Background

With revenues of US$ 46 billion in 2003, Pfizer Inc. USA is a leading healthcare company of the world, focusing on pharmaceuticals and consumer products. Its portfolio includes 5 of the world’s 20 top-selling medicines. Pfizer has a team of over 12,000 scientists for research and development who are engaged in more than 300 projects for 19 major diseases.

In 1959, Pfizer acquired control of Dumex and Pfizer India Ltd. was formed. Pfizer India is a 40 per cent owned subsidiary of Pfizer Inc., USA. Pfizer India has revenues of US$ 216 million and employee strength of over 2,000. It has a manufacturing unit in the state of Maharashtra.

Pfizer in India has three business divisions:

- **Pharmaceutical Division**: This division markets both prescription and OTC products. The key brands of Pfizer are Corex, Becosules, Gelusil and Benadryl.
- **Animal Health Division**: This division caters to animal pharmaceuticals and is amongst the top four players in the Indian market with revenues of US$ 12 million.
- **Research and Development Division**: This division includes Pfizer’s clinical research operations as well as the biometrics division. Over the years, Pfizer India has participated in Phase II, III and IV global trials and has contributed significantly to advancing standards and the research culture in India. The biometrics group also performs statistical and data management activities on behalf of Pfizer Global Research and Development centres in the United States, Europe and Japan.

'Marketing Powerhouse' in the pharma sector

Pfizer India is recognised for its marketing strength. Pfizer was awarded the prestigious 'Express Pharmaceutical Pulse 2002' award for overall excellence in the Indian pharmaceutical industry.

- Corex was the first brand in the Indian pharmaceutical industry, to cross the US$ 22 million mark.
- Has the unique distinction of having two of its brands, Corex and Becosules, ranked at the top among all industry brands for three successive years.

Factors for success

The Indian pharmaceutical market is extremely competitive with a large number of domestic and MNC companies all competing for share of voice, presence and market-share. In addition, there is government-regulated price control in some areas. Pfizer India has overcome these by leveraging the following success factors.
Brand-building through a well-trained field force and advertising

Pfizer is acclaimed for regularly creating successful brands. Corex and Becosules are leaders in their respective segments. Within a short span of its launch, Minipress XL, is now ranked among the top ten brands in the competitive anti-hypertensive market.

A key reason for Pfizer's successful brand-building has been the strong training given to its field-force. To train its first line managers, Pfizer started the 'Leaders Academy', a comprehensive management development programme.

In the OTC segment, brand-building has been supported by good advertisements. In fact, the advertising campaign for Gelusil tablets won an award for Creative Excellence at the 36th ABBY - The All India Awards for Creative Excellence.

Rx to OTC transition strategy

Pfizer India was one of the early companies to adopt a successful ethical to OTC transition for some of its products that were earlier promoted as ethical drugs. It used a judicious mix of doctor detailing to continue generating prescriptions while simultaneously carrying out advertisements that targeted the end-consumer.

Leveraging technology

Pfizer is using technology to minimise sales force administration. A sales force automation tool 'Optima' was successfully implemented across the entire sales organisation. This helps the sales force plan its customer contacts and implement marketing programmes in an effective manner.

Mergers and alliances

In pursuance of its global strategy of growth through acquisitions, Pfizer India has acquired businesses, which has resulted in growth and augmentation of its capabilities -

- Parke-Davis Merger: Pfizer emerged with a strong portfolio in the therapeutic segments of the central nervous system, cough and cold and consumer healthcare products after its merger with Parke-Davis.
- Pharmacia Merger: In addition to augmenting its portfolio, the Pfizer-Pharmacia merger resulted in enhancing the distribution network.
- Alliance with Bayer: To strengthen Pfizer’s presence in the cattle, poultry and companion animal business, Pfizer has an alliance with Bayer. This provides Pfizer with a presence in segments where previously there was a zero or negligible presence.

Leveraging the India Advantage

Clinical studies hub

Pfizer is using the Indian facility for clinical studies. It has done trials worth US $ 12.5 million since 1995 in India - spending US$ 3 million in 2002 alone. Pfizer is also investing US$ 0.1 million to start diploma courses for pharmacists in various modules of clinical research with the Bombay College of Pharmacy. This will help increase the number of quality professionals.

Future plans

With the product-patent regime in place from Jan 1, 2005, Pfizer India is planning to introduce 10 to 12 new drugs by 2006, all of which originate from its parent’s R&D and alliance efforts.