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Christophe Van Damme, vice president and general manager of Perrigo Belgium and Luxembourg, shines a light on the transformation for Perrigo since its acquisition of Omega Pharma in 2015. Van Damme also explains Perrigo’s strategy for growth, the impact, opportunities, and challenges of the COVID-19 crisis, and how the self-care company differentiates itself within the consumer health industry.

Can you introduce yourself to our international readers?

I began my pharmaceutical industry career 15 years ago, with my experience divided equally between the prescription (Rx) and over the counter (OTC) business. I began in the traditional way, starting as a sales rep visiting healthcare professionals. Then I moved to marketing, holding different functions, going from brand manager to marketing director.

Late in 2013 I joined Omega Pharma, where I was responsible for marketing cough, cold and allergy brands throughout Europe, before being appointed vice president and head of marketing after the acquisition by Perrigo Company in 2015. On 1 January 2020, I was promoted to my current position of vice president and general manager for Belgium and Luxembourg.

In 2015, Perrigo acquired Omega Pharma for around USD 3.8 billion, creating a "Top Five Global OTC Company" and allowing Perrigo new access to Omega's well-established European networks. What has changed under the US company since 2015?

While founded in the US, Perrigo is now headquartered in Dublin, Ireland. Given Perrigo's global footprint in 2015, it made sense to acquire a European company that offered immediate access to all the pharmacies in Europe. Omega Pharma's entrepreneurial mindset, which is still in our DNA today, was also an important factor. This mindset is what made Omega Pharma successful in the first place.

We have preserved this entrepreneurial mindset in the Consumer Self-Care International (CSCI) team while adding more structure and stronger financial rigour. As the CSCI segment, we are now much more focused than we were in the past, remaining quick and agile but with a greater emphasis on evidence-based decision making, always beginning and ending with the consumer. In essence, we went from a buy and build company to a company with a clear focus on organic growth.

How do you see the future for the company in Europe?

In phase one, 2015-2019, CSCI made continual investments into developing our core business. We set our strategic operating model to enable profitable growth driven by three key pillars. First, we developed a core brand strategy for each of our brands and developed consumer-centric marketing. Secondly, we focused much more on consumer-centric innovation and regulatory excellence. Finally, we enabled superior channel execution, both online and offline.

Every day we are sharpening our portfolio and, looking at our major brands across Europe, nine out of eleven are growing today. These include nicotine replacement therapy product NiQuitin and cough and cold brand Coldrex. Our strategy is clearly paying off in Europe, with year-on-year growth and a healthier bottom line in our profit and loss accounts.

Looking forward to phase two, we for sure want to continue to grow this healthy core, but with a greater leveraging of synergies, like with Perrigo's new oral care business established through the acquisition of Michigan-based Ranir in late 2019. We in CSCI are investigating how we can bring this new oral care portfolio successfully into Europe. Phase two is more focused on synergies and I am confident that such a strategy will deliver the numbers we need.

What effect has COVID-19 had on your long-term strategy, and how have you adjusted?

While we continue to execute according to our original 2020 plan, we are responding to changing consumer needs during COVID-19. We have seen a shift in the consumption of brands and categories. To illustrate this with an example, we are observing an increased demand for products to boost immunity, which is having a positive impact on our vitamins, minerals, and supplements (VMS) brand Davitamon. We also have further acceleration in our sales of Physiomer, a pure seawater-based spray to maintain nose health. Similarly, Dermalex, which protects dry hands, has seen a clear positive impact.

Perrigo is well-positioned to handle many changes during COVID-19 and has allowed us opportunities to highlight how our products can make a difference. For example, when we saw

healthcare professionals and consumers suffering from dry hands due to frequent use of alcohol gels, we were able to quickly develop a digital campaign on Dermalex to combat dry hands and help alleviate this problem.

I predict that some of the changes in consumer preferences will remain after the pandemic ends. Therefore, we as an organisation need to be ready for the shape of this "new normal." We see two major opportunities at the horizon. First, we are seeing evolved needs driving shifts in demand: more towards self-care and prevention, premiumisation (trading up) and at the same time also trading down opportunities via value offers and different pack sizing. Second, we also witness an accelerated adoption of already ongoing trends: switch to e-commerce and B2C, where Perrigo intends to further step up consumer experience, technology adoption (such as e-appointments with Belgian doctors) and conscious consumption where consumers go back to purpose-driven, sustainable brands. As leaders within the Perrigo group, we are making sure the company is ready to adapt our offering and services to this new normal to further nourish profitable sustainable growth.

OTC medicines are better viewed today under the concept of "self-care". What does self-care mean in a European country like Belgium?

Back in 2018 our CEO Murray Kessler launched Perrigo's self-care vision, which we see as a continuum. On one side of this continuum, self-care means healthy living, including lifestyle and self-managed ailments. This is where the individual is responsible for pure self-care. In the centre, it refers to minor ailments and longer-term conditions, where we focus on the shared responsibility between consumers and healthcare professionals. On the other side, self-care can mean hospital care and those patients with life-threatening diseases which require clear professional responsibility. Perrigo is focusing on pure self-care and shared care.

Since the very beginning, we have been instilling this new vision into all our stakeholders and partners and attempt to live up to it each and every day. We also communicate this every time we meet with a stakeholder. Consequently, it is ingrained in our daily communication. We don't just talk the talk, but try to walk the walk in all of our actions and activities.

Some big pharma firms also have very dynamic consumer health products that complement their prescription-based ones. How can a player like Perrigo differentiate itself in the consumer health market?

Perrigo focuses on making a difference at the point of sale, assisting the pharmacists in-store because this is still the place where the truth lies. One of the key differences for Perrigo is that the pharmacy is still a central touchpoint in the self-care journey of the consumer since they are uniquely positioned to have direct contact with the patient/consumer. Thus, the pharmacist plays a pivotal role and we try to assist them every single day.

We do this by ensuring that the pharmacist can provide the right assortment of products and have the correct visibility of these products in order to be sold. We also provide pharmacists with all the necessary information so that they can offer the best recommendation to the consumer. And we try to do this with excellence. This is where Perrigo stands apart from the competition.

What can an industry professional in Europe gain from working in the OTC sector?

I viewed moving from the prescription (Rx) world to the OTC world as an unexpected opportunity. In fact, that was one of my reasons to move: I am a hungry wolf and I get my motivation out of new unexpected challenges helping me grow, which is why I decided to jump in at the deep end. I have never regretted my decision since that decision further enriched my healthcare and self-care experience.

One of the big differences between both worlds is that OTC allows a direct connection with the end consumer in order to make their lives as easy as possible. This is not only in the Quality, Affordable Self-Care Products Perrigo offers but also in the clarity of our communication with end-consumers, going from advertising to packaging, one of the most underestimated communication tools.

To give one example of how we try to make the life of our consumer as easy as possible is the launch of the cough brand BronchoStop. The traditional cough market in Europe was split between dry cough products or chesty cough products. However, research shows that seven out of ten consumers do not know which type of cough they have and as a result end up with the wrong cough product. This is why Perrigo launched BronchoStop, to relieve any cough, both dry and chesty cough. Thanks to the success of this any cough product, which was a real market disrupter at that time, our big competitors began to follow suit.

Another big difference is the speed of going to market. One can develop and launch a brand new product including online and offline advertising in only six months, which requires a real Fast Moving Consumer Goods (FMCG) mindset with a big *â??Fâ??*. This is impossible in the Rx segment.

In fact, Perrigo in Europe is a kind of professional start-up with a flat organisational structure. We like to challenge conventions, we like to challenge big brands *â??* which is exactly what we did when launching BronchoStop. You need a certain DNA to work for Perrigo. You have to be willing to take risks, to create your own ideas and to have the perseverance to make things work. We like to perform with excellence, we like to finish and win. And in this context, it is OK to make mistakes, which are nothing more than a learning opportunity for future growth.

At Perrigo, you can still make an impact. We do not have time for politics or lengthy processes. We would rather spend time with and invest in our people. We have the quality and professionalism of a big company, but we try to think in simple solutions like little start-up companies would do.

In terms of recruitment, we often look for go-getters with experience in FMCG because they possess the mindset that we need to further grow in our sector. It is often said within Perrigo's European business that we are the five Fs: *Fast* *â??* to think, act, and decide quickly, *Flat* *â??* in terms of our organisation, *Flexible*, *Fearless*, and *Fun*. If you possess these attributes, you will enjoy working at Perrigo.

Perrigo's European headquarters are based in Belgium. What do you see as the main advantages to the group of being based there and how has your company culture evolved?

Belgium was the beating heart of legacy Omega Pharma and serves as a major Perrigo site today. Naturally, we have evolved into a far more global company and we are now one network and are highly connected with our US North American Base of Operations and Ireland headquarters. Perrigo embraces the co-create mentality where everyone is encouraged to put ideas on the table. Specific buy-in meetings are organised at the corporate level, where ideas and brand plans are shared with the local countries, who can give feedback to further enrich the plans. Once the plans are signed off as a team, we then concentrate on making things happen, to make the life of our consumer easy. Through this co-create mentality, we operate like one large European community driving the

business, going for profitable sustainable growth.

Perrigo has seen a lot of management changes in recent years. How has the vision of your current CEO helped spur a company-wide transformation?

It is true that there have been a number of changes in the last few years at the top of the organisation. However, our CEO Murray Kessler came in with a clear goal in mind: restoring Perrigo's rich history of winning. When Murray took the reins, he was very honest and emphasised that this transformation journey would not happen overnight but instead would require two to three years to deliver results.

In my opinion, Murray has achieved two critical things so far. First, he broadened our frame of reference, introducing the self-care vision in 2018. This vision is *to make lives better by bringing Quality, Affordable, Self-Care Products that consumers trust everywhere they are sold*. This new self-care vision and consumer focus opened up our framework for future growth.

Secondly, he added another layer of consumer and customer-centricity to the organisation. His constant focus on consumers and customers inspires employees to go the extra mile.

Those two elements have been critical drivers of the successful transformation that we are undertaking. As a result, in 2019 Perrigo began to grow once again.

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