

Influence of Aesthetic attributes (Color, Shape and Packaging) and its role in Positioning and Promotion of Pharmaceutical OTC Products

**Thesis Submitted to the Padmashree Dr. D. Y .Patil University,
Department of Business Management,
in partial fulfillment of the requirements for the award of the
Degree of**

DOCTOR OF PHILOSOPHY

in

BUSINESS MANAGEMENT

Submitted by

Aarti J. Mhatre (More)

Enrollment No: DYP PHD 066100022



Research Guide

Dr. R. K. SRIVASTAVA

**PADMASHREE DR. D.Y. PATIL UNIVERSITY,
DEPARTMENT OF BUSINESS MANAGEMENT,
Sector 4, Plot No. 10,
CBD Belapur, Navi Mumbai - 400614
June 2010**

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Pharmaceutical OTC Products**

DECLARATION

I hereby declare that the thesis entitled “Influence of Aesthetic attributes (Color, Shape and Packaging) and its role in positioning and promotion of Pharmaceutical OTC Products” submitted for the Award of Doctor of Philosophy in Business Management at the Padmashree Dr. D.Y. Patil University Department of Business Management is my original work and the thesis has not formed the basis for the award of any degree, associate ship, fellowship or any other similar titles.

Place: Mumbai

Date: June - 2010

Signature of the Student:

Signature of the Guide:

Signature of the Head of the Dept:

CERTIFICATE

This is to certify that the thesis entitled “Influence of Aesthetic attributes (Color, Shape and Packaging) and its role in positioning and promotion of Pharmaceutical OTC Products” and submitted by Ms. Aarti Mhatre (More) is a bonafide research work for the award of the Doctor of Philosophy in Business Management at the Padmashree Dr. D. Y. Patil University Department of Business Management in partial fulfillment of the requirements for the award of the Degree of Doctor of Philosophy in Business Management and that the thesis has not formed the basis for the award previously of any degree, diploma, associate ship, fellowship or any other similar title of any University or Institution.

Also certified that the thesis represents an independent work on the part of the candidate.

Place: Mumbai

Date: June 2010

Signature of the Guide:

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Place: Mumbai

Date: June 2010

Signature of the Student

Preface

The Pharmaceutical Industry has always been considered as the barometer of the nation's economy, and in that the Pharmaceutical OTC industry worldwide is considered as one of the key economic drivers. Indian Pharmaceutical Industry is facing stiff competition from global players in the post – liberalized era. The introduction of new OTC products with a variety of features and competitive pricing has opened a new understanding in product acceptance. The basic key aesthetic features of a product has emerged as one of the most talked about attributes in the marketing circles, which has helped the products go up in quality dimension and have higher perceived value benefits.

The Research attempts to look into the role aesthetic elements play in purchase decision of products in the Indian industry, having a high degree of association with aesthetics including products which are Over the Counter (OTC). Aesthetics has always been understood as the finer aspect of a product. It goes beyond the basic functional elements of

the product, which are offered in addition to the product's utility for which it is generally purchased. Although literature exists on aesthetics and its meanings and implications, however, nothing significant is written on how it influences the purchase decision.

This research primarily deals with understanding aesthetics beyond its artistic association to make it relevant to the marketers when they formulate the marketing strategies and product design. Aesthetic elements cover all aspects of a product which the five senses can capture; the aesthetic quality differs in its perception from person to person. One person's aesthetic senses will not necessarily match with those of others. Marketers will have to understand these perceptions in relation to their target segments in order to exploit the aesthetic association for branding and brand promotion. Aesthetics is basically in the eyes, and the perception formed is based on the senses of the beholder. Therefore, if a person appreciates the aesthetics the aesthetic value of the products and if the products have

longer useful life, he or she will be willing to pay much higher for the same. The study on how aesthetics play a role in marketing and how these elements can be captured in the product, which is the basic objective of this research, should therefore serve a very useful purpose for Indian designers in creating new product designs.

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List of Abbreviations

CFA	Clearing and Forwarding Agents
DYPDBM	Padmashree Dr.D. Y. Patil University Department of Business Management
GDP	Gross Domestic Product
IMS	Intercontinental Medical Statistics
OPPI	The Organization of Pharmaceutical Producers of India
OTC	Over the Counter
SPSS	Statistical Tools for Social

	Sciences
SKU	Stock Keeping Unit
USA	United States of America
TAM	Television Audience Measurement
FMCG	Fast Moving Consumer Goods
MR	Medical Representative
R& D	Research and Development
D.O.F	Degrees of Freedom

EXECUTIVE SUMMARY

Title: Influence of Aesthetic attributes (Color, Shape and Packaging) and their role in Positioning and Promotion of Pharmaceutical OTC (Over the Counter) Products.

Pharmaceutical over the counter products (OTC) are the medicines which can be sold without prescription of the physician. They are also termed as “Non Prescription Medicines”. Over the counter medicines are primarily used to treat the conditions that do not require the direct supervision of a doctor and proves to be reasonably safe and well tolerated. OTC Medicines differ from Prescription Medicines in terms of Margin of Safety, Advertising and Distribution. The key categories with OTC potential in India are: Vitamins and minerals, Cough and cold, Gastrointestinal, Analgesics, Dermatological, Herbal/Ayurvedic Medicines etc.

Changing lifestyles key to growth of OTC Products:

Due to rapid urbanization and more hectic lifestyles there is rise in stress levels and unhealthy eating. Headaches, body aches and digestive ailments, such as constipation and diarrhea increased. Increased pollution in urban areas also gave rise to allergy attacks and skin care problems, such as fungal infections and rashes. This led to rising sales of medicated skin care products and cough, cold and allergy remedies.

Chemists and Pharmacies remains dominant in India as far as distribution of OTC Products are concerned.

This research study investigates consumer's perception for product color, shape & packaging while buying an OTC product. It also evaluates these factors for studying its role in positioning of an OTC product. With large number of OTC medicines currently circulating in the market, products can easily get lost in cluttered OTC aisles of supermarkets (More & Srivastava, 2009). Through proper study of a product's aesthetic attributes, a memorable brand can be initiated to separate from competitors in an attempt to gain bigger market share in the OTC drug industry.

This study aims to understand the influence of Aesthetic attributes like Color, Shape, Packaging and taste on promotion and positioning of pharmaceutical OTC product. It attempts to understand the aesthetics in terms from the point of view of consumers and the role it plays or can play in the purchase behavior of the OTC products selected.

Research Objectives

- 1. To investigate the consumers Perception for Aesthetic attributes like Color, Shape, and Packaging while buying a Pharmaceutical OTC Product.**
- 2. To evaluate the impact of these factors in promotion and positioning of an OTC product.**

3. To study the influence of demographic factors in context of aesthetic attributes and its influence on purchasing behavior of pharmaceutical OTC products.

Hypothesis:

H-1: Influence of Aesthetic attributes play a significant role on consumer's compliance for pharmaceutical OTC products.

H-2: Consumption of OTC products shows demographic based differences viz-a-viz for aesthetic attributes.

Research Methodology

The research was both primary and secondary in nature. The primary research was conducted through survey which helped in analyzing the consumer's beliefs, perceptions, and behavior towards aesthetic attributes like color, shape, and taste of OTC Products. The analysis of secondary data helped in understanding the prior work on the same or related topic and also provided insights about the sensory attributes that can be leveraged for positioning of OTC drug products.

The well structured Questionnaire was designed to identify general perception of OTC medicines and the preference for color, shape, packaging and perception of taste of OTC drugs. The questionnaire focused on identifying the perception for aesthetic attributes like color, shape and packaging and to a little extent for taste while

looking at the OTC products. Supportive data was also derived from Chemists through questionnaire. It focused on revealing whether consumers demand pharmaceutical OTC products keeping in mind their aesthetic attributes like Color, Shape, Packaging and taste.

Consumer sample was 1000. Sample was taken from 3 cities i.e. A-Class city Mumbai, B-Class City Nasik, and C-Class city Igatpuri of different Age Groups, Gender, Religions and Education Level.

Data was also gathered from 100 Chemists and 100 Medical Representatives

Under Phase I: The respondents were asked to reply to the questions in the questionnaire which were related to general perception for sensory attributes like Color, Shape and Taste by looking at the color of pharmaceutical OTC products.

Under phase-II: Same respondents then were directed to a simulated display of products at the chemist and his/her perception was sought again. Display at the chemist counters and a mock room was specially created for this study. OTC Products of different Colors, Shapes, Texture and packaging were displayed in different dosages.

Data analysis was done using SPSS, Microsoft Excel sheets, etc

Detailed Findings

This study reveals that color and shape can help in improving brand recall and increase compliance for medicine uptake. It is important especially when medicine consumption is an unwilling act. Pink is considered to be sweeter compared to Red. Similarly, Orange had emerged as a symbol of sour taste. White and Blue are associated with bitter taste. Yellow is considered to be salty as per this study.

Given a choice, Males will prefer Oval Shape while Females will prefer Round Shape for the OTC Medicines. Older consumers were more inclined towards small rounded tablets due to their swallowing discomfort. Apart from preference for color of the medicine, the study also revealed the motive for preferring the particular color. It was found that, for young age group pink was most preferred color due to its soothing effect impression. While blue was most preferred color for middle age and old age group due to its impression of cooling down. Educational level does matter for preferences and consumption of OTC medicines was also one of the important findings of this research. Educated (graduate and above graduate) consumers are more concerned for aesthetic elements like Color, Shape, Packaging and Taste as compared to uneducated or below graduate consumers. The supportive data from chemists was also sought which exposed few interesting information. They stated that, consumers remember and demand the OTC products due to their aesthetic attributes. They

were of the opinion that, if pharmaceutical OTC companies take interest in these sensory elements, the sales can definitely increase.

Conclusion

The study showed that there is an influence of products aesthetic attributes on pharmaceutical OTC products and the consumption desire of consumers. The greater the number of senses a product appeals to, the greater will be the potential for creating an emotional attachment to the product. This can translate in to brand loyalty and ultimately to sales.

Suggestions and Recommendations

The conclusions of the study can be used to help marketers for launching, positioning and promoting OTC products effectively. Research of this type is relevant, as marketers' need information about possible factors that may influence product selection decisions. The study can be helpful for investigating the influence of a product's aesthetic attributes on consumers, cutting across diverse sections of society for the positioning and promotion of pharmaceutical OTC products.

Limitations

The research was limited in scope to examine the buyer behavior of the targeted population only in 3 cities from western Maharashtra, which limited the results from being generalized to other population. More studies including larger demographic group/s should have been conducted to help validate the findings.

Future Scope of the Study

The study exhibits that demographics have to be looked into with more seriousness and product attributes like aesthetic features should be used as a unique selling proposition for various segments as it is also seen that ‘conventional demographic variables, such as occupation, income and education and to less extent consumer modernism can be used to classify groups of consumers in to potentially profitable market segments’. Although the survey was carried out with respect to Pharmaceutical OTC product category, the findings have much wider significance and utility covering entire Pharmaceutical Industry.

