

# The importance of research and development research paper

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There are a number of challenges that Pfizer Inc. has been facing for past many years. One of the challenges includes the currency exchange rate that has affected its overall sales. The decrease in the number of sales in the first quarter of 2013 resulted in lower profits for the year of 2014 as well.

In addition, Pfizer Inc. also tried to undertake higher sales in the regions where the sales tax percentage for lesser. In this manner, the tax revenue was lowered for Pfizer Inc. At the same time, SEC published a notice for the company to provide the details of making increased revenue from other regions. It was yet another challenge that the company had to face (Nilanjan, 2014).

The research and development have rather helped the company to keep its hopes high for the increased sales. In simpler words, the pharmaceutical growth model has marked that research and development is undertaken in such a manner that companies like Pfizer Inc. can increase its sales. It is an evident fact that the prescribers of the drugs are effective players in the field of pharmaceutical industry (Nilanjan, 2014).

Therefore, research and development would allow companies to develop more drugs for the prescribers. It is expected that if the research and development are not conducted by Pfizer Inc. then there will be a lot of generic drugs coming up. There is an increased need of patents that are needed now (Nilanjan, 2014).

It is expected that the company would be able to invest its capital in the research and development for the patents will be expired. It is important that

the company can invest in its research and development because that will directly affect the sales of the company.

## **Reference**

Nilanjan, R. (2014). Handbook of Research on Strategic Business Infrastructure Development and Contemporary Issues in Finance. New York: IGI Global.