

Lessons From Experience: Global Marketing

Introduction

The story that you are about to read is from actual events that occurred in the field. Its purpose is to provide you with a real-world example from a seasoned professional in the business world.

Global Marketing

PharmaXus is a cosme-pharmaceutical company, specializing in medical dermatology solutions for the skin. The research and development pipeline is ripe with new products to help reduce wrinkles and add more collagen for aging skin. One of the most successful launches was the development of Retubox, a wrinkle-reducing formula that has enjoyed global success for the past decade.

Both the domestic and global sales efforts progress quickly with Retubox, moving from North America and South America, to the Asian-Pacific and European regions. Last year, PharmaXus developed a complementing product for wrinkle reduction, known as ColoDerm II. This is a collagen injection method that helps reduce fine and deep facial lines. The company is ready to launch the product in Europe and India.

PharmaXus is concerned about the high-risk strategy of doing this and is seeking opportunities to hire a partner within the region. After hiring a vice president of global sales, the team is focusing on the following tasks:

- Choosing specific countries within the European market
- Analyzing the wants and needs of customers in India
- Selecting distributors in those countries that best suit the needs of PharmaXus
- Considering a partnership or joint venture to help introduce the products to the medical and skin care esthetics communities

The new vice president is quite knowledgeable in international markets for pharmaceutical products. She is a 20-year veteran of skin care and pharmaceutical sales, and she enjoyed a few years as an editor of a global beauty magazine early in her career. Her suggestions are being pondered by the executive team, notably looking at various governmental regulations related to pharmaceutical distributions in these diverse markets. She is also focusing her efforts on helping the organization understand distribution needs.

Because various regulations exist related to the medical community as well as cultural differences in norms related to age and skin care regimens, the vice

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president is suggesting creating a joint venture with a known distributor who understands the cultural nuances and regulatory requirements within the regions.

It is important to take the following away from this scenario:

- Before a company considers moving into a global strategy with domestically based products that sold well in the home country, considerations related to culture, regulatory environments, and more are important.
- If the product does not meet the wants and needs of the customers based on cultural norms, it most likely will not sell, no matter how successful it was in other areas.
- Deep-rooted cultural and social norms more often determine product success.
- Understanding distribution channels through a partnership or joint venture with a credible country-based specialist can help lower the risk in expanding products globally.