Jan van der Goten, Managing Director GCC, Janssen, UAE



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Jan Van der Goten, GCC Managing Director of Janssen UAE, talks about his experience at Janssen GCC as regional manager, how collaboration with other companies in the industry will bring about better results for the issue of diabetes, and why this may be harder to accomplish than expected.

You came into your position as manager of the GCC region for Janssen in early 2013. What was the mission assigned to you and what goals have you set for yourself?

Perhaps it is best if I start by detailing my history at Janssen, so you can have a better idea of why I was sent here. Having started out in very traditional marketing roles in Belgium, I later moved to France as the VP of sales and marketing for that country for 3 years. Further down the line I was assigned to set up a new strategic organization in Europe to design the company's strategy for that region, as well as developing the plan for our new brands. This also included managing the integration of business intelligence across Europe with other companies.

Afterwards, I was transferred to the US, where I worked on the end-to-end strategies for infectious diseases. It was after this that I was asked to come to emerging markets because we determined that there are great opportunities here, particularly for our new brands that need to be introduced here.

Based on this principle, I was tasked with restructuring the organization according to these future trends and positioning ourselves as true partners in healthcare offering visionary approaches for these new markets. Of course the end goal is to improve the lives of patients and how we can make this happen in the Gulf.

We need to embrace sitting down together and having new discussions how to work on unique solutions that we can provide, together with government and distributors. Janssen has a truly entrepreneurial mindset and this is what we are looking to leverage in emerging markets, particularly here in the Gulf.

Indeed local governments are looking for pharmaceutical companies willing to be long-term partners in their healthcare development. Has this vision effectively trickled down through the hierarchy?

It’s always a question of trust, because with these discussions we need to balance our business interests with what is best for patients. This can be a very thin line at times and it can be difficult for governments to understand that. They don’t really know if you are going to succeed, and we don’t always know that either. I like to be transparent with them, as I believe this is the only way to prove oneself as a trustworthy partner. This is what I find to be the greatest challenge in aligning visions with governments.

Nevertheless, we have been able to achieve great results through this approach in other parts of the world.

So far, how successful have you been with this approach?

We have had preliminary discussions and there is a lot of traction on this kind of approaches. The authorities are happy to work together in different contexts. What the new scenario is going to look like is still under discussion and something that I am uncertain of myself. The important thing at the moment is that we understand the framework that needs to be implemented beyond a classical marketing approach.

A fresh framework will take into account educational needs as part of the budget, because right now is the key moment to build needed awareness to curb the prevalence of diabetes. This must be done now because at the moment the government still has sufficient funds to manage the

burden of the disease for decades to come, but that is only if we manage to control and prevent further propagation. The answers we seek together with the authorities are regarding how to do this best.

It is refreshing to see that Janssen is really trying to innovate by adapting its business model?

I truly believe in the concept, and I understand it is a departure from the traditional business model. Clearly there are some inherent risks in doing this, but the only way to innovate and generate true changes in how we approach healthcare is by taking risks and trying to new things.

Speaking about diabetes, all pharmaceutical companies are involved in this field here in the Gulf trying to conquer that market. Would it not be more efficient for you to also collaborate with each rather than competing?

Yes, you raise a very valid point and the main barrier to this is the divergence in company philosophies, and we know that. This is particularly true when it comes to R&D, and it is a possibility that we are exploring. Being a part of the wider J&J group, and the number one healthcare company in the world, we are also looking at how to collaborate with other departments within the company to better tackle diabetes. This is not only in the form of joint research, but also in the exchange of data and sharing results, across departments, companies and all relevant stakeholders. Inevitably such collaborations must take place for all of us to move forward in coming up with decisively innovative solutions.

The lack of data is indeed one of the often-cited challenges in the GCC markets. What has been your experience with this issue so far?

It is definitely something we have to take into consideration, particularly now that we are looking to introduce many new products.

For example, we have a revolutionary product for drug-resistant tuberculosis that has proven success rates of curing 50 percent of patients who would otherwise have no other alternative. We’re speaking about terminal patients with multi-drug resistant tuberculosis, so we have a huge debate in terms of how to bring this product into the market beyond the traditional channels and

methods. Furthermore, we need to set the price according to what is affordable and at the same time profitable for us in these markets. Obviously the price for this product in the US would not be the same as that in India, so we need to find the right number for the GCC markets.

Speaking about profitability, what are the two key drivers that you are planning to maximize?

My portfolio is going to be shifted by the 15 brands that we have to launch in the GCC. This is undeniably a core driver of our future growth. As you must know, product launches take time and each registration must be planned and carried out very carefully. We estimate that nine products to be launched will represent around 50 percent of our revenues.

It means you have to hire people and launch new marketing strategies. What are the obstacles that you encounter in doing this?

We are in an execution phase at the moment, to establish a new structure that is truly flexible. This involves a lot of change management and readapting the internal structure to the future integrated models we have been discussing. That means that you have high skilled expertise in pricing, a high expertise in health economics and, because we predict certain trends, I would also like to do the same for our governmental affairs department. This is the department that will establish the partnerships with governmental authorities, so they are essential to determining how we will operate in the future.

With these new brands, I also consider that we should have expertise in medical education, because it’s the medical education that makes physicians interested. Furthermore, the educational development will also have to happen internally by training junior staff how to operate under the new structures and models and with the new portfolio we are building.

We will of course retain the traditional sales and marketing element, because this will be needed until we transition fully into the new model. It is also there for the current sales of our legacy portfolio.

This is what I am trying to say, we need to have a mid-shift, to be more proactive, to be forward looking, to have partnerships, staying away from the classical model. If you make a list you can see all those trends happening and it’s up to us as leaders and managers to prevent and to face them.

I have mostly had a European experience, but if you think about it, those markets went through similar progressions. The only difference is that the GCC markets are growing at a minimum of 8 percent every year, which means we need to find solutions much faster and begin implementing them right away.

What is your strategy for long-term success?

I think that when you come here into an emerging market, you have to take on a long-term philosophy that reveals your desire to leave a meaningful footprint. It all comes down to the team, and this is why we are changing our internal structure to reflect a matrix structure. If you have one brand the main driver will be a multifunctional and multidisciplinary team consisting of marketing cells, pharma-economics, regulatory, logistics, etc. and they are going to be responsible for the brand as a whole.

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