

How to kick-start an FMCG product in the pharmaceutical space

By Eben Esterhuizen

23 May 2019

I was recently asked to give advice to someone wanting to launch an FMCG product in the pharmaceutical space in South Africa. My short answer was that it would prove tricky at this particular point and time.



But of course, there are some tips to be shared from practical knowledge of the business, and here are ten of mine.

1. **If you don't do marketing, don't launch a product.** This sounds like obvious advice but in my experience, it isn't. A product (in any industry) will have a hard time being visible and taking off without a carefully mapped out marketing strategy.

2. That said, in terms of marketing **there's no need to reinvent the wheel.** If you do it in a clever way it will not cost millions. You don't need the most expensive broadsheet advertising, media hype or 30 second television commercial playing at peak viewing time.

3. **Social media is your first and best marketing friend.** Start small on Instagram, Facebook and Twitter. Build up a following (this will take budget spend) and then proceed with small brand activations. Also, don't forget LinkedIn – this is a great platform to use to tell the story of your brand from your personal profile. Get people emotionally invested and peak

their interest.



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4. We know the power of **using sales representatives to help get products in-store**. They can assist with your product's Unique Selling Proposition (UPS). The way to entice reps and potential stockists is with free samples, so build this into your marketing budget.

5. **Using micro influencers relevant to your product is more cost-effective** and authentic than trying to get buy-in from a celebrity influencer. At this point, the power will lie in the quality of the product. If it's good it could become quickly visible through micro influencer on social media.

6. There are so many people wanting to bring brands to the market there's a very real space limitation. To get onto the shelf in a pharmacy it's best to **start with an independent store**. At the moment in South Africa, there are probably about 600 to 800 independent physical stores worth calling on, where your rep will be able to actually get an order. It is an easier model than the chain stores as independents' motto is "stay independently together" - so there's also a sense of family there.

7. The cold hard facts are that big pharma players such as **Clicks and Dis-chem don't like to launch new products**. You have to be somewhere else before you will be accepted by them. Even then you need to have a proven track record with a certain amount of sales before they will stock the product.

8. **Don't give up hope**. It's a fact that Dis-chem actually started as three people who bought pharma products in bulk – like a buying group – and worked their way up into a store and now 140 (big) stores which dominate the retail pharmaceutical market in South Africa.



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9. There are companies like OnShelf who help suppliers drive, maintain and sustain their products. This is because **we don't look at the challenging times; we look at the actual products**. We also know that only what sells will get pharma space. If it doesn't sell it is out the door because retailers don't have the capacity to stock slow-moving goods.

10. **Try to not take a line of credit** – even if it is offered. We see so many people taking credit risks and then saying it is up to the agent to sell. But the agent doesn't do the marketing and you have to have marketing to get to the consumer and educate them about the product.

Use the strategy of "build it from the bottom" and in the future may be able to afford R70,000 for an advertising broadsheet.

ABOUT EBEN ESTERHUIZEN

Eben has over 20 years retail, pharma & FMCG experience in South Africa. He understands consumer & shopper behaviour patterns, and is an expert in CE. Eben is passionate about delivering bottom line success for brands in retail. A champion for innovation, as General Manager at The Pharma Group, Eben is continually developing both himself and his team to deliver excellence in the marketplace.

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