

OPTIMIZING THE CONTRIBUTION OF SALES FORCE IN VETERINARY MEDICINES DISTRIBUTION

DANIELA MIHAI¹

¹ *University of Pitești, Faculty of Economics, Romania*
dana_mihai2005@yahoo.com

Abstract: *Within every company, but especially in the pharmaceutical industry, the sales force is both distributor for customers, identifying and generating new customers and maintaining links with them, and the customers' representative in their relations with the company, acting inside as the "promoters" of customers' interests, managing the relationship between buyer and seller. All functions and responsibilities of the sales force in the veterinary pharmaceutical industry form a pyramid of sale, divided into seven levels, namely: order launch, product availability, visibility in pharmacies, market information, referral launch, consumption activation.*

Key words: *sales force, distribution, customers, pharmaceutical industry.*

INTRODUCTION

The sale involves a process of building trusting relations with partners. This should not be a temporary thing or just a sales technique, but also a way of life, a philosophy of the people involved in this process. The relations with customers determine eventually the business success.

Establishing lasting relations with customers is often a difficult thing to achieve, due to the customers' bad experiences that lead them to another competitor.

This is, in short, the secret of "delighting" customers and encouraging them to continue to do business with that company, turning their satisfaction into long term loyalty.

The sales force management considers the planning, implementation and control activities performed by them, namely organizing, recruiting, training, motivating, monitoring and evaluating the performance of the sales force members within a company [2].

MATERIALS AND METHODS

A broader definition of sales force refers to a group of people that represents an enterprise and whose main and explicit task is to sell or to make its products or services to be sold, through a direct contact with the potential buyers (prospects), distributors or prescribers [4].

The sales forces consist therefore of a group of representatives of a company (employees or delegates) whose job is to distribute the company's products without using the traditional trade network, to prospect the market and to maintain a permanent dialogue with the potential consumers [1].

The importance of using sales force varies with the type of products sold. The sales force plays a less important role for consumer goods than the strictly specialized use goods (as is the case of medical products - in general and veterinary - in particular), because in this the second case, it is about the professional buyers, relatively more numerous and well located [3]. The peculiarities of the distribution process for such products increase both the need and the possibilities of using the sales force.

Basically, the sales force, the advertising and the other components of a company's communicational system have complementary functions, completing each other in the training process and image improvement [4].

RESEARCH RESULTS

The Romanian producers of medicines (including veterinary products) cover only 13% of local pharmaceutical market, as they have lost ground in recent years in favor of imported products that have increased their market share [7].

The Romanian factories lose power on the domestic market, but are interested in the foreign ones that may offer better prices and shorter due dates. The data provided by the National Institute of Statistics show a strong increase in foreign deliveries during last decade [7].

During the period October 2012 - September 2013, the total value of the pharmaceutical market was 11.82 billion lei (2.66 billion euros), up with 1.9% from the corresponding previous period (October 2011 - September 2012) [5].

In 2013, the market grew by 4.3% lei in the first quarter compared to the similar period of 2012 (+3.6% in euros), an advance of 2.7% (+3.4% in euros) - in the second quarter and a decrease of 3.3% (-1.6% in euros) - in the third quarter [5].

An important contribution to improving the distribution performances on the pharmaceutical market has the sales force engaged in the system by manufacturers and importers of veterinary medicines. An argument in this regard is analyzing the components of the distribution process, respectively the informational and material circuit, shown schematically in Figure 1.

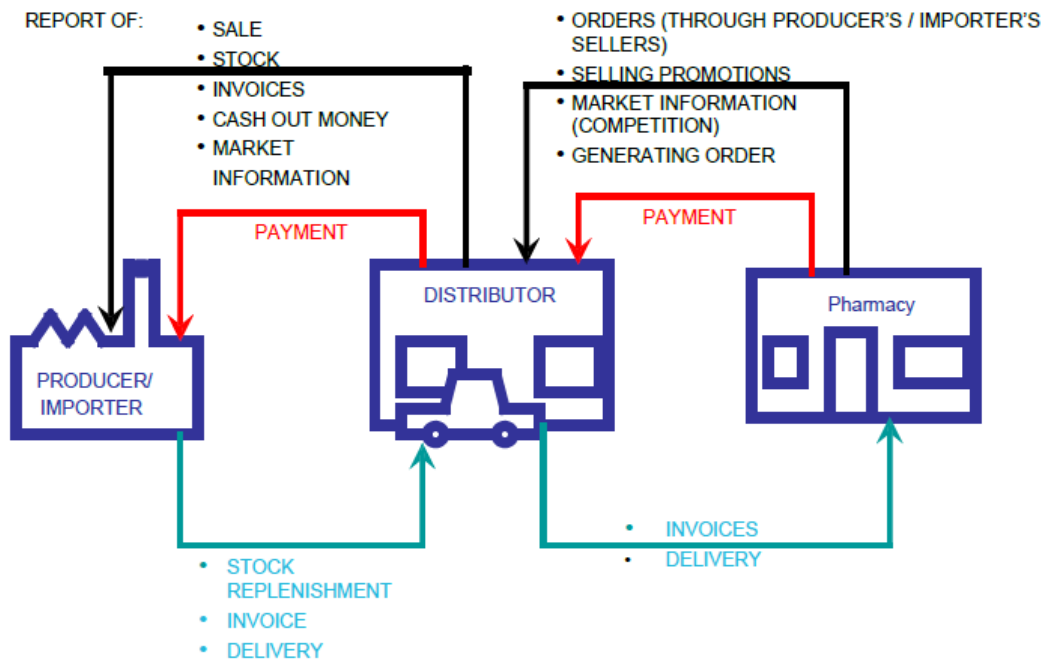


Fig. 1 The informational and material circuit in the distribution of veterinary medicines

Philip Kotler argues in his work "*Marketing Management*" that the term salesperson covers a wide range of functions within an economy, from that of *supplier* that delivers products, then the position of *receptionist (receiver)*, meaning a person who takes orders and works within the company, the position of *missionary* with tasks in strengthening the

reputation of a company, without taking orders, the *technician*, a technical adviser and, finally, the position of *demand maker* that presents in a more favorable light the tangible products in order to sell them immediately or through a contract [4].

In the modern sense, the contribution of sales forces in the distribution - in general - and veterinary medicines - in particular - refers mainly to the positions of *demand maker* and *consultant*.

Considering the facts mentioned above and analyzing the particular tasks of the sales force distributing veterinary medicine products, the sales process can be divided into seven stages, succeeding as in Figure 1, resulting in what can be suggestively titled "*the pyramid of the sale process*."

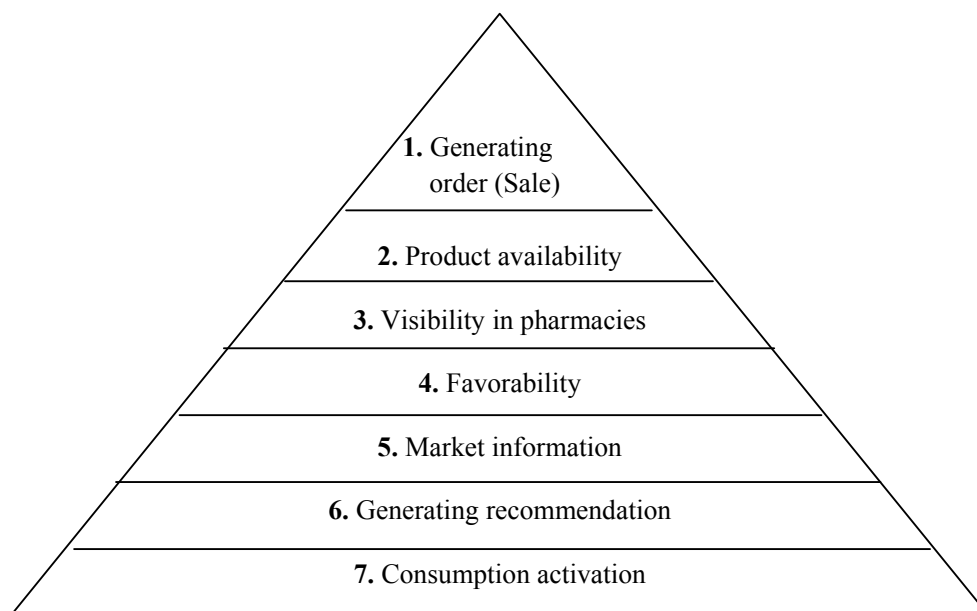


Fig 2 The pyramid of the sale process in the veterinary pharmaceutical industry

The specific tasks of each stage involve the sales force in the veterinary pharmaceutical industry with the responsibilities summarized in Table 1.

Table 1

**Assigning sales force responsibilities on the sale pyramid stages
in the veterinary pharmaceutical industry**

Stage 1: GENERATING ORDER (SALE):	
<p>SALES FORCE RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - To identify potential customers; - To make presentations about the manufacturer / importer of veterinary medicines and its products; - To create an informal relation; - To ask always for the order; - To sell the quantities of veterinary medicines corresponding to the sales (demand) of the respective store ("turnover selling"); - To make sure the customers are satisfied; - To be familiar with the financial indicators of the respective business; - To know the financial indicators used by the customers in measuring their business performance; - To know the customer's performances; - To sell a mix of services and veterinary products that serve customer's interests and development strategies. 	
Stage 2: AVAILABILITY:	
<p>MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - to provide the necessary resources for the distribution: people, machines, systems, etc.; - To segment the trade (to divide customers into coherent sets of customers with common interests) so that each customer is treated and managed effectively; - To achieve a "must sell" on each distribution channel and adjust it periodically. 	<p>SALES FORCE RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - To make sure there are veterinary products in the store for the local buyer; - To make an adequate stock so that the consumer does not need to choose the products of the competition by "no-show" (there must be at least one piece on the shelf between two visits); - To respect the "must sell" for the respective distribution channel.
Stage 3: VISIBILITY (IMAGE):	
<p>MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - To provide pleasant, visible advertising materials (Point of Sale Materials) with easily identifiable brand name; - (If and where necessary) to provide financial support to "purchase" of space; - To achieve a standard of merchandising for each distribution channel separately. 	<p>SALES FORCE RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - To provide a number of faces, a sufficient shelf space and a shelf settlement in accordance with the merchandising standard; - To use (correctly) all advertising materials developed by the company producing / importing veterinary medicines.
Stage 4: FAVORABILITY:	
<p>MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - The product must be whole, clean, qualitative, within the technical parameters expected by the consumer, accompanied with the required documentation and instructions; - The manufacturer / importer has to be part of the community and respect the rules of the business; in addition, he should have a minimum of advertising and PR; - To have warranty policies and after sales service to support the consolidation of a long-term relation; - To develop a system of dealing with complaints; - To develop a commercial policy that allows the customer to make a profit and a set of internal 	<p>SALES FORCE RESPONSIBILITIES:</p> <ul style="list-style-type: none"> - To say always "good things" about the products with customers; - To be neat and professional in all situations; - To provide after-sales services: <ul style="list-style-type: none"> • to listen carefully to any of his customer's demand or complaint and document it as such; • to represent the customer's interests to the company manufacturing / importing veterinary medicines; • to aim to resolve any customer demand; • to apply the company's principles, rules, the letter and spirit of the commercial contract between the manufacturing / importing company and the customer.

rules above the market average and category so that customers be interesting to work with the producer / importer than the competition.	
Stage 5: INFORMATION GATHERING AND ADMINISTRATION ("spying" + tracking PRICE):	
MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES: - To develop a set of documents and reports that helps the sales representatives to gather and synthesize information; - To respond promptly and wisely to feed back to the sales team on the market; - The products to be priced right, coherent, easily understandable and accepted by the customer, according to his availability to spend; - The price should be in accordance with the total value statement of the brand; - If the price is not appropriate, it should be redirected to other brands or products.	SALES FORCE RESPONSIBILITIES: - To gather information / ask questions to the customers and to the customers' employees; - To complete and submit in due timely the sales reports and the competitive activity reports; - To monitor permanently the competition and to transmit information to the manufacturing / importing company; - To argue with the customers the eventual price disadvantage compared to the competition.
Stage 6: (generating) RECOMMENDATION:	
MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES: - To have a program of promotions which stimulates each link of the supply chain; - To develop a program of rewarding sales performance of the seller in pharmacy; - To develop merchandising programs.	SALES FORCE RESPONSIBILITIES: - To train the staff in pharmacies on the technical features and benefits of the products; - To apply promotions through the sellers in stores, in order to generate interest in the products; - To maintain a good relation with the sellers; - To apply the merchandising programs developed by the company.
Stage 7: CONSUMPTION ACTIVATION:	
MANUFACTURER'S / IMPORTER'S RESPONSIBILITIES: - To provide the price list and the entire infrastructure necessary for invoices and money collection; - To achieve a product mix that includes both "hook products" and "basket charger products"; - To substantiate and implement a commercial policy according to the market realities; - To develop a reward system based on performance indicators in sales; - To correctly segment the market, on unitary distribution channels.	

One may note that, within the stages 2-7, the specific tasks and responsibilities of the the sales force in the veterinary pharmaceutical industry is achieved in close correlation and dependence with the effective involvement of the producing / importing company in fulfilling their duties and support responsibilities.

Despite their many responsibilities, the sales force has greater independence compared to the hierarchical structures of the company or its departments. Therefore, organizing the sales force activity, implementing specific programs, as well as controlling and evaluating their work must be subject to a rigorous management approach, designed to contribute to improving the economic performance of the company producing / importing veterinary medicines.

CONCLUSIONS

For the companies producing / importing veterinary medicines, the *medical inspectors or delegates* that represent the sales forces, often high educated specialists, present to the physicians the products of a laboratory or pharmaceutical company. Their main role is to increase the turnover of the company they represent, through direct personal sales or through negotiation and conclusion of contracts with business partners.

The sales force objectives refer to: market research and identifying categories of consumers interested in the products offered, defining the customers' profiles and their geographical location, gathering and sharing of information on competitors' products and services and on the pharmaceutical market in general, providing consulting services and specialized assistance for the products sold, organizing merchandising actions within the distribution network, presenting favorably the manufacturing / importing company.

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