

INNOVATIVE STRATEGIES OF PHARMACEUTICAL COMPANIES AS A FACTOR FOR ECONOMIC AND BUSINESS DEVELOPMENT

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Abstract. *The pharmaceutical industry creates innovative products and services related to health promotion, disease prevention, diagnosis, treatment and rehabilitation, used for generation of the final output - improvement of the population health status. The new health services or products are type of innovations and they are created for the purpose of solving socially significant problems and to meet the priorities, objectives and innovation strategies for economic growth of the companies. The development of an innovation strategy within a pharmaceutical company is based on forecasts of the economic, research and technical development of the pharmaceutical sector.*

Key words: *innovation, innovative strategies, pharmaceutical industry, economic development.*

Introduction: The strategy of a pharmaceutical company is developed based on the product, market and technological advantages of the company along the market – products – technologies chain. The innovation strategy is part of the general corporate strategy for development and economic growth and covers the management of the operations related to the creation, introduction and sale of innovations on the market. [5]

Objective: To present the main characteristics of innovative strategies of pharmaceutical companies that lead to better health results and economic development.

Materials and methods: The research on this topic covers content analysis of readings on this issue and an overview of the main ingredients of pharmaceutical innovative strategies.

The innovation strategy is closely linked to the strategies in other functional areas, such as production, marketing, finance and human resources management. The main criteria for **evaluation of the innovation potential** of the business units of a pharmaceutical company are:

- a) availability of resources for the company and their distribution;
- b) ability to understand and evaluate the competitiveness of the strategy selected by the company and the evolution of the respective sector;
- c) capacity to understand and evaluate the technological development of the sector the company functions in;
- d) company structure and organisational culture;
- e) capacity of the company to implement its strategic management in order to develop and increase its sales; [2]

In order to ensure long-term success on the market, the company implements an innovation strategy with strong market focus, which is accompanied by an elaborate marketing programme and progressive technological product. The company attempts to select markets it is familiar with and which offer opportunities for rapid growth of sales. The innovation programme includes specific plans for the implementation of individual projects, such as the introduction of an innovative medicine. [3] The plan of the projects defines:

- a) the phases of the innovation project and the criteria for proceeding from one phase to another;
- b) the allocation of resources and the rights and obligations of the ones involved;
- c) it outlines the interrelation between the different activities related to the creation and dissemination of the new product;

In order to respond to the current requirements, the modern and dynamically development company introduces innovations not only in its product portfolio, but also in other spheres for the

purpose of ensuring even better management and corporate culture. The company strives to develop by including innovative elements also in the field of:

- Resolution of corporate issues related to improving the overall company management;
- Pharmaceutical and regulatory monitoring and corporate security;
- Quality assurance of the studies;
- Improvements in the conditions and standards for work of the employees by improving the company control and processes;
- Improvement of the marketing activities for better business results;
- Development of the activity through the intersection of the organisational and geographic borders in order to meet the increasing demands of the customers;
- Adherence to the commitment to continuous innovation, which is the key to improvement of the health status and to the economic and corporate development.
- Creation of innovative ideas in the human resource system for the purpose of improving the staff knowledge and skills; [4]

Objectives of the innovation strategy:

- 1) To define the role of the innovation processes that are essential for fulfilment of the objectives of the organisation;
- 2) To ensure that innovative products are a priority in the corporate strategical plan for development and sales;
- 3) To specify the markets, products and technologies to which the company innovation processes will be oriented;
- 4) To support the recruitment of the necessary scientific, technical, production and marketing staff and to combine the efforts for creation of new products, as well as to stimulate the creative initiative and commitment of the staff;

The key moment in the overall innovation activity and strategy is the process related to the introduction of a new product as an innovative aspect of the company's policy, because the main goal of pharmaceutical companies is to offer innovative, improved and efficient medicinal products for treatment of different diseases or for maintaining better health and quality of life. [1] The innovation strategy is the foundation of the management of new products and serves as a general framework for integration of all people and resources used for the creation of product innovations. The selection criteria of the innovative strategy are linked to the company objectives, its strategy, policy and values, as well as to the planning of the marketing, financial and production activities.

The most important elements of the innovation concept are:

- technological specialisation of the company and level of competence;
- sources of technology and expertise;
- organisation and scale of investment in R&D;
- time for implementation of the innovations;

The main factors that predetermine the company innovation strategy are:

- a) the company position with respect to its competitors from product, process and technological perspective and the company position within the national innovation system;
- b) the technological roadmaps available to the company based on its accumulated competences and emerging opportunities;
- c) the organisational processes applied by the company for the purpose of integrating the strategic training (mastering knowledge) by cross-cutting the functional and organisational-structural boundaries. [4]

Conclusion: The development of an innovation strategy and innovation processes in a company results in the creation of new markets and new jobs, increases the market share and sales, which increases the company economic stability. The innovation strategy is essential for the fulfilment of the global objectives of each modern pharmaceutical company and the effect from its proper and successful development and application follows the utter attempt to improve healthcare and to ensure higher quality of treatment through the introduction of innovations.

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