

INVESTIGATING AND RANKING OF BARRIERS AFFECTING DEVELOPMENT OF  
PHARMACEUTICAL INDUSTRY EXPORTS IN IRAN AHP METHOD<sup>1</sup>Negar Habibi Naeini and <sup>\*2</sup>Ramin Radmanesh<sup>1</sup>Pharmacy Student, Faculty of Pharmacy, Tehran Medical Sciences, Islamic Azad University, Tehran, Iran.<sup>2</sup>Assistant Professor, Department of Pharmacoconomy and pharmaceutical management, Faculty of Pharmacy, Tehran Medical Sciences, Islamic Azad University, Tehran, Iran.**\*Corresponding Author: Ramin Radmanesh**Department of pharmacoconomy and pharmaceutical management, Faculty of Pharmacy, Tehran Medical Sciences, Islamic Azad University, Tehran, Iran. [r.radmanesh@iautmu.ac.ir](mailto:r.radmanesh@iautmu.ac.ir)

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## ABSTRACT

**Background:** Iran's pharmaceutical industry has experienced an average growth rate of 28.38% over the past 10 years. The value of domestically produced drugs is \$ 1.639 billion, while imported products are worth \$ 0.828 billion over the same period. In addition, the Iranian pharmaceutical industry has seen many changes in recent years; Manufacturers work in an increasingly demanding environment and have no incentive to sell and improve quality due to lack of competition. **Materials and Methods:** Research method were applied and descriptive; the statistical population was all pharmaceutical organizations export to other countries and the statistical sample of the research consisted of business managers, professors working in the field of export and marketing managers of exporting pharmaceutical companies. Data analysis was performed through hierarchical analysis and decision tree model. **Results:** The barrier of market characteristics of the destination country with a relative weight of 0.283 is the most important; Therefore, among the obstacles affecting the development of pharmaceutical industry exports in Iran has the highest priority and the obstacle of supply chain of production inputs, value chain of products and distribution with a relative weight of 0.195 is the next priority, other obstacles are geographical, managerial knowledge. **Conclusion:** suggested that by creating contracts with universities and knowledge-based companies in this field, the problems of up-to-date technology in the world can be solved. On the other hand, by participating in domestic and international conferences in the field of up-to-date knowledge and a kind of knowledge frontier of the world, the necessary planning can be done to localize and close contracts with prominent companies. By establishing diplomatic relations with the Ministry of Foreign Affairs and concluding legal contracts with high precision to avoid the sanctions, it is possible to act with the help of the best lawyers. On the other hand, with the increase of deep economic ties with independent countries in foreign policies in the field of export of these products, the necessary planning should be done.

**KEYWORDS:** Pharmaceutical industry, exports, AHP method.

Evaluate and categorize effective barriers to the expansion of the pharmaceutical industry in Iran in the manner of AHP

Writer Habibi Naeini, Dr. Ramin Radmanesh, Doctoral Student, Department of Economics and Management, Faculty of Pharmacology, University of Azad Medical Sciences, Tehran, Professor, Department of Economics and Management, Pharmaceutical Faculty, Azad Islamic University of Medical Sciences, Tehran

## ABSTRACT

**Background and Target:** Iran's pharmaceutical industry has experienced an average growth rate of 28.38% over the past 10 years. The value of drugs produced in the country is 63 1.639 billion, while the value of imported

goods is 0. 0.828 billion over the same period. In addition, Iran's pharmaceutical industry has seen significant changes in recent years. Manufacturers are working in the space of increasing demand due to lack of competition, no motivation to sell and no improvement in quality. Given that international trade is expanding rapidly, exports are necessary for growth and sustainability of pharmaceutical organizations. Therefore, it is necessary to pay attention to the scientific and appropriate development of the country's pharmaceutical industry. Therefore, the goal of the present research is to effectively examine the barriers to the expansion of the pharmaceutical industry in Iran.

**Research Methodology:** The present research is based on the type of application and description and from the point of view of collecting data, field and documents.

The Statistical Society formed the present research managers, professors in the field of exports and managers of pharmaceutical companies. The method of rotating the data using the questionnaire and the method of analysis and data analysis The hierarchical method of analysis was decided using the tree.

**Conclusions:** A review of the results obtained to prevent human and scientific expertise indicators of expertise and expertise in the field of pharmaceuticals, expertise and technical knowledge in the company in the design and development of new innovative products, existing scientific structures Experimental Balini studies in the country of origin, access to specialized and specialized work in the field of pharmaceutical exports, number of university and research centers in the field of medicine, communication of university and research centers in the field of industry and access to cheap work And rounding up the necessary documents for export to the target countries.

**Conclusion:** Considering the state of sanctions imposed on the country and other majorities in the United States, the advantages of low quality products compared to similar quality products can be even better. On the other hand, focusing on exports to neighboring countries can be accompanied by the lowest cost of most types of benefits and with the creation of suitable beds for the creation of long-term contracts in the direction of finding raw materials to the extent possible. . In the first phase, the focus will be on the neighboring countries, and in the second phase, the counter-sanctions policies will be implemented and the plan will be implemented.

**KEYWORDS:** Effective ranking of barriers to the expansion of exports, pharmaceutical industries, AHP method.

#### CASE

Every company and organization that has expanded in the country and what is developing in the country in order to enter the new market with more obstacles that must overcome them. However, in the current context of expansion in countries under the influence of global competition and security measures such as tariffs, quotas, monetary barriers and non-tariff barriers are stricter.<sup>[1]</sup> The export environment is a combination of social, technological, economic, political, international, and transportation environments.<sup>[2]</sup> Previously, its importance and role in economic growth and development has been steadily increasing.<sup>[3]</sup>

The presence of awareness in the global market without the development of appropriate market policies for many countries seems impossible to expand. One of the studies that can guide economic politicians in making appropriate decisions is to identify the internal and external factors influencing exports.<sup>[4]</sup>

The pharmaceutical industry plays an inseparable role in the treatment of EFA in medicine.<sup>[5]</sup>

The world's pharmaceutical industry is valued at more than 1 trillion dollars and the annual investment is more than 100 billion dollars. Iran's pharmaceutical industry is also valued at more than 5,000 billion tomans and produces more than 1,200 pens, including key industries in the country. Intelligence and understanding of changes in markets and technologies, coordination, monopolization and marketing of existing resources in the direction of the organization with opportunities and threats not to exacerbate changes, increase innovation in organizations and increase their competitiveness. It can be medicated.<sup>[7]</sup>

In recent years, companies have experienced a complex and complex environment. Permanent changes in customer needs and preferences, introduction of new products, increased competition and dissatisfaction have led to complex decision-making in the market environment.<sup>[8]</sup> and given the international business history, much from the company Pharmaceuticals are interested in exporting. Exports not only help private companies, but also play an important role in improving the balance of trade. This can increase competition and help companies to achieve their financial and strategic goals.<sup>[9]</sup> Since exports are the most widely published form of international trade partnership, attention has been paid to the development of effective understanding of the factors acting on exports.<sup>[10]</sup>

Compared to the countries of India, China and Turkey whose emerging markets in the pharmaceutical industry are calculated, the world's largest pharmaceutical companies have cooperated under the bachelor's degree in pharmaceutical production and our pharmaceutical companies have become insolvent and self-sufficient in production. Pharmaceutical suppliers do not have this advantage. Although more than 95 pharmaceuticals are consumed in the country, the issue of self-sufficiency in the pharmaceutical industry is very positive, but the more important the factors, the more effective the growth and development. The pharmaceutical industry is.<sup>[11]</sup>

Iran's pharmaceutical industry has experienced an average growth rate of 28.38% over the past 10 years. The value of drugs produced domestically is 63 1.639 billion, while imports are 0. 0.828 billion over the same period. In addition, Iran's pharmaceutical industry has seen significant changes in recent years. Producers work in the space of increasing demand and due to lack of competition, there is no incentive to sell and improve quality.

Therefore, in view of the fact that in today's world where business space is more competitive and unpredictable than in the past, companies are forced to use business practices to achieve business goals and to expand their capabilities and capabilities in the face of non-existence.

Satisfied with the fact that international trade is expanding rapidly, exports are essential for growth and sustainability of pharmaceutical organizations. Therefore, the purpose of the present research is to examine the effective barriers to the expansion of the pharmaceutical industry in Iran.

## MATERIALS AND METHODS

The present research is in terms of the use of results, applications and descriptive types and from the point of view of collecting data, field and documents. The Statistical Research Institute comprises of all pharmaceutical organizations operating directly in other countries, and a sample statistical study is conducted by market managers, working professors in the field of export and market managing pharmaceutical exporters. The analysis of the data is done by analyzing the hierarchy and model of the tree.

### Yaft

9/17 percent of respondents are under 30 years old, 6/56 percent are between 30 and 40 years old and 5/25 percent are over 41 years old. 3/11 percent of the respondents have diploma, 3/11 percent post graduate, 8/52 percent bachelor and 5/24 percent post graduate. 2/13 percent are

women and 8/86 percent are men. At the end of the day, 7/5 percent of the personnel have a relatively high level of familiarity, 5/41 percent have a high level of familiarity and 8/52 percent have a high level of familiarity.

Figure (1) identifies effective barriers to the expansion of the pharmaceutical industry in Iran with the help of Expert Choice software. Obstacles to the country's market targets with a relative weight of 283/0 are the most important. Therefore, effective barriers to the expansion of the pharmaceutical industry are among the highest priorities in Iran, and barriers to the supply chain, the chain of value of products and the distribution of relative weights with a relative weight of 195/0 are the next priority. Country Governance Policies Purpose, Specification of Original Market Countries, Governance Policies in Source Country, Human and Nervous Forces, Technical and Technological and Intellectual Property and Credibility with Weights 145/0, 102/0, 083/0, 071/0, 046/0, 027/0, 018/0 and 016/0 are ranked third to tenth and ultimately ranked after the financial barrier with a relative weight of 015/0. The mismatch rate of marital comparisons is 05/0, which is less than 10/0, so these comparisons are acceptable.

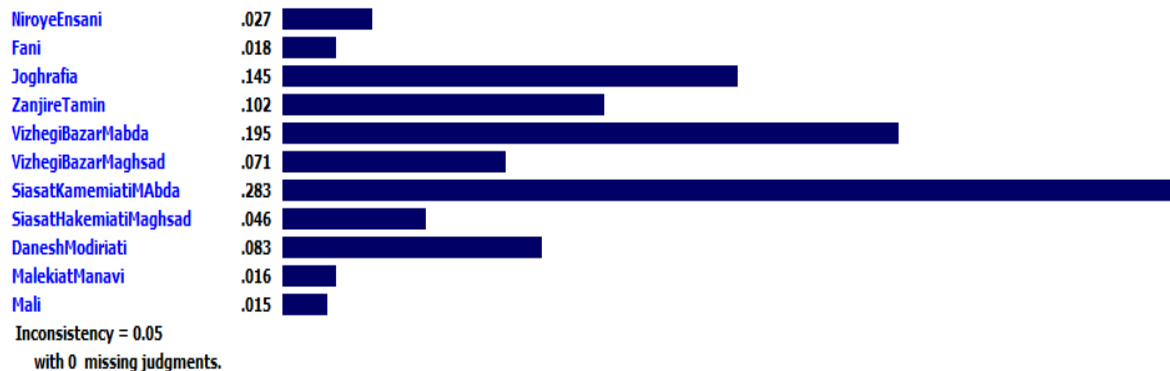


Figure 1: GARCH-M.

Table 1: Effective barriers to effective expansion of pharmaceutical exports in Iran.

Priority	Weight	Authors	Row
8	0 / 027	Human and intellectual power	1
9	0 / 018	Technical and technological	2
3	0 / 145	Geography	3
4	0 / 102	Knowledge management	4
2	0 / 195	Chain supply chain institutions production and distribution	5
6	0 / 071	Specialty Marketplace Country of Origin	6
1	0 / 283	Target market targets	7
7	0 / 046	Governance policies in the country of origin	8
5	0 / 083	Governance politics are the goal of the country	9
10	0 / 016	Intellectual property	10
11	0 / 015	After finances	11

## DISCUSSION

In the same study, Porter's results,<sup>[1]</sup> (1980) identified six main sources of barriers to entry into the market: 1) Existing costs; 2) Distinguish product; 3) need capital; 4)

Customer costs; 5) access to distribution channels and 6) government policy.<sup>[12]</sup>

Kauzgil and Navar (1987) point out that financial and personal resources are important factors in overcoming barriers to entry into international markets, and thus, not only are the correct resources and interventions of the country aimed at exporting, financial and non-financial activities of a company. It is struggling in international markets.<sup>[13]</sup> Barbosa, Ayala, and Sandwall (2016) point out the role of supply variables in supply, procurement, previous export experience and organizational environment in improving the export sector in the pharmaceutical industry of Colombia.<sup>[8]</sup> Mohammadzadeh and colleagues (2016) The readiness of exporting companies in relation to the volume of their exports is not noticeable in the legal context, but they can predict the performance of exports.<sup>[9]</sup> Alvarez,<sup>[2]</sup> (2004) barred export companies from domestic companies, related barriers within the country and foreign barriers.<sup>[14]</sup> Harvey.<sup>[3]</sup> (2010) Skills and resources (availability to market, technology,...) and physiological factors (risk, confidence,...) and external barriers such as government policies, domestic and foreign market conditions and ... The most important barriers to export are.<sup>[15]</sup> Ortega Ortiz and Fernandez Ort<sup>[4]</sup> (2010) know the barriers to knowledge, resources, behavior and externalities.<sup>[16]</sup> Yashanlawi and his colleagues (1392) point out that the laws and regulations, the banking system and the issuance of health licenses are of paramount importance in the construction of export barriers.<sup>[17]</sup>

Yang, Leona, and Alden.<sup>[5]</sup> (1992) classify barriers into three categories: 1) external barriers, 2) operational barriers, and 3) internal barriers. For many of the countries, the most important external factors that prevent entry into international markets include tariff and non-tariff barriers, foreign exchange rates, fluctuations, competition in foreign markets, government policies, foreign trade behavior and different product standards. And consumers in foreign markets.<sup>[18]</sup> in the same way as operating barriers including the discovery and payment of conditions by foreign buyers, creation of transportation arrangements, customs clearance, representation and management of international channels of distribution of international markets.<sup>[19]</sup>

Based on the results obtained, it is suggested that in view of the prohibition situation in the country and other majorities in the United States, there should be advantages such as lower prices compared to similar products with better quality. Other than that, focusing on exports to neighboring countries can be accompanied by the lowest cost of most benefits.

With the creation of suitable beds for the creation of long-term contracts in the direction of the discovery of primary materials can be accompanied by a range of advantages over the creation of productivity. In the first phase, the focus is on neighboring countries, and in the second phase, counter-sanctions policies are put on the table of action and planning.

It is proposed to create contracts with universities and foundation companies in this field. On the other hand, with the participation of companies in domestic and international conferences in the field of day-to-day knowledge and in the field of knowledge of the world, it is possible to make contracts with indigenous companies and contracts. Establishing diplomatic relations through the Ministry of Foreign Affairs and contracting legal contracts in a more precise manner could lead to the imposition of sanctions on lawyers. In addition, deepening economic ties with independent countries in foreign policies in the field of export of these products as well as planning is necessary.

Among the limitations of research, effective factors and effective determinants in the field of effective barriers to the expansion of the pharmaceutical industry and the time constraints and the impossibility of examining the subject in larger societies and comparing the results.

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