

Interview with Denisa Timkova, General Manager, Cegedim Hungary

31.10.2011

Tags:

[Cegedim Hungary](#)

Talking to Cegedim means talking to one of the experts in local market knowledge. Can you tell our readers from your point of view what really distinguishes Hungary from other pharmaceutical markets in the region?

I think key particularities are the many legal constraints. In July 2011, the law changed making Hungary the only country where the so-called sales representative (rep.) tax has to be paid to the government. This tax used to be HUF 5 million per rep. per year, which has now increased to HUF 10 million. Coupled with that is the fact that taxes have also increased from 12% to 20% since July. Putting all these elements together, we can say that it is very tough for the pharmaceutical companies present here.

Is the Hungarian market still attractive then?

This is a good question. The changes are recent and I think companies are hesitating, looking at the statistics and evaluating the different figures. We need to wait until next year to see the full effect. However, I cannot imagine that a country with such a central geostrategic location, in the centre of Europe, can exist without the presence of big pharmaceutical companies.

If a pharma company not yet present in Hungary wanted to enter this market, what space would you say you still see in the market?

It remains a country of 10 million inhabitants, so 10 million potential patients.

On a more personal note, we have noticed that you came into this market as a foreign manager, Slovak, with of course less experience in the local Hungarian market than a local manager could have. How challenging was it for you to start heading Cegedim Hungary in 2008? How was the learning curve for you?

It was very challenging for me. I had to organize my life very differently. I have to plan my time at least two weeks in advance, which is the only way to be a manager of two different subsidiaries (Slovakia and Hungary) while still having a personal life.

From a perspective of understanding the market, it was also very challenging. I knew some general facts about the Hungarian market, which I had learned from discussions with my colleagues but I was obviously more focused on the Slovak market. I started learning the Hungarian market from scratch, through networking.

Generally, there are more expatriates in Hungary than in Slovakia, which I attribute to the fact that there is less trust to the local people in Hungary. I think that a big part of the reason I was appointed

to Hungary was because I am not Hungarian.

Which priorities did you set yourself here when you first arrived?

First, I had to check the situation: sales, costs, profits, clients. I have to mention that not all our clients were satisfied so I focused as to how I could keep them in our portfolio. I then focused on costs. Meantime, I looked into HR and started conducting personal interviews. In 2008, we had 20 employees; today we have 10 with even more effectiveness.

It was challenging to keep the morale up. This is normal when a Slovak manager just appears and wants to do a lot of changes. I had to do the changes very progressively. It was very slow for me but seemed too fast for them!

Unfortunately, this summer we had to decrease the number of employees but this was mainly due to the global economic crisis.

When it comes to providing market data and CRM solution the 2 names Cegedim and IMS clearly jump out. In many markets, usually one or the other company dominates. How do you rate the competitive positioning that Cegedim has managed to take in Hungary?

In Hungary, I really do not feel that we compete with IMS. This may be due to the fact that we do not have the Cegedim Strategic Data department. We used to have it but we cancelled it in 2008 due to bad results in the previous year. I have been asked whether we should reopen it, but have reiterated my disapproval on this.

With IMS, we usually compete on the promo data, but we do not have promo data here in Hungary. Overall, I do not feel any competition. We are actually cooperating with IMS with a module in our CRM solutions where we can load IMS data. The client can compare and make an analysis using the competitive and sales data. From this, you can make very good analyses. This requires a three-party agreement, which shows that we can rather speak of normal business relations and collaboration than real competition.

What would you say have been the services that have been most in demand from your clients here in Hungary?

Our biggest strength is our database. I am very proud of our database because it has a long history and the unique concept of shared data has many positive sides. Clients can contribute to build it up. We have our own database department and I truly believe that our database is the best in the Hungarian market from a qualitative point of view.

Besides our database, we provide CRM solutions to our clients. On the Hungarian market, we now provide 2 solutions, one is TEAMS and the other is Mobile Intelligence (MI). TEAMS is an older solution and MI more recent, but both are very good and user-friendly. MI is a very complex and open system, while TEAMS is more closed and has more possibilities to be customized according to customer needs. The biggest difference is that MI is online, so once a representative enters information, his or her manager can receive it immediately. Whereas in TEAMS, the server is in Boulogne, France, so the representative sends the data to the server and during the night the data is integrated. The manager then receives the update the next morning.

MI can be customized to any extent you can imagine. TEAMS is a little more limited but we can still fulfill the needs of all our clients. We have core versions, but we can always offer additional modules when clients want to follow samples, meetings, seminars and customize the solutions exactly according to their needs.

When Focus Reports met Cegedim's Petru Craciun in Romania, he said that expanding is not always easy for service providers, as they require top-experts with local expertise. How do you go about recruiting and retaining the right people in Hungary?

I think it is very important to have a good agency. In Slovakia, I have a different situation because I know a lot of people. It is much harder in Hungary where I do not have friends from university, former colleagues, and so on. It took me two years to find a good agency but I am now very happy with the agency I am cooperating with, also in terms of trainings.

What is on top of your agenda to maximize Cegedim's potential in Hungary?

First of all, I hope that my activities in Hungary will not be stopped by the Hungarian government. Unfortunately, it has a very strong impact. My main priority is to have new clients and keep my current clients satisfied. And, of course, to be as profitable as possible.

What would be your final message that you would like to send out to the international business readers of Pharmaceutical Executive?

I believe that to succeed you need a good team. The people you work with are essential to achieve good results.

[See more interviews](#)
