

## MARKETING OF DIAGNOSTIC TEST KITS: DEALER'S PERSPECTIVES

### Abstract

Dealers act as a bridge between manufacturers (companies) and the end users. They purchase the test kits from suppliers/companies and in return sell these kits to the clients. At one end they themselves act as a purchaser and at the other end they act as seller. The paper attempts to know the mode of procurement of diagnostic kits by the dealers, their expectations from companies in marketing of kits, the satisfaction of dealers towards marketing policies adopted by companies and their perception about clients purchase preferences. A census survey method was used to collect primary data by interviewing 28 dealers in Pune city. It was found that almost all the dealers purchased test kits from companies and in case of complaints replaced the kits. Follow-up by company representatives and the product brochures are the most important rated factors by the dealers in case of company's support. Sales people's approach is the highest rated factor in satisfaction of dealers regarding company policies and accurate result is the most preferred attribute as perceived by dealers when enquired about client's preference while purchasing test kits.

**Keywords:** Dealers, Diagnostic test kits, Company policy, Marketing.

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## **I. INTRODUCTION**

Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others. Marketing(Management) is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, services to create exchanges that satisfy individual and organizational goals. Marketing mix is the set of tools that the firm uses to pursue its marketing objectives in the target market. McCarthy classified these tools into four broad groups that he called 4ps of marketing: Product, Price, Promotion and Place. Dealer bridges a gap between a manufacturer (company) and the end user. He facilitates the flow of goods to the customers on the behalf of manufacturers (Outram S. 2014). He plays a crucial role to push the products manufactured by various companies to the users. In many instances he acts as a influencer in buying behavior process (Kumar S., Hemand S., Routroy). Dealers are in continuous contacts with their customers and hence know every ounce of their customers. They know their customers very well, which means they are well accustomed of the expectations of their clients and try to satisfy their need by providing appropriate products.

## **II. OBJECTIVES OF THE STUDY**

The researcher has set forth the following objectives:

- To study the procurement mode of kits by dealers.
- To understand the expectations of the dealers from the companies in marketing of diagnostic test kits.
- To determine the satisfaction of the dealers regarding marketing policies adopted by companies.
- To study the clientele (private laboratories) of dealers and customer support extended to clients by them.
- To study the perception of the dealers regarding the preferences of clients (private pathological laboratories) in purchase of diagnostic test kits.

## **III. RESEARCH METHODOLOGY**

To study the predetermined objectives, primary data was collected personally by visiting all respondents through administering separate interview schedule. Structured interview schedule was prepared and pilot study was conducted to test the validity of questions/statements, with the pretested interview schedule, the method of enquiry was suitably amended & the questions were reframed.

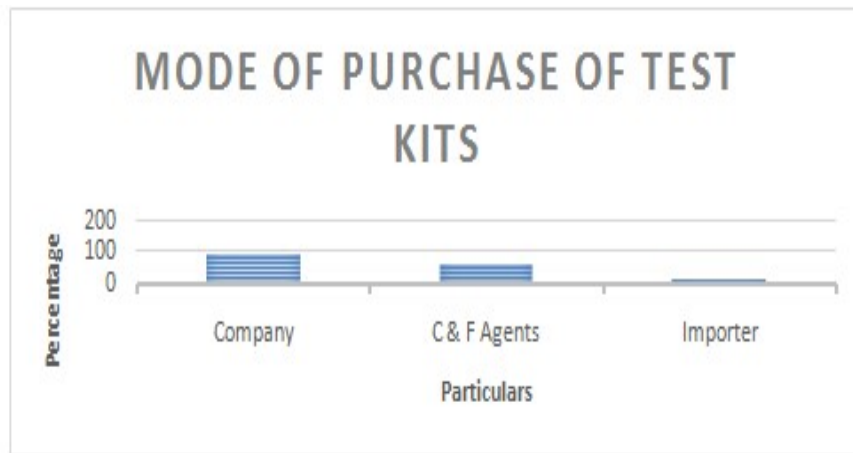
In all 32 dealers were identified operating in Pune city. Considering this limited number, census survey method was used. Out of 32 dealers, only 28 were willing to share the information and be a part of the survey. Hence the sample for the study undertaken constitutes 28 dealers.

#### IV. DATA ANALYSIS AND INTERPRETATION

The collected data has been suitably tabulated, analyzed and interpreted with a view of drawing the conclusions. On the basis of facts and figures, explanation of each table is being highlighted.

**Table No 1: Mode of Purchase of Test Kits**

Sr. No	Particulars	Dealers	Percentage (%)
1.	Company	28	100
2.	C & F Agents	18	64
3.	Importer	4	14

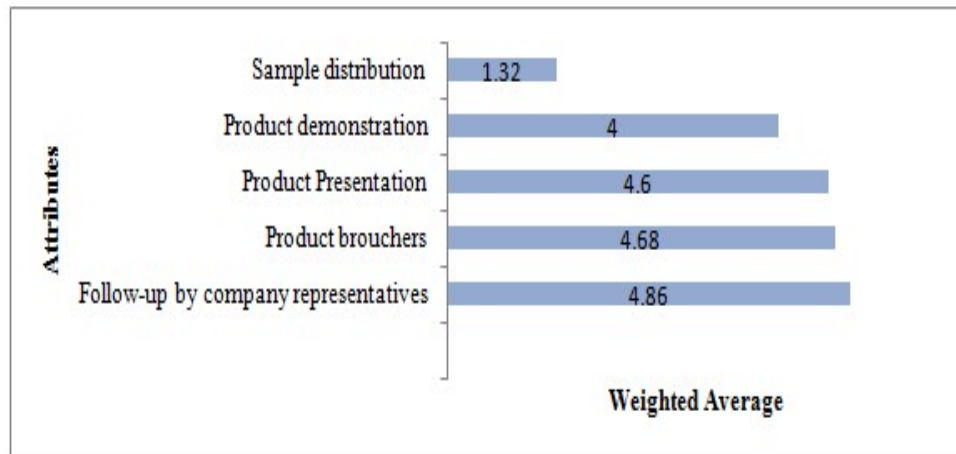


**Figure 1**

The above table provides the information about the mode of purchase of test kits by the dealers. Majority of the dealers purchase test kits from the company/Manufacturer, whereas 64 % of the dealers purchase these test kits from regional C & F Agents(Clearing and forwarding agents who are ,regional stockiest and billing agents, they do not market the product).It is also understood that 14% of the dealers purchase few of the test kits from the importer which are not manufactured in India.

**Table 2: Company's Support in Sale of Test Kits**  
[5=Most important, 1=Least important]

Sr. No.	Attributes	5	4	3	2	1	Weighted Average
1	Product brochures	21	6	0	1	0	4.68
2	Product Presentation	2	24	2	0	0	4.60
3	Sample distribution	2	0	0	1	25	1.32
4	Product demonstration	21	5	1	0	1	4.00
5	Follow-up by company representatives	24	4	0	0	0	4.86



**Figure 2**

The above table brings out the information of the support extended by the companies to their respective dealers in promoting sale of test kits. The follow-up by the company representatives and the product brochure are the dominant variables, as perceived by the dealers. Follow-up by the company persons reminds the clients about the product and the product broacher is the initial tool to reach the clients easily and provide the information for communication. Therefore the above table exhibits a score of 4.86 and 4.68 respectively.

The second preference is being given to product presentation i.e. 4.60. It creates impression in the customers mind about the company and its product. The third preference goes to product demonstration i.e. 4.00. Sample distribution has received the least rating as it is not affordable for the companies to distribute free sample of kits.

**Table 3: Feedback about Company's Marketing Policies**

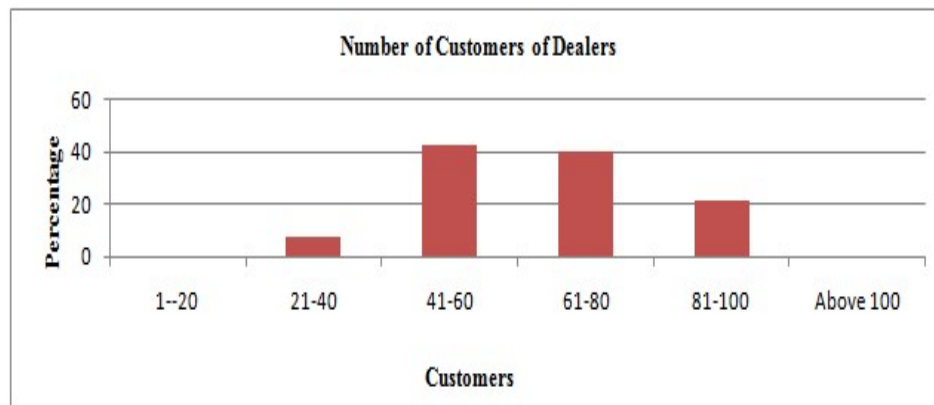
Sr. No	Attributes	5	4	3	2	1	Weighted Average
1	Credit facility	8	10	8	2	0	3.86
2	Sales people's approach	24	4	0	0	0	4.86
3	Complaint Redressal	18	6	4	0	0	4.50
4	Delivery time	12	11	4	1	0	4.21
5	Replacement of test kits	21	4	3	0	0	4.64
6	Incentives	0	11	13	1	3	3.14
7	Receive test kits intact	22	3	3	0	0	4.60
8	Product training to dealers	12	2	7	7	0	3.60

The feedback of the dealers was taken to list the level of satisfaction of various attributes about the company's marketing policies. From the above table it can be seen that, the dealers are highly satisfied by sales people's approach i.e. 4.86. The second rating is being given to the replacement of the test kits and receiving the kits intact scoring 4.64 and 4.60 respectively .It seems the companies adopt liberal policy towards replacement of kits and makes an effort towards proper packaging of the products. The third rating is being given to complaint redressal with the score of 4.50 and delivery time with the score of 4.21.credit

facility and product training to dealers with a score of 3.86 and 3.60 receive less weightage, while least score of 3.14 is received by Incentives attribute. The dealers are not at all satisfied with the incentives being received by the companies test kits, in which they are dealing. In case of some companies, the brand name of the product is itself very strong. The general tendency of an individual is to have more and more incentives, hence the above poor response is observed.

**Table 4: Total Number of Customers of Dealers**

Sr. No.	Number of clients	Dealers	Percentage (%)
1.	1-20	-	-
2.	21-40	2	7
3.	41-60	12	43
4.	61-80	8	40
5.	81-100	6	21
6.	Above 100	-	-
	Total	28	

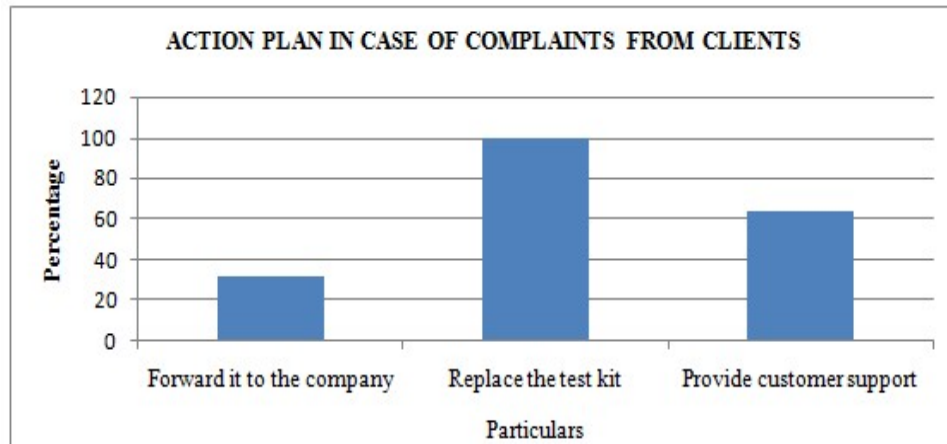


**Figure 3**

After having analyzed the above information it is understood that, 43% of the dealers cater to the clients in the slot of 41-60 clients, 40% of the dealers cater to the client in the slot of 61-80 clients. 21 % of the dealers cater to the clients in the slot of 81-100 clients and 7% of the dealers cater to the client in the slot of 21-40 clients. These 7% dealers are focused more on corporate hospitals and government hospitals which need lot of paper work to be furnished and strong network to penetrate into. Pune has a huge potential for diagnostic kits due to ever increasing demand for pathological services.

**Table 5: Action Plan In Case of Complaints from Clients**

Sr. No.	Particulars	Dealers	Percentage
1	Forward it to the company	9	32
2	Replace the test kit	28	100
3	Provide customer support	18	64



**Figure 4**

It is seen from the above table that, 100% of the dealers replace the test kits in case of any complaints received from the clients as they are unable to address the technical performance aspects at their level, so they just replace the kit to avoid customer grievances. 32% of the dealers forward the complaint to the company so as to attend the customer complaint by the competent person, while 64% of them provide customer support in case of minor complaints which the dealers can handle at their level. Pune is a competitive market and hence the percent of customer support gains importance.

**Table 6: Dealer's perception about client's expectations before purchasing test kits**

Sr. No.	Attributes	5	4	3	2	1	Weighted Average
1	Brand	13	10	5	0	0	4.29
2	Accurate Result	24	4	0	0	0	4.86
3	User friendliness	9	11	4	0	4	3.75
4	Price	18	4	4	2	0	4.36
5	After sales service	0	8	12	5	3	2.89
6	Credit facility	12	10	6	0	0	4.21
7	Personal Relationship	9	13	0	4	2	3.46

The above table indicates that accurate result and Price of the product are the most important attributes rated by the dealers. According to the dealers perception, Brand and credit facility go into the secondary aspect while user friendliness and personal relationship come into third preference. After sales service is the least preferred attribute by the clients as kits are consumables and don't require much of sales backup as in case of machinery and equipment.

## V. FINDINGS

- All the dealers purchase the diagnostic test kits from the company/Manufacturer, while some of them also purchase from the regional C & F agents and importer. Sample distribution is the least rated attribute by the dealers regarding the company's

support in sale of diagnostic test kits, while the follow-up by the company representatives and product brochure are the most important attributes.

- The dealers are not at all satisfied with the incentives being received from the companies, while sales people's approach and replacement of test kits are the highly satisfactory attributes when feedback about company's marketing policies was solicited
- Majority of the dealers supply private laboratories in the margin of 41 to 60 customers.
- Majority of the dealers, replace the product in case of any complaints received from the clients, some of them try and address technical complaints at their level and few of the dealers forward the complaint to the company.
- After sales service has received the lowest rating as perceived by the dealers about clients expectations before purchasing test kits, while accurate result and price of the test kit have the highest rating.

## VI. RECOMMENDATIONS

1. The follow-up by company representatives is a dominant variable, followed by product brochure and product presentation in company's sale of test kits. The company should train and motivate its sales force to continuously monitor sales of kits, maintain good relations through the dealers. Product brochure and product presentation, are also important attribute e. The attractive, informative brochure and product presentation by sales team are areas to be focused upon. Sample product distribution attribute has the scope for improvement. Companies should promote the kits by dispensing free sample of kits to distributors as well as clients.
2. Companies should provide incentives to dealers, apart from their margins in test kit sales. The companies should think about motivating dealers by providing monetary and non-monetary incentives. Cash Prizes for best dealer performance in sales, discounts for bulk/regular orders, more quantity of kits in the existing price range, etc are monetary incentives. Non-monetary incentives include, domestic and foreign tours for dealers, Certifications, award of merit for best performing dealer, Gifts, Free Coupons, etc. Including dealers in product and company training progress is another aspect which will boost their confidence about the product and company.

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