

An Ideal Product Portfolio for a Local Pharmaceutical Concern

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ABSTRACT

Corporate planners constantly plan the future strategies of their organisations. In the pharmaceutical industry, they are required to work in a dynamic and complex global environment to develop a master plan to maximize the profitability of the organisation and ensure sustainable growth. One of the first and most vital area is product portfolio planning, analysis and management. Due to the lack of market intelligence on the pharmaceutical industry in Malaysia strategic product planning becomes difficult. This study provides the first step in developing an ideal product portfolio for a local pharmaceutical industry. The study analyses the product portfolios of a sample of seven local pharmaceutical companies, examines the sales trends of products of multinational pharmaceutical companies in Malaysia and identifies disease patterns in the government hospitals in Malaysia between 1990 to 1994. It also examines the current sales trends of pharmaceutical products in the world market and the disease patterns in the world. Finally the study identifies clear, distinguishing trends in therapeutic categories and develops an ideal product portfolio for a local pharmaceutical company in Malaysia.

This study found that the portfolios of local pharmaceutical companies have products in therapeutic categories similar to that of multinational pharmaceutical companies in Malaysia and the world pharmaceutical industry. There is less emphasis given to products in the cardiovascular, musculo-skeletal, sensory organs and cytostatic categories. Evaluation of the market shares and growth rates of therapeutic categories of pharmaceutical organizations in Malaysia and the world market facilitated the development of an ideal product portfolio for the local pharmaceutical industry. This study found that an ideal portfolio of a local pharmaceutical company in Malaysia should have products in anti-infectives, neuromuscular, respiratory, alimentary, cardiovascular, vitamins and minerals, dermatologicals, metabolism, sensory organs and cytostatic therapeutic categories in descending order of importance

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