Lecture 2.
Commodity policy in pharmacy. Determination of the need and study of the demand for medicines

3rd year 5th semester

The essence of the market assortment policy of the pharmacy organization is the following statement. The product must be at the right time and in the right volume and when sold to ensure profit. Each assortment item must wait for its potential buyer.

Satisfying a sick person's drug needs is central to pharmaceutical marketing. A drug is a specific product. On the one hand, **a product** has a price and is intended to be sold. At the same time, it is a specific product, the demand for which is limited and occurs for certain diseases or for their prevention.

Let's consider the basic concepts of marketing.

Need is a lack experienced by a person in something necessary.

For example, everyone has a need to be healthy. The need is expressed by a specific medicine depending on the disease.

For example, every person **feels** hunger. The need is expressed in a particular food, depending on the person's preferences.

Supply is a need in goods and services, secured by the necessary money.

Consumption is the realized need for drugs.

Offer is the availability of drugs on the market and in the pharmacy.

Numerous factors influence on the formation of consumption and supply for drugs:

1. the economic development of the region;
2. the size of the population;
3. the number of medical and pharmacy organizations;
4. improvement of culture and literacy of the population;
5. development of medical and pharmaceutical sciences;
6. increase in the number of people of retirement age who have chronic diseases;
7. the need for a sick person to go to a doctor for a prescription of medicine.

Supply can be grouped according to the following characteristics:

1.   Depending on the degree of satisfaction are distinguished:

- <u>Actual</u> **supply** is the ability of the population to purchase goods. Actual **supply** is equal to the number of visits to the pharmacy.
- <u>Realized</u> **supply** is the purchase of goods and services. The indicator of the realized **supply** of the population is the retail turnover of the pharmacy.
-<u>Unsatisfied</u> **supply** is the demand unrealized due to the lack of necessary goods for various reasons.

2.   Depending on the initiator of supply are distinguished:

- **supply**,<u>initiated by the physician</u>.
- **supply** <u>initiated by patient</u>

3. Depending on the intensity of supply, a distinction is made between:

- <u>Formative</u> **supply** is **supply** for new, unfamiliar or less known goods.
- <u>Intensive</u> **supply** is rapidly increasing **supply** for high quality goods.
- <u>Stabilized</u> **supply** is **supply** for goods whose dynamics are constant.
- <u>Fading</u> **supply** is the **supply** for goods that are ending their life cycle.
-<u>Negative</u> **supply** - when there is no **supply** for goods and services at all.

4. Depending on the periodicity of the emergence of supply are distinguished:

- <u>Periodic</u> **supply** - **supply** after certain periods.
- <u>Impulsive</u> **supply** - **supply** at any time without any periodicity under the influence of advertising or other factors.

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Methods for determining the need for drugs:

•Normative method.
The need is determined taking into account the norms of consumption, which are enshrined in the legislation of Russia.

•Economic and mathematical methods.
Model the consumption of drugs taking into account one or more factors.

•Logico-economic methods
      These methods are based on forecasting with the help of expert evaluations. Their essence is to summarize the reasoned opinions of competent experts on the problem to be solved.

When forecasting the need for drugs, the peculiarities of their consumption are taken into account.

Classification of drugs according to the peculiarities of consumption:

•Drugs, the consumption of which is rationed according to the legislation of Russia. This includes narcotic drugs and psychotropic substances, ethyl alcohol. Consumption rates are calculated **based on** the normative method, based on the number of prescriptions served by the pharmacy, or on the number of beds in the hospital departments.

•Drugs of specific action are used for the treatment of one disease (anti-tuberculosis, anti-diabetic, anti-tumor drugs). When forecasting the need for drugs of this group, the number of patients and drug consumption for the treatment of one patient according to the scheme are necessarily taken into account.

•Broad-spectrum drugs. This group includes most drugs for the treatment and prevention of many diseases. Consumption of these drugs depends on many factors.

Methods of studying the supply for drugs:

•Determining the size of **supply**.
•Study of factors that form **supply**.
•Determination of the degree of influence of individual factors on the size of **supply** using the coefficient of elasticity of demand (Ed).

$$E\_d= (D\_2 - D\_1)/D\_1 : (P\_2 - P\_1)/P\_1$$

where D_1 and D_2 are the value of **supply** d at the old and new prices;
P_1 and P_2- respectively, the old and new price.
        If E_d is less than 1, it is considered that **supply** for the product is inelastic. Inelastic **supply** goods include: essential goods, such as insulin.
        If E_d is greater than 1, it is considered that **supply** for the good is elastic.

Maslow''s pyramid

self-actualization
achieving
one's full potential,
including creative activities

esteem needs
prestige and feeling of accomplishment

belongingness and love needs
intimate relationships, friends

safety needs
security, safety

physiological needs
food, water, warmth, rest

self-fulfillment needs

psychological needs

basic needs