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Ethical Evaluation of Pharmaceutical Marketing in Pakistan

M. Ahmad1, N. Akhtar1, M.H.A. Awan1, G. Murtaza2

Abstract: Our aim in this study is to give a broad overview of the main ethical and legal challenges of pharmaceutical marketing. The purpose of this study was also to investigate unethical pharmaceutical marketing, the effect on physicians of receiving gifts, the influences of perceptions regarding the importance of ethics and social responsibility on ethical intentions of marketing professionals. It also investigates the effect of unethical marketing on ultimate consumer (patient). Questionnaire based survey study was conducted from two main categories: (i) physicians/consultants and (ii) pharmaceutical companies. In Pakistan, there is no mechanism to monitor the drug promotional campaign by pharmaceutical industry despite the fact that there is enough evidence that irrational pharmacotherapy is increasingly encountered even in the developed countries due to unethical practices of pharmaceutical promotion. Medical practitioners and the pharmaceutical industry serve interests that sometimes overlap and sometimes conflict. There is strong evidence that associations between industry and physicians influence the behaviour of the latter in relation to both clinical decision making and ethical promotion of drugs. The basic principles underlying the conduct of physicians with respect to pharmaceutical companies should be openness and transparency.

Key words: pharmaceutical marketing, ethic in marketing, gifting to physician, physician-industry relationship, pharmaceutical promotion and drug samples

Evaluation ética del mercado farmacéutico en Pakistán

Resumen: Nuestro objetivo es dar una amplia visión de los principales desafíos éticos y legales del mercado farmacéutico. El propósito de este estudio fue investigar faltas éticas en el mercado farmacéutico, el efecto de la recepción de regalos por parte de los médicos y la influencia de las percepciones a respetar una importancia de la ética y la responsabilidad social en las intenciones éticas de los profesionales del mercado. También se investigó el efecto de las faltas éticas sobre el consumidor último (el paciente). Se realizó un estudio, mediante una encuesta cuestionario, con dos categorías principales: (i) médicos/consultores y (ii) empresas farmacéuticas. En Pakistán no existe un mecanismo para monitorear la campaña promocional de medicamentos realizada por la industria farmacéutica, a pesar de existir bastante evidencia de que ha aumentado la farmacoterapia irracional, incluso en países en desarrollo, debido a prácticas contrarias a la ética de la promoción farmacéutica. Los médicos practicantes y la industria farmacéutica sirven a intereses que algunas veces se superponen y otras entran en conflicto. Existe fuerte evidencia de que las asociaciones entre la industria y los médicos influyen el comportamiento de los últimos, tanto en relación con la toma de decisiones clínicas como en la promoción contraria a la ética de medicamentos. La apertura y transparencia debieran ser los principios básicos que fundamenten la conducta de los médicos respecto de las empresas farmacéuticas.

Palabras clave: mercado farmacéutico, ética de mercado, regalos a médicos, relación industria-médico, promoción farmacéutica y muestras de medicamentos

Avaliação Ética do Mercado Farmacêutico no Paquistão

Resumo: Nosso objetivo é dar uma ampla visão dos principais desafios éticos e legais do mercado farmacêutico. O propósito deste estudo foi investigar faltas éticas no mercado farmacêutico, o efeito da recepção de brindes por parte dos médicos e a influência das percepções a respeito da importância da ética e da responsabilidade social nas intenções éticas dos profissionais do mercado. Também se investigou o efeito das faltas éticas sobre o consumidor último (o paciente). Foi realizado um estudo, mediante um questionário, com duas categorias principais: (i) médicos/consultores e (ii) empresas farmacêuticas. No Paquistão não existe um mecanismo para monitorar a campanha promocional de medicamentos realizada pela indústria farmacêutica, apesar de existir bastante evidência de que tem aumentado a farmacoterapia irracional, inclusive em países em desenvolvimento, devido a práticas contrárias à ética da promoção farmacêutica. Os médicos praticantes e a indústria farmacêutica servem a interesses que algumas vezes se superpõem e em outras entram em conflito. Existe forte evidência de que as associações entre a indústria e os médicos influenciam o comportamento destes últimos, tanto em relação à tomada de decisões clínicas quanto na promoção contrária à ética dos medicamentos. A abertura e transparência deveriam ser os princípios básicos que fundamentem a conduta dos médicos a respeito das empresas farmacêuticas.

Palavras-chave: mercado farmacêutico, ética de mercado, brindes a médicos, relação indústria-médico, promoção farmacêutica e amostras de medicamentos

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Introduction

Marketing management is an art and science of choosing target markets and getting, keeping and growing customers through creating, delivering, and communicating superior customer value. Drug companies are moneymaking corporations just like any other; they exist to create a profit. The overarching aim of corporate drug promotion, therefore, is to increase profits by raising consumer demand for pharmaceutical products. This market-driven approach fuels unethical drug promotion in several ways. The most common violations include: (i) promoting misleading or false claims about a drug, (ii) deliberately suppressing risks and side effects of a drug, (iii) providing financial incentives to physicians for prescribing drugs and (iv) using disease awareness campaigns for drug promotion rather than health promotion (1).

These methods can ultimately lead to irrational drug use by consumers, with potentially fatal health risks. Drug companies often say that they are providing a valuable information service and raising vital awareness about health matters. But the reality is that their unethical drug promotion methods can have serious implications for consumer health and safety.

Because of the increasing attention to marketing ethics by the general public, marketing scholars have shown an intense interest in ethics as a research area. It has been observed several theories in marketing ethics which developed over the last decade and these theories have led to numerous empirical studies of the ethical decision-making processes of marketing professionals (2). Some of these empirical studies focus on decision-making components of marketing ethics (3).

There is growing debate about the ethics of relationships between the pharmaceutical industry and the medical profession. Concerns include bias in research funded by the pharmaceutical industry and conflicts of interest with regard to prescribing by medical practitioners who accept industry gifts and hospitality. Benefits received from pharmaceutical companies should leave physician's and scientist's independence of judgment unimpaired (4).

Our aim in this study is to give a broad overview of the main ethical and legal challenges of pharmaceutical marketing. In many instances, these issues have not been resolved and the full debate remains to be done. Typically, there are no easy answers to the dilemmas raised, but awareness of what the key issues are and sketching of directions will help healthcare professionals understand and participate in these developments. The main purpose of the present study is to investigate the influences of perceptions regarding the importance of ethics and social responsibility on ethical intentions of marketing professionals. This study also investigates the effects of unethical pharmaceutical marketing on health profession.

Experimental

Market research is a process of gathering information to help and make informed decisions about the marketing business. There are mainly two kinds of research methods: qualitative market research and quantitative market research. Qualitative research is a set of research techniques, used in marketing and the social sciences, in which data are obtained from a relatively small group of respondents and not analyzed with statistical techniques. This differentiates it from quantitative research in which a large group of respondents provides data that is statistically analyzed.

This study (2008/24-Pharm/IUB) was approved by the Board of Advance Study and Research, the Islamia University of Bahawalpur, Pakistan. Survey was conducted from two main categories: (i) physicians/consultants and (ii) pharmaceutical companies. Two questionnaires were designed for this purpose, one for physicians and other for pharmaceutical companies. Questionnaires for physicians contained 19 questions (table 1) and questionnaires for pharmaceutical companies contained 11 questions (table 2). Survey of physicians was conducted randomly throughout the country including four provinces as well as the northern areas of Pakistan. Survey of pharmaceutical companies was conducted randomly for national and multinational companies working in Pakistan.
Data was collected from 400 physicians including physicians as well as consultants. Out of these about half were consultants/specialists. One hundred pharmaceutical companies including national and multinational working in Pakistan were contacted for data collection. There was 100% response rate from all respondents. The data was analyzed using Pearson Chi-Square test. The level of significance was set at 0.05.

### Results

**Physician response:** The result shows that sample is a promotional tool which is used most frequently for pharmaceutical marketing. More than half (58%) physicians believe that pharmaceutical marketing is not satisfactory in Pakistan while 40% physicians are in favor the way by which pharmaceutical marketing is being done. The 100% of samples utilization by physicians is only 15% and only 50% of samples are utilized 36% by physicians. More than 50% physicians admitted that self evaluation is the base for prescription of medicine and literature survey is 2nd option for base for medicine prescription. The 73% physicians believe that patient compliance is the key benefit for prescribing medicinal brand. Mostly 50% of physicians justified their-self for attending sale promotion officers. More than half (53%) physicians believe that ethical attitude is the factor which inspires them for SPO attendance. Most (49%) of the SPO’s satisfy queries about new promotional drugs (figure 1).

### Table 1. Questionnaire for Physicians/consultants

<table>
<thead>
<tr>
<th>Question</th>
<th>Option A</th>
<th>Option B</th>
<th>Option C</th>
<th>Option D</th>
<th>Option E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What promotional tools pharmaceutical firms mostly use for pharmaceutical marketing? (Number with their preference)</td>
<td>Samples</td>
<td>Giveaways</td>
<td>Novelties</td>
<td>Patient aids</td>
<td>Medical exhibition</td>
</tr>
<tr>
<td>2. Are you satisfied with the way pharmaceutical marketing is being done? (Tick one)</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. What percentage of the samples given by the marketing company is utilized by the ultimate customer (patients)? (Tick one)</td>
<td>A. 25%</td>
<td>B. 50%</td>
<td>C. 75%</td>
<td>D. 100%</td>
<td></td>
</tr>
<tr>
<td>4. What are the bases for prescribing the medicine? (Tick one)</td>
<td>Company image</td>
<td>Percentage margin</td>
<td>Personal relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. What is the key benefit for prescribing medicinal brand? (Tick one)</td>
<td>Financial benefit</td>
<td>Personal relations</td>
<td>Patient’s compliance</td>
<td>Personal satisfactions</td>
<td></td>
</tr>
<tr>
<td>6. Do you justify yourself to attend sale promotion officer (SPO)? (Tick one)</td>
<td>A. 25%</td>
<td>B. 50%</td>
<td>C. 75%</td>
<td>D. 100%</td>
<td></td>
</tr>
<tr>
<td>7. Select the option for Justification of question no. 6? (Tick one)</td>
<td>A. Financial benefit</td>
<td>B. For knowledge</td>
<td>C. Ethical attitude</td>
<td>D. Insistence by SPO</td>
<td></td>
</tr>
<tr>
<td>8. What percentage of SPO does satisfy you queries about new promotional drug? (Tick one)</td>
<td>A. 25%</td>
<td>B. 50%</td>
<td>C. 75%</td>
<td>D. 100%</td>
<td>E. None</td>
</tr>
<tr>
<td>9. Before prescribing a newly launched drug, on what bases you justify yourself? (Tick one)</td>
<td>Cross matching the literature given by SPO’s</td>
<td>Literature provided by</td>
<td>Company’s image</td>
<td>Evaluation / Hit and Trial method</td>
<td></td>
</tr>
<tr>
<td>10. Which company’s Brand you prefer usually? (Please tick only one)</td>
<td>A. Homeopathic / Ayurvedic</td>
<td>B. National</td>
<td>C. Multinational</td>
<td>D. Herbal</td>
<td></td>
</tr>
<tr>
<td>11. On which basis you prefer to prescribe above mention company’s brand? (Tick one)</td>
<td>A. Financial benefit</td>
<td>B. Personal financial benefits</td>
<td>C. Effectiveness of Brand</td>
<td>D. Cost factor</td>
<td>E. Company’s standards</td>
</tr>
<tr>
<td>12. Which way of marketing you appreciate by the company? (Tick one)</td>
<td>A. House hold goods gifting</td>
<td>B. Company’s internal visits</td>
<td>C. Recreational tours</td>
<td>D. Excessive free sampling</td>
<td></td>
</tr>
<tr>
<td>13. Does frequent sampling helps you to determine quality of medicine for prescription? (Tick one)</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. What kind of literature helps you to evaluate the drug? (Tick one)</td>
<td>A. Anatomical charts</td>
<td>B. Pharmacological leaflets</td>
<td>C. Photographic posters</td>
<td>D. General information</td>
<td>E. Others</td>
</tr>
<tr>
<td>15. Do you think National or Multinational firms are spending more on their marketing and why?</td>
<td>A. National and Why</td>
<td>B. Multinational and Why</td>
<td>C. Both</td>
<td>D. None</td>
<td>E. No response</td>
</tr>
<tr>
<td>16. In your opinion among National and Multinational firms, which one are involved more in ethical marketing? (Tick one)</td>
<td>A. National</td>
<td>B. Multinational</td>
<td>C. Both</td>
<td>D. None</td>
<td>E. No response</td>
</tr>
<tr>
<td>17. Do you agree that pharmaceutical companies inspire you for unethical promotion of their products? (Tick one)</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Who is the main culprit in promoting unethical marketing in your opinion? (Tick one)</td>
<td>A. Pharmaceutical companies</td>
<td>B. Physicians</td>
<td>C. SPO’s</td>
<td>D. All</td>
<td>E. No response</td>
</tr>
<tr>
<td>19. In your opinion how unethical marketing can be stopped?</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

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prescribing a newly launched drug. The 73% physicians prefer multinational companies for their prescription. Most physicians (68%) prefer drugs on brand effectiveness bases. Excessive free sampling by companies to physicians is more appreciated by physicians (59%). The 76% physicians believe that frequent sampling help them in determining quality of drug for prescription. The 75% prescribers (Physicians and Specialist) admit that pharmacological leaflets help them to evaluate drug (figure 2).

Multinational pharmaceutical companies (36%) are spending more on marketing as compare to national pharmaceutical companies (22%). Multinational companies (74%) are more involved in ethical pharmaceutical practice. More than half (55%) physicians believe that pharmaceutical companies inspire them toward unethical drugs promotion. The 35% physicians believe that they are main culprit for unethical drug promotion but 46 % physicians say that this unethical practice is due to pharmaceutical companies (figure 3). For all results, there was significant (p<0.05) difference between various options in each questions.

**Pharmaceutical company response:** Sample is that promotional tool which is used most frequently (84%) for pharmaceutical marketing. More than half (60%) pharmaceutical companies believe that pharmaceutical marketing is not satisfactory in Pakistan. The 40% companies spend between 20-30% of their income on pharmaceutical marketing (figure 4).

The 60% companies admit that trend of pharmaceutical marketing in Pakistan is unethical. More than half (51%) pharmaceutical companies admit that they are responsible for trend of unethical marketing in Pakistan. The 95% pharmaceutical companies believe that quality of drug is essential along with marketing. The 74% pharmaceutical companies believe that bachelor of pharmacy is an ideal qualification for promotion of their products. The 85% pharmaceutical companies claim that they organize ethical lectures among SPO’s to promote ethical pharmaceutical marketing. The 59% companies deny that incentive/bonus schemes of pharmaceutical companies for SPO never inspire them toward unethical pharmaceutical marketing. Most (46%) orga-
nizations participate in medical/pharmaceutical conferences and seminars by providing gifts and funds (figure 5). For all results, there was significant (p<0.05) difference between various options in each questions.

### Discussion

Drug promotion can take on many forms. Overt promotion, such as magazine advertisements, free product samples and visits to physicians by medical sales representatives are tried tested methods of pushing new product lines(5).

In Pakistan, there is no mechanism to monitor the drug promotional campaign by pharmaceutical industry despite the fact that there is enough evidence that irrational pharmacotherapy is increasingly encountered even in the developed countries due to unethical practices of pharmaceutical promotion(6). Conflicts of interest can arise from other financial ties between physicians and industry, whether to outside companies or self-owned businesses. Such ties include honorariums for speaking or writing about a company's product, payment for participating in clinic-based research, and referrals to medical resources. All of these relationships have the potential to influence a physician's attitudes and practices. This paper explores the ethical quandaries involved and offers guidelines. About 60% pharmaceutical companies and 40% physicians are not satisfied with trend of pharmaceutical marketing in Pakistan. Both have different opinions about this unethical trend. Physicians blame pharmaceutical companies due to their unethical promotional tools while companies think they can do nothing without will of physicians. More than half pharmaceutical companies believe that there is unethical pharmaceutical marketing in Pakistan, while physicians believe that bonus schemes of pharmaceutical companies inspire them toward unethical attitude.

Every pharmaceutical company employs and trains medical representatives to promote and sell drugs, using printed product literatures, drug samples and gifts. In India, an estimated 40,000 representatives are employed by the industry. Besides the salaries, they also receive incentives for achievement of sales targets, which might tilt the balance in favor of aggressive drug promotion(7). More than 95% pharmaceutical companies say that quality of drug is essential along marketing. For better promotion of their drugs most pharmaceutical companies claim that pharmacist is better choice for them. The industry spends about $12 billions a year on gifts and payments to physicians, funds more than 70% of clinical trials, and shoulders more than half the costs of formal continuing education programmes in medicine. Financial entanglement has bred close ties between the industry and physicians. Contacts with trainees come early and continue as they move into practice(8). Majority of the companies are spending about 20-30 % on marketing. Most companies (46 %) claim that they distribute gifts in medical conferences organize by them.

Though simple gifts may not directly influence prescription practices, they would not be distributed unless they had some related impact. It has been pointed out that a policy of limiting gift size is unlikely to eliminate bias, because 'even small gifts can subtly bias how arguments are evaluated, they can be surprisingly influential(9). Physicians say that both national and multinational companies are spending much on their marketing promotion activities. Drug spending increased by 17% to $154.5 billion in 2001, with an estimated one quarter of this increase resulting from a shift to the prescribing of more expensive drugs. Pharmaceutical companies employ representatives who meet with physicians with apparent success to aggressively promote newer and typically more expensive drugs. A positive correlation has been found between the cost of physicians' treatment choices and their amount of contact with pharmaceutical company representatives(10,11). Wazana concluded on the basis of a review of 29 empirical articles that physician interactions with pharmaceutical companies led to increased prescription costs and non-rational prescribing. This increase is problematic, given the prevalence of new, expensive drugs of questionable incremental value(12).

Another important issue which came in front during such discussion was that what we say ethical and what is unethical, as different physician have their own point of view about this issue. Most
physicians claim that gifting, giveaways and novelties are not unethical and pharmaceutical companies are responsible for such type of unethical marketing. But they were answerless when asked that whether such promotional tools have no effect on their prescription habits? Some physician while most consultants believe that pharmaceutical companies can never compel them toward unethical attitude if they are not looking forward for their own interests. During survey most physicians (over 35%) took responsibility of such unethical behavior while 46% pharmaceutical companies took responsibility of such unethical practice.

Sampling is the most frequently used promotional tool (84%) and most pharmaceutical companies are using this promotional tool for promotion of their drugs. About utilization of samples 50% physicians claim that 50% samples provided by companies are given to patients and physicians (60%) also appreciate free excessive sampling. About 76% physicians say that frequent sampling help them for proper evaluation of drug quality. Gifts from the pharmaceutical industry contribute to the rapidly increasing cost of medical care, and more specifically, to the increase in expenditures on prescription drugs. Retail spending on prescriptions has increased rapidly, more than doubling from $64.7 billion to $132 billion in the years 1995-2000. Gifting is done both by multinational and national pharmaceutical companies.

About 73% physicians prefer multinational companies brands and they claim that their preference is due to brand effectiveness. About 56% physicians prescribe medicines on self evaluation base and second option is literature survey, while 76% physicians believe that pharmacological leaflets help them for drug evaluation.

Along all other requirements we also need to have well-defined and updated ethical criteria for the marketing of medicinal drugs by the pharmaceutical companies. These criteria need to be enforced by a public institution, preferably the Ministry of Health. In order to ensure that the ethical criteria are being implemented, there is a need for screening of printed promotional material and active monitoring of other forms of promotion. In cases of non-compliance or malpractices, effective sanctions and mechanisms to correct misinformation should be well-defined.

Secondly, we need to teach our physicians the art of critical appraisal of medicinal drug promotion possibly during their undergraduate training so that they would be able to write rational prescriptions. Another step towards improvement could be reassessing the knowledge of all practicing physicians regarding drugs available in the market. This assessment should be according to the international standards and should be compulsory for the physician to have an attempt after a specified time. This would compel the physicians to look up to the authentic medical literature for reference instead of relying solely on the promotional material(6). For ethical marketing promotion about 85% companies claim that they organize ethical lectures among their sales promotion officers.

During survey a comprehensive discussion was done with Physicians and Marketing managers of pharmaceutical companies. There was a vast difference among national and multi-national companied about their marketing strategies. National companies blame that multi-national firms inspire them toward unethical marketing while multi-national companies have their own point of view that they never compromise on quality of drugs.

A conflict of interest exists when a primary ethical or professional interest clashes with financial self-interest, a situation that arises commonly in medical practice. When physicians are remunerated for performing specific tests and procedures, they face a conflict of interest when they also recommend those same tests and procedures. When they are paid for referrals to clinical trials, physicians are in the conflicted position of deciding whether their patients are appropriate for the studies. Performing industry-supported research, physicians face an implicit demand for a positive finding to obtain further financial support. And, when pharmaceutical companies court high-volume prescribers, writing prescriptions becomes an act not only with financial and health consequences for patients, but also with financial consequences for the physician. This last source of conflict of interest is the central focus of this commentary(13).
Strengths of study

Strengths of our study include collection of data from physician and pharmaceutical companies. Both questionnaires from physician and pharmaceutical companies contain stamp and sign of physician and marketing managers, respectively.

Data was collected from general physicians and consultants for proper evaluation. Similarly, both national and multi-national pharmaceutical companies were included in survey. Sample size was also large and whole Pakistan including all four provinces along Northern Areas was included in survey.

Limitations of study

There was no variety in designing of different questions. Number of questions was also less. Despite it, our study strongly suggests that in Pakistan there is a need of proper rules and regulation about ethical pharmaceutical marketing.

References

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Conclusion

Physicians appeared to believe that most of these promotional activities do not pose major ethical problems. It is concluded that many physicians made distinctions about ethical appropriateness that reflected the value of a gift, the type of gift, and the extent to which an activity conveys potentially biased information. The pharmaceutical companies should provide them the latest medical research literature by post. Pharmaceutical companies focus on this issue that there should be some proper rules and regulations about prescription of drugs. Physicians were more conscious and feel fear while admitting their fault but consultants were bold to answer that they are the main culprit for such unethical pharmaceutical marketing. No doubt they blame to pharmaceutical firm as well but they admit that if our community took step then all will be right.

Figure 1. Response from physicians (question 1-8)
Figure 2. Response from physicians (question 9-14)
Figure 3. Response from physicians (question 15-18)

Figure 4. Response from pharmaceutical companies (question 1-3)