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A comparative analysis of the retail drug relations of major drug manufacturers to determine principles of a sound dealer program.

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School of Public Relations

Thesis

A COMPARATIVE ANALYSIS OF THE RETAIL DRUG RELATIONS
OF MAJOR DRUG MANUFACTURERS TO DETERMINE PRINCIPLES
OF A
SOUND DEALER RELATIONS PROGRAM

By
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Submitted in partial fulfilment of the
requirements for the degree of
Master of Science

1952
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CHAPTER I

THE PROBLEM AND DEFINITION OF METHODS USED

I. THE PROBLEM

In America we are free to compete for the favor of the public, but our individual success or failure is always influenced by the public opinions of our profession or business as a whole. Because its major purpose is to serve the health of the nation, nothing is more vital to the future of the drug industry and each of its branches than to maintain a high level of public confidence and respect. Regardless of where it happens, the loss of public respect by any retail pharmacist, wholesaler, or manufacturer hurts the entire industry.

The policies of a drug manufacturer influence the attitude and confidence of the independent druggist. Among the important factors are the clear presentation of a company's policy regarding spoilage of goods, detailed information on specific drugs, forcing a full line of drugs or patent medicines to obtain scarce items, and advertising requested by drug companies but which for various reasons cannot be displayed by druggists.

Another important factor influencing the independent druggists is their contact with a drug company's representative. The many qualities which
constitute the representative's total personality will affect the buying preference of the individual pharmacist.

The independent retail druggist is the connecting link between the drug manufacturer and the consuming public. Through a sound dealer relations program, drug manufacturers can secure the confidence of the independent retail druggist. He can also influence the druggist's buying preference of drugs used in compounding prescriptions to be sold to the consuming public.

To substantiate this thesis, a questionnaire was compiled by the writer. The survey questionnaire was distributed, personally, to registered pharmacists in independent, rather than chain, drug stores. This type of store was selected because of the advantage the independent druggist has in personal service. Public opinion can be built up by the treatment accorded the individual customer by the individual pharmacist.

Letters were sent to five of the leading drug manufacturers in the country, asking them to state the various policies of their firms, and their public relations practices regarding independent druggists.

On the basis of the survey results, and the replies from the manufacturers, recommendations will be made to drug manufacturers and their representatives for improving their public relations.

II. RESEARCH METHODS USED

A personal study of the policies and practices of an applicable number of drug manufacturers was undertaken in the form of a survey (stratified random sample, using an open-ended questionnaire) conducted in a small area,

dealing with independent retail druggists, to determine principles of a sound dealer relations program. The survey was conducted in New Bedford, Massachusetts, a city of 111,000 population. Thirty pharmacists were selected at random from the classified section of the New Bedford Telephone Directory. As a result of this method, a cross section of the drug stores in the city was obtained. The characteristics of this cross-section area are:

1. The majority of the independent druggists have been registered pharmacists for 25 years or more.

2. Each pharmacist was associated with the drug business usually as a clerk, before becoming a registered man.

3. Each pharmacist interviewed has been associated with the drug business in the New Bedford area for an average of 22 years.

4. 50% of the pharmacists contacted own their own drug store.

It is the writer's contention that this survey is representative of any city, similar in size and population to New Bedford.

Within a week the questionnaires were answered, and with comments of interest from the druggists, were returned to the writer.

Cooperation from the drug manufacturers was not received as enthusiastically. The reason for this may be based upon the fact that personal contact with the drug companies was not possible because of distance. Three of the five drug manufacturers contacted by mail replied. The abundance of information and material received served as sufficient data.

The general policies of each drug manufacturer are as follows:

1. Each drug representative is backed by a publicity program intended for both physician and druggist.

2. Each company replenishes stock without cost to druggists who have suffered losses through natural
disasters such as earthquakes and floods.

3. Merchandise is sold only at Fair Trade prices and only to druggists who will maintain minimum retail prices.

4. The druggist does not have to commit himself to buying a definite amount of merchandise each time the representative calls.

III. DEFINITIONS OF TERMS USED

The type of store visited by the writer in making this survey may be classed as independent drug stores as contrasted with professional pharmacies and chain drug stores. The independent druggist may purchase products from any drug manufacturer or wholesaler of his choice. The independent druggist also determines what types of merchandise, other than pharmaceuticals, should be found in his store so as to appeal to his customers.

Detailing is the process by which a doctor or pharmacist is given information pertaining to new drugs and medicines as to usage, dosage, reactions and prices. This information is disseminated to doctors and pharmacists by manufacturers' representatives known as detail-men. They are separate and distinct from other manufacturers' representatives known as drug salesmen who do direct selling.

Institutional advertising is that by which a drug manufacturer offers to a druggist his advertising copy and displays which will profit not only the manufacturer himself but the independent retail druggist as well.

To summarize the various terms it is the responsibility of the manufacturer to produce; the wholesaler to distribute; the pharmacist to dispense;
and the physician to prescribe. Upon the manufacturer rests the responsibility of developing new drugs in his research laboratory so as to preserve the health of the nation by serving the consuming public through the independent druggist.
CHAPTER II

QUESTIONNAIRE RESULTS

I. SURVEY TABULATION

1. How many years have you been a registered pharmacist?
   Average 25 years

2. How many years have you been associated with the drug business?
   Average 30 years

3. How many years have you been in business in this locality?
   Average 22 years

4. What in your opinion is the most important feature in your relations with a drug manufacturer?

   1. Good will 8 or 26-2/3%
   2. Physician detailing and ethical information from salesmen 5 or 16-2/3%
   3. Service 4 or 13-1/3%
   4. Institutional advertising 4 or 13-1/3%
   5. Best product at the best price 3 or 10%
   6. Cooperation on new products released 3 or 10%
   7. Respect from the manufacturer 2 or 6-2/3%
   8. Detail by mail 1 or 3-1/3%

* See Page 15, General Comments
5. In your estimation what does the term "good will" mean as applied to a drug manufacturer in his relation to you?

1. Friendly relations 
2. 100% cooperation on promotion and exchange 
3. Supply merchandise and replace damaged merchandise 
4. Service and reasonable time for payments 
5. Fair mark up 
6. Sincerity and honesty 
7. Small margin of errors 
8. When products are limited exclusively to a pharmacy

Note: The answers to questions #4, #5, and #7 are further explained and quoted in General Comments pages 15 and 16 because of the extreme importance of these items.

6. How do the policies of a good drug manufacturer differ from those of other companies?

1. Fair treatment to consumer, wholesaler, and retailer
2. Name of a reliable manufacturer gives proof of quality
3. Has a fair profit structure
4. Ethical practices
5. Gives information on new drugs
6. Stands behind his product and compensates for mistakes
7. Merchandise is released only through drug channels (other companies sell by any means)
8. Direct selling to the druggist
9. Does not sell to unregistered stores

* See Page 16, General Comments
*7. What in your estimation can be done in order to improve your relations with drug manufacturers?

1. Increase the profit margin
2. More personal contact
3. Retailer and consumer can be counselled on new products and improvement made on old products
4. Better salesman education
5. Stop duplication of products
6. Closer cooperation between drug and medical groups
7. More advertising
8. Give credit for items being replaced by new ones
9. Sincerity and fair dealings between both groups
10. Very little can be done

8. What in your opinion makes a good or outstanding drug salesman or detail man?

1. Knowledge of product and prices
2. Genial personality
3. Personal appearance
4. Honesty and sincerity
5. Cooperation and promotion

More than one attribute was given by some of the respondents; hence the percentages total more than 100%. The attributes are listed in order of the number of times they appeared.

* See Page 16, General Comments
9. Do you believe that quality and appearance of a product affects your buying preference?

YES

29 or 96-2/3%

NO

1 or 3-1/3%

Comment: (customer is still the judge)

The majority of the respondents were in agreement.

A survey has shown that 90% of America's women consumers are guided by quality and appearance rather than by price in deciding which drug stores receive their drug trade. This fact supplements the answers to Question 9.

10. Do you believe that you favor certain salesmen of drug products?

YES

28 or 93-1/3%

NO

2 or 6-2/3%

a. Why?

1. Better Knowledge of their product

7 or 23-1/3%

2. More sincere and better detailing

7 or 23-1/3%

3. Personality

5 or 16-2/3%

4. Policies of their firms are more beneficial to the druggist

4 or 13-1/3%

5. Friendship and acquaintance

4 or 13-1/3%

6. Honesty and helpfulness

3 or 10%

The following quote given by one of the respondents in answering Question 10 is worth noting:

"The salesman is the drug company to the retailer."


* See Page 16, General Comments
11. Does the attitude and appeal of the drug salesman or the appeal and quality of a drug product have the greater influence on your buying preference?

1. Appeal of product 27 or 90%
2. Both the product and the salesman 2 or 6-2/3%
3. Appeal of the drug salesman when all things are equal 1 or 3-1/3%

The majority of the respondents favored the product. This finding should be of interest to the drug manufacturer.

12. What essential qualities do you find lacking in a poor drug sales representative?

1. Lack of knowledge of the product 10 or 33-1/3%
2. Lack of pleasing personality 9 or 30%
3. Lack of good appearance 6 or 20%
4. Lacks friendly approach 3 or 10%
5. Lack of distinct speech 1 or 3-1/3%
6. Lack of good manners 1 or 3-1/3%

13. Would you say you favor institutional advertising by drug manufacturers?

YES 15 or 50%
NO 15 or 50%

a. If YES, why?

1. Promotes understanding to the public 8 or 26-2/5%
2. Creates more sales 7 or 23-1/3%

(Some negative answers state this type of advertising is unethical.)

* See Page 16, General Comments
14. Do you cooperate with drug manufacturers in their institutional advertising programs?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 or 46-2/3%</td>
<td>16 or 55-1/3%</td>
</tr>
</tbody>
</table>

a. If YES, in what ways?

1. Through newspaper advertising 6 or 20%
2. By sending out follow-up cards 4 or 13-1/3%
3. By displays 3 or 10%
4. By pushing their products 1 or 3-1/3%

Institutional advertising is a growing problem within the drug industry today. Evidence of this fact is found in the answers to Question #13. This is the only question in the survey which resulted in an equal positive and negative response.

15. Do you believe that drug manufacturers keep you as well informed on new drugs and medicines as much as they should?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 or 55-1/3%</td>
<td>14 or 46-2/3%</td>
</tr>
</tbody>
</table>

a. If NO, how do you think they can correct this?

1. Issue a brochure of uniform size with all data for reference to a doctor on his request to us 4 or 13-1/3%
2. They should give more advertising material and introductory offers 4 or 13-1/3%
3. Salesmen should call at stores more often 3 or 10%
4. Manufacturers should send more information quicker than they do 3 or 10%

As results to Question #15 indicate, information regarding new drugs and medicines is not as plentiful as it should be. This offers another immediate problem to the drug industry. To the
drug manufacturers the negative response to this question is worth noting.

16. Would an older and more experienced man have more effect on you personally in selling a particular product?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 or 46-2/3%</td>
<td>16 or 53-1/3%</td>
</tr>
</tbody>
</table>

The percentage of responses for the experienced man is due to a spirit of loyalty to salesmen, which has accumulated over a period of years. This fact is known to be prevalent in this particular area in all lines of business.

17. What is your personal opinion of an aggressive and forward drug salesman (pressure type)?

- Definitely not welcome in drug store 50 or 100%

On Question #17 there was complete and definite agreement; some of the responses were worded differently, however.

18. Do you think that each drug salesman and detail man contacts you as often as he should?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 or 53-1/3%</td>
<td>14 or 46-2/3%</td>
</tr>
</tbody>
</table>

Regarding the negative answers to Question #18, there is a discrepancy between contact and actual selling. The druggist desires to be contacted more often for the sake of better relations, rather than just to have orders taken.
19. Has a scarcity of a product or item ever demanded that you purchase a greater supply than necessary from a particular company?

YES
17 or 56-2/3%

NO
13 or 43-1/3%

a. If YES, explain circumstances.

(A variety of answers and products were involved in the replies to Question #19 a.)

"A while back this happened with Chloromycetin Palmitate."

"One particular item was ordered from a manufacturer. In order to obtain the item, several items of no immediate necessity had to be purchased."

"Many new products might be overbought."

"Up to date, Cortisone is scarce, especially when the patient must have a steady flow of supply."

"Antibiotics were scarce for a time, like Penicillin and Chloramycyn, forcing us to stock up more when possible."

The above answers to Question #19 a are in the majority of cases in reference to particular items with which the individual druggist at one time or another has had difficulty in obtaining. This in no way detracts from the answers of the majority of druggists but further establishes the proof of the issue.

20. What do you believe is the most important asset a drug salesman or detail man can possess?

1. Knowledge and personality
14 or 46-2/3%

2. Ability to convince
7 or 23-1/3%

3. A well established firm behind him
7 or 23-1/3%

4. Cooperation
2 or 6-2/3%
21. Do you ever have to wait longer than expected or promised on shipments from drug manufacturers?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 or 53-1/3%</td>
<td>14 or 48-2/3%</td>
</tr>
</tbody>
</table>

a. If YES, explain circumstances.

1. Due to overselling and not being able to meet the demand 6 or 20%
2. Slowness of salesmen to turn in their orders 5 or 16-2/3%
3. Poor transportation 3 or 10%
4. During strikes 1 or 5-1/3%
5. During shortages 1 or 5-1/3%

22. Do the various drug companies adhere to their policies regarding spoilage of products?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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<tbody>
<tr>
<td>30 or 100%</td>
<td>0</td>
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There is complete agreement on this policy of the drug manufacturers.

23. Is there sufficient information of specific drugs at the present time?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 or 56-2/3%</td>
<td>13 or 43-1/3%</td>
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II. GENERAL COMMENTS

In answers received to Questions #1, #2, and #3 ample proof of the knowledge, experience and years of know-how gathered from the respondents while conducting this survey, proves to be a firm foundation of truth and reliability. Upon these findings recommendations can be given without bias.

* See Page 16, General Comments
In New Bedford, where there are approximately seventy-eight drug stores, the fact was discovered that the majority of retail druggists have been in business for at least twenty-five years. New Bedford, being selected with choice, over other small cities and towns in this area is known to drug manufacturers throughout the nation as one of the best "prescription writing" cities in New England. Therefore it appears that this point alone would be ample proof of the reliability and usefulness of a survey of this type which was conducted by the writer.

*The writer believes that because of the importance of Questions #4, #5, and #7, additional comments in the form of direct quotations should be used. Upon the results of the answers to the stated question will be based the recommendations and suggested approaches to a plan of a sound dealer relations program.

In answer to Question #4: "What in your opinion is the most important feature in your relations with a drug manufacturer?" Some answers were given which are worth quoting in full. They are as follows:

"In my opinion relations between the retail druggist and the manufacturer should always be the best kind. It is most important that the druggist should always be ethical in his dealings with the manufacturer. All bills should be paid promptly by the owner, in order that the druggist may have the good will of the drug company."

"Keep the druggist informed on new products and means of advertising them. By so doing the manufacturers will help the druggist to maintain the integrity of the manufacturers' product as well as the druggists in handling these products."
In answer to Question #6: "In your estimation what does the term "good will" mean as applied to a drug manufacturer in his relation to you?"

Some noteworthy replies follow:

"Sincerity and honesty build Good Will."

"The manufacturers' willingness to cooperate and help the druggist in any possible manner creates good will."

A quotation of Oliver Wendell Holmes was attached to one questionnaire.

"Good Will is the inclination to return to the place where you have been well treated."

In answer to Question #7: "What in your estimation can be done in order to improve your relations with drug manufacturers?" Two answers are quoted:

"Stop the smoke screen and really have the interests of the pharmacists and the pharmacists alone at heart!"

"In this age of many changes and rapid increase of new items, all drug manufacturers should willingly help the retailer by giving credit for items being replaced by new ones which are meant for the same purpose. This would prevent a loss to retailers and improve relations between the two."

Note: Questions #9 and #11 are in a sense alike, but were inserted deliberately as a check to see that the questions were being answered consistently so that reliability of answers were in order.

In reference to Question #23 which asks: "Is there sufficient information of specific drugs at the present time?" The resultant percentages were:

YES - 56-2/3%  
NO - 43-1/3%  

The results of this particular question show a possible need of more information. The difference of 13-1/3% is not justifiably great enough to indicate
a need for more information on specific drugs. Were there an earlier survey made, approximately ten years ago, in comparison with 1952, a better average of the possible need for information could be stated. However, using 1952 figures, there is a slight need for more information to be made available to the retail druggist.

III. ADDITIONAL INFORMATION

A special section was provided in the questionnaire in order that the respondents might make comments on any particular subject of their choice. Here are reproduced two of the comments found under the heading of "Additional Information".

"The drug business as a vocation may not always be a happy one. However, if one loves his art, he will find it a lofty aim, recompensing not only financially but also by the satisfaction you get doing good in helping others to health and happiness."

Here a respondent has very well summarised his views of his work. The writer believes the respondent has captured a thought, not only of his own but of his fellow druggists also. This aim might be considered a goal by the manufacturers as the key to the drug store, by helping to create better relations with the druggist.

Another interesting comment read as follows:

"It is high time that the manufacturers realized the need for cooperation within the field of Pharmacy. Any possible means to create better understanding with and among drug manufacturers and the independent retail druggist would be of great concern to any pharmacist."
CHAPTER III

RECOMMENDATIONS

I. RECOMMENDATIONS TO DRUG MANUFACTURERS FOR A SOUND
DEALER RELATIONS PROGRAM

The results and suggested comments by druggists, gathered from the
Retail Dealer Relations Survey conducted in New Bedford, Massachusetts,
have given impetus to these recommendations. This survey was conducted
using a representative sampling of pharmacists in the North, West, Center,
and South sections of the city.

SUGGESTED PLAN

A suggested program of sound retail dealer relations will consider the
following points:

1. Clear presentation of Company policy regarding:
   A. Refunding on spoiled or damaged goods
   B. Detailing of information on specific drugs and medicines
   C. Scarce items
   D. Institutional advertising

2. Contact with Company representatives regarding:
   A. Knowledge
   B. Personality
   C. Aggressiveness
   D. Interpretation of company policy
   E. Regularity of calls
   F. Age of salesmen
In considering this suggested plan, each portion of it will be explained and recommendations offered where applicable. In no way will any name or suggestive speech be used to imply a particular manufacturer or druggist.

I. CLEAR PRESENTATION OF COMPANY POLICY:

Each of the companies which were studied did have good presentation of company policy. In all cases each was working in behalf of the pharmacist so that he might understand more clearly the aims of a particular manufacturer.

A. Refunding on Spoiled or Damaged Goods

This factor is an important one in the eyes of the independent retail druggist and has been since the turn of the century. All ethical houses have made strict points in their statements of policy that refunds shall and will be given on spoiled or damaged goods. This point is proven in the Retail Dealer Relations Survey as shown in the results of the respondents' answers. Positive answers to this question were 100%. In some isolated cases, however, the answers were positive with a note to the effect that ethical or reliable houses followed this policy. All drug manufacturers who were contacted were reliable and ethical in the eyes of the independent retail druggists. No recommendations can be given on this policy but it should be included and is, in any drug manufacturer's statement of basic policy.
B. Detailing of Information on Specific Drugs and Medicines

One of the most effective means that any drug manufacturer can use to better his relations with the independent retail druggist is by informing him as to new drugs and medicines. This method may be followed by a number of means which are here stated:

1. brochures distributed by salesmen
2. pamphlets distributed by salesmen or through mail
3. direct contact through salesmen

1. Brochures:

A plan already in existence is the use of a brochure in which the druggist keeps new information concerning drugs and medicines. A suggested idea on this point was made by a respondent in stating that a brochure of uniform or standard size be used with all data for reference to give to doctors on their request to the druggist. It appears that a small but outstanding discrepancy has arisen as to the brochures, their size and quality. There are many brochures of all sizes and weights, yet in some cases the bulkiness of them is not favorable to limited space and conditions in some drug stores. Therefore it is recommended that all ethical houses try to make brochures of uniform size to help the druggist who is at times cramped for space in his small quarters.

Brochures should be neat, not gaudy and full of color. They should be constructed along simple lines, not complicated with intricate clips and other fastenings attached to the body of the cover.
Salesmen or company representatives should distribute these brochures to the retail druggist upon request. There is much more significance attached to a personal gift than one sent by mail.

2. Pamphlets

Pamphlets on new drugs should be accompanied by cards which can be placed in brochures for reference. Pamphlets should be concise and to the point, plain, and comprehensive. Only pertinent information should be included in the copy. There is no need for further advertising by ethical and reliable houses other than their trade name and address. Pamphlets are accepted by mail, through salesmen and detail men.

An important factor which cannot be overlooked is the time element. If a drug manufacturer is about to release a new drug or improve older ones, pamphlets explaining the new drug, its dosage, reaction, and history should be ready for presentation before the drug goes on the "market". In many cases it is a known fact that a druggist is informed of a particular drug three and in extreme cases six months after the new drug has been detailed. There is no justifiable reason for such a measure. Reliable and ethical houses should not tolerate such actions whether through oversight, or error on the part of employees.
3. Direct Contact Through Salesmen:

It has been pointed out that the need for information on specific drugs and medicines is apparent to a degree of necessity. Hence a salesman should take time to educate his customers, the retail druggists, on any particular item of information he might have in his possession. A helpful hint or a kind word of advice on a certain drug or medicine will enhance the possibility of future sales. Today, in this age of speed, some salesmen forget the druggist and his quest for knowledge. This fact cannot be overlooked and should be foremost in the mind of the salesman.

C. Scarce Items

As shown in the results of the Retail Dealer Relations Survey, the majority or 56-2/3% of the respondents have had to purchase a greater supply than necessary on scarce items. As the results were tabulated, it was evident that a scarcity was encountered by the majority on one or more occasions in regard to a particular item. This is in no way the fault of the manufacturer, but it is an area of demand that has caused such shortages and scarcities on certain items. This is especially true with Chlormycetin Palmitate, Cortisone, and Antibiotics. There is no suggested plan to cope with this problem. It is outside the realm of the writer to face a managerial problem concerning production and distribution of a particular product.

D. Institutional Advertising

This point today is a controversial one within the pharmaceutical field, as well as in other lines of business concerning retail dealers. The fact
of the matter is evident in the results of the writer's survey. Here two questions were devoted solely to the issue. The results favoring institutional advertising were as follows:

<table>
<thead>
<tr>
<th>Question</th>
<th>YES (%)</th>
<th>NO (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#13</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>#14</td>
<td>46-2/3%</td>
<td>53-1/3%</td>
</tr>
</tbody>
</table>

In some of the cases where the program of institutional advertising was not accepted the negative feature seemed to be that it was considered unethical by a few respondents and no reason could be obtained from the other negative respondents.

Suggested recommendations are listed for institutional advertising:

1. window displays
2. counter displays
3. radio advertising
4. direct mail (follow-up)
5. newspaper advertising
6. personal selling by the druggist

1. **Window Displays**

Manufacturers in many cases do and should, if financially able, stress the need and benefits derived from advertising through using window displays. This method not only helps the drug manufacturer but the druggist as well. The public knows a certain product by name and looks for it in his neighborhood drug store. If it is advertised in the windows, he will know it is being sold and he will purchase the item in this store rather than in another. Companies should and could afford to have window displays in spot areas and at intervals within a given period of time.
2. Counter Displays

A good ethical drug company who has a sound dealer relations program will make it a point to convince the druggist, by suggestion, of the profitable benefits of counter displays. When there are harmonious relations existing between the manufacturer and the druggist this plan can be put into effect. As an added gesture of cooperation in promoting institutional advertising, it is a wise move by the manufacturer to help the druggist with a plan or store layout. By this method the druggist will benefit financially and the manufacturer will meet the druggist's demands for help and cooperation.

3. Radio Advertising

In recent years the media of radio has been used by all large manufacturers for public relations purposes. Here lies the highway to the heart of the nation. Here is the means by which a manufacturer can direct his messages to a multitude of publics. It is the writer's suggestion that this method be followed and supported by local retail druggists. Every six months a full page spread could be donated by the manufacturer, listing the radio programs sponsored by the various drug manufacturers. A list of local druggists who are indirectly sponsoring the programs could also be given.

Local radio stations may be utilized for spot advertising by the sponsoring of news, entertainment, and sports broadcasts.
The manufacturer in cooperation with the retail druggist would pay the expenditures of such a movement. On an economical basis this would prove fruitful to the local retail druggist and the drug manufacturer.

4. Direct Mail (Follow-Up):

Many drug manufacturers supply postal cards which announce the advent of a particular sale or the introduction of a new item to the "market". Such a means of cooperation by the manufacturer in assisting the druggist, should be undertaken in all quarters as a basic and essential part of a sound dealer relations program.

5. Newspaper Advertising:

Another media which is and should be utilized is the newspaper. Local advertising can be used in the suggested program of sound dealer relations in contacting the local public. Regular advertisements should be run weekly if possible by the local druggist at the suggestion of the drug manufacturers. In order to promote better understanding and cooperation drug manufacturers should be ready to offer services in planning copy and layout of these advertisements. When local druggists sponsor advertisements by national drug manufacturers, on a local level, the manufacturer should plan the copy. He also should be ready and willing to accept suggestions as to the popular drugs and their preference to local consumers.
6. Personal Selling by the Druggist:

When harmonious relations exist between drug manufacturers and independent retail druggists, then it is the manufacturers' cue to influence the druggist so that he will "push a particular item" knowing of course its reliability and ethical background. Introductory offers by drug manufacturers sometimes can be used as a means to an end. By offering something, a like return is expected. When the introductory offer is given a word of praise by the druggist to a consumer cooperation is being practiced between the manufacturer and the druggist.

E. Anticipated Results

The anticipated results of a carefully planned program of institutional advertising are as follows:

1. reaches a greater public
2. creates more sales
3. advertises the individual druggist
4. decreases the druggists' expenses
5. promotes understanding and good will

Through institutional advertising the following six anticipated results are expected:

1. Reaches A Greater Public

A basic factor known today in all lines of business is "that it pays to advertise". By institutional advertising the druggist can reach a far greater public. Using all named devices: window displays, counter displays, radio, direct mail, newspaper advertising and personal selling by the druggist, the druggist can realize the true value of institutional advertising.
2. **Creates More Sales**

Any advertising plan if well-coordinated can result in increased sales on the part of the advertiser.

3. **Advertises the Individual Druggist**

This feature is a benefit of institutional advertising by manufacturers in that not only does the manufacturer reap the rewards but also the druggist by his cooperation in sponsoring such advertising methods.

4. **Decreases the Druggist's Expenses**

By cooperating with manufacturers in advertising the druggist cuts his expenses. He also gets advertising copy, space, displays, and other forms of media which would be too costly a factor to undertake by himself.

5. **Promotes Understanding and Good Will**

Here is seen the idea of the druggist and the manufacturer in carrying out their work in close cooperation. The results of this move keeps the chain, between the manufacturer and the druggist, a strong connection, and a two-way flow of understanding and good will exists and develops on the part of both parties.
II. CONTACT WITH COMPANY REPRESENTATIVES

Although not as important as the product itself but in a sense a "right arm" of the manufacturer is the company representative. He may be a drug salesman, a detail man or a good will or public relations man. As one of the respondents stated: "The salesman is the drug manufacturer to the retailer."

In the following paragraphs the writer has summarized his observations and the results of the retail dealer relations survey in order to give a clear picture of what qualities the company representative should possess. The writer realizes that a person cannot change his habits and personal qualities "over night", but on a long range view he can direct his actions in such a way as to be accepted by the druggist.

Knowledge

Without a doubt the most outstanding quality of a good drug salesman, detail man or good will representative is knowledge not only of his product, but of prices and company policy. His educational and practical experience are noteworthy foundations upon which is built the structure of his acquired knowledge. Two questions in the retail dealer relations survey were devoted to salesmen's most important qualities and knowledge was found to be uppermost in importance in both.
Personality

An added or secondary quality in line of importance as an asset which can be possessed by drug salesmen is personality. Along with this trait might be included other features of good salesmen such as neat appearance, honesty, sincerity, cooperation and help in promotion methods. Distinct speech is another item which can be and should be included under total personality. In order to sell a product one must be able "to sell himself".

Aggressiveness

Without a doubt this point had a negative response of 100%. It appears as was stated in the questionnaire that "pressure type" of salesman is not welcomed in a drug store. He is wasting his time, the company's time and the druggist's time. He is not wanted and rightfully so. In American business in general he is a detriment to the company he represents, to himself and to his fellow-workers.

Interpretation of Company Policy

Successful education and valuable practical experience, coupled with a pleasing personality will tend to result in a good, clear interpretation and presentation of company policies. No further explanation is needed as the idea is self-evident to the manufacturer. Usually a salesman must participate in a training program which will adequately equip him with a knowledge and interpretation of his company's policies.
Regularity of Calls

Considering the factors of size and density of population of territories most salesmen do contact druggists as regularly as they should. One factor may be presented though that is in line with this subject, that of differentiating between personal contact and actual selling. A druggist appears to welcome a call by a salesman for purposes of better relations and for reasons of information rather than just to have an order taken.

Age of Salesmen

The age and experience of the company representative does play an important role in his acceptability by the druggist. Older and more experienced men have in some cases (minority of percentage in survey results) more effect on the druggist, than a younger man. However the majority of druggists today believe that regardless of the age of the salesman, his knowledge of his products and prices are far more important than his age and experience.

Nevertheless one respondent stated:

"My opinion of the newer, younger salesman today is perhaps partial but I have found that they are too impatient and persistent with a buyer. They are so determined to sell their product they often antagonize the buyer by their "pressure tactics", thereby losing a sale. If a buyer is once antagonized by a particular salesman he is usually prepared to rebuke the next attempt at being sold. The ability to accept "no" once or twice without a frown will probably win him a customer in the future."
CHAPTER IV

CONCLUSION

I. A SOUND DEALER RELATIONS PROGRAM CONTRIBUTES TO THE
FIELD OF PUBLIC RELATIONS

To know ourselves and those around us, to understand our relations with
our fellow men, and to guide our conduct so that those relationships will be
more enjoyable and beneficial to ourselves as well as to others -- these are
the ideals of public relations.

If the policies of a corporation are contrary to the interests of the
nation -- if the operating department is not meeting its production schedules
or is delivering an inferior product - or if the handling of its financial
affairs is unsound - no amount of publicity material can build good public
relations for that organization. Time and time again, organizations which
have studied public reactions to their policies have found that unfavorable
opinions often stem from lack of information, misinformation or misconceptions
of the facts. If the policies of an organization merit public good will,

that good will can be secured most effectively if the public is fully in-
formed. 1/ Public opinion also can be built up by the treatment accorded
the individual customer by the individual pharmacist, as is the case in this
particular study.

The following excerpt was taken from a report made by a former head of
a large drug manufacturing firm. Its message applies to the entire drug
industry:

"A real public relations program should be founded
on public interest. Anything that an industry does
for the good of the public cannot help being of
great value to that industry if it is made known to
the public. Where we go from here in public rela-
tions is a matter for each to decide after careful
consideration of conditions as they exist today.
Collectively and separately, each group should try
to create a favorable climate in which the drug
industry can operate for the benefit of all the
people." 2/

What the public thinks of a pharmacy's policies is sure to be influenced
by what it thinks of the individual pharmacist as a person and through him of
the drug industry and pharmacy as a profession. The makers of pharmaceutical
products have recognized their stake in the public standing of the drug in-
dustry. In recent years some of these manufacturers have bought extensive
space in some of the national periodicals. They did this in order to tell
the true story of the services the drug industry as a whole brings to the
public. The more frequently the story is told, the less room there will be
in the public mind for misconceptions and harmful half-truths.

1/ J. Carlisle MacDonal, "Public Relations Theory and Techniques", (1948)
p. 2-5.

2/ Kenneth Bonham, "A Public Relations Program is Not a Public Fight",
American Druggist, CXXIV (1951) p. 66.
If the public knew all of the reasons why modern drugs are expensive, there would be little or no criticism of prescription prices. Nearly three-fourths of all prescriptions are for pharmaceutical specialties created by research scientists in great pharmaceutical laboratories. The manufacturers of these specialties share much with the retail pharmacist such as the responsibility of educating the public to a fair understanding of today's prescription prices. At present most of the explaining - the public relations work - has to be done by the retail druggist who meets the customer face to face.

A few drug manufacturers have been using their institutional advertising in consumer magazines to tell the story of the research work necessary to produce the new miracle drugs.

Everyone who does business in the name of "pharmacy" creates and maintains public confidence in himself; otherwise there is no place for him in the drug business. Every member of the industry, each retail druggist, wholesaler, and manufacturer must give serious and immediate consideration not only to his own public relations problem, but to that of his group, and of the drug industry as a whole.

1/ John McHerrin (ed.), "Why Do Modern Drugs Cost So Much?", American Druggist, CXXIV (1951) p. 54.
Below are listed a set of questions which are to be used in preparing a thesis for a Master's Degree in the field of Public Relations. Your cooperation in answering these questions honestly and sincerely will be greatly appreciated by the writer.

1. How many years have you been a registered pharmacist?

2. How many years have you been associated with the drug business?

3. How many years have you been in business in this locality?

4. What in your opinion is the most important feature in your relations with a drug manufacturer?

5. In your estimation what does the term "good will" mean as applied to a drug manufacturer in his relation to you?

6. How do the policies of a good drug manufacturer differ from those of other companies?
7. What in your estimation can be done in order to improve your relations with drug manufacturers?

8. What in your opinion makes a good or outstanding drug salesman or detail man?

9. Do you believe that quality and appearance of a product affect your buying preference?

10. Do you believe that you favor certain salesmen of drug products?
   a. Why?

11. Does the attitude and appeal of a drug salesman or the appeal and quality of a drug product have the greater influence on your buying preference?

12. What essential qualities do you find lacking in a poor drug sales representative?

13. Would you say you favor institutional advertising by drug manufacturers?
   a. If YES, why?
14. Do you cooperate with drug manufacturers in their institutional advertising programs?

a. If YES, in what ways?

15. Do you believe that drug manufacturers keep you well-informed on new drugs and medicines as much as they should?

If NO, how do you think they can correct this error?

16. Would an older and more experienced man have more effect on you personally in selling a particular drug product?

17. What is your personal opinion of an aggressive and forward drug salesman (pressure type)?

18. Do you think that each drug salesman and detail man contacts you as often as he should?

19. Has a scarcity of a product or item ever demanded that you purchase a greater supply than necessary from a particular company?

a. If YES, explain circumstances.
20. What do you believe is the most important asset a drug salesman or detail man can possess?

21. Do you ever have to wait longer than expected or promised on shipments from drug manufacturers?
   a. If YES, explain circumstances.

22. Do the various drug companies adhere to their policies regarding spoilage of products?

23. Is there sufficient information of specific drugs at the present time?

USE THIS SPACE FOR ADDITIONAL INFORMATION

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