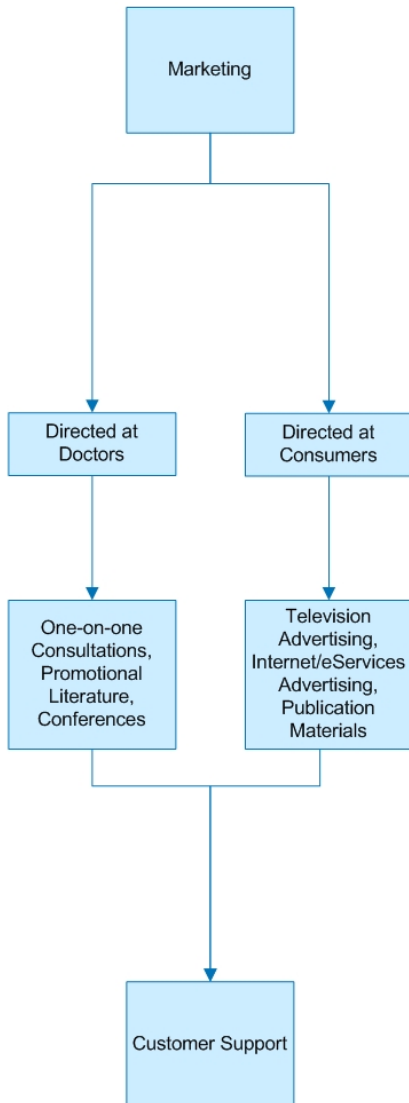


Sales



Sales

What are Sales?¹¹

Sales represent the final part of the value chain, whereby the manufactured drugs get from their warehouse facilities into the hands of medical practitioners and consumers. The various types of drugs are marketed very differently, depending on whether they are prescription-only drugs, or over-the-counter (OTC) drugs. The former drug type is marketed via promotional literature sent to doctors and hospital procurement departments. Pharmaceutical firms typically hold conferences promoting their products, with the intention of upgrading doctors' knowledge about their product. Statistical results from the Phase III and IV clinical trials are heavily emphasized. Firms generally have to employ large networks of personalized sales representatives for this approach. OTC drugs are however promoted via television advertising, print media, or even through the Internet. Many firms also create departments to handle pre and post-sales consultation by common consumers.

Trends¹²

Marketing networks for prescription-only drugs are time-consuming to establish and in that aspect, big pharmaceutical companies have a leg up over smaller start-ups with promising products. Because of the proliferation of drugs in each therapy class currently, some marketing muscle is required for any drug to gain prominence in its class. Smaller firms thus often have to rely on large pharmaceuticals to promote their product as a way of entering a particular market. The European market for instance is difficult to penetrate unless the product is launched through one of its established pharmaceutical firms. There is a possibility therefore of the emphasis of big pharma shifting to marketing and sales, especially as their innovation pipelines are running dry.