

Case Study

Pfizer



Country:

New Zealand

Industry:

Healthcare, Pharmaceutical

B2BE Solutions:

Custom Development



Business Objective

Pharmaceutical company Pfizer New Zealand wanted to streamline its order-taking by providing small to medium customers that couldn't afford EDI with a way to electronically order its products.



Business Benefits

With a system that turns online orders into EDI messages, Pfizer is able to expand its base of smaller customers without having to add customer service staff. The two way system also allows customers to see their order status online, rather than having to contact customer service by phone or fax.

The Company

Pharmaceutical company Pfizer has implemented a web-based ordering system, B2BE's e-Cat™, that extends the benefits of e-commerce to customers too small to justify full-blown EDI...

Pharmaceutical company Pfizer New Zealand has found an e-commerce cure-all – a system for extending electronic ordering to all customers – not just to those that can afford a fully integrated EDI system.

While the Auckland-based company's largest handful of customers already do business with them via electronic data interchange, or EDI, it has hundreds of others such as veterinarians, medical wholesalers and DHB's, that still rely on the phone and fax for placing and tracking orders.

With business-to-business messaging specialist B2BE (then called The ECN Group in New Zealand), Pfizer's EDI service provider, they found a way to bring their small and medium sized customers into the e-commerce world.

The e-commerce solution is e-Cat™, which enables customers to order Pfizer products via a B2BE hosted web portal, that translates orders into EDI messages that end up in Pfizer's ERP system.

"It's like a business-to-business shopping cart on steroids, as it has specific rules for different customers, which are defined by Pfizer," says Michelle Newsome, an e-commerce specialist at B2BE. Depending on which of Pfizer's three customer types they fall into— animal health, pharmaceutical or Capsugel (the world's leading supplier of capsules for pharmaceutical and dietary supplement products) — different product catalogues, minimum order quantities and prices apply, all of which can be set for individual users.





Doug Cowie, Pfizer's client partner and service delivery manager, says e-Cat™ is a pragmatic answer for "those whose systems are not sophisticated enough to compete in the e-commerce world".

For Pfizer, it means a reduction in the number of orders that have to be manually entered into its back-end system. Ultimately, as phoned and faxed orders dry up, that will allow staff to be proactive in their interactions with customers.

It will also mean that as the company's customer base expands, through the acquisition in June 2009 of Fort Dodge and Wyeth, makers of animal health, pharmaceutical, nutritional and consumer products, the more efficient order-taking should save it having to take on additional staff.

"e-Cat™ provides a nice front-end to EDI for people who don't have it and can't afford it"

Doug Cowie, Pfizer Client Partner and Service Delivery Manager.

A customer survey Pfizer carried out last year suggests e-Cat™ will be popular. Half said they would take up the online ordering option, and half of those indicated they would do so immediately.

By the middle of this year, and a couple of months after going live, 35 customers had begun using it, and Pfizer was gradually pitching it to a further 150-plus potential users.

"What we're doing is going out and saying to the rest of our customers that this is available now," Cowie says. "We're actively targeting groups of 15 or 20 at a time because it's good to carefully manage getting our customers on board especially in terms of having an administrator set up accounts and making sure users are configured correctly."

With no cost to customers for use of the portal, it's difficult to see any barrier to its uptake. The portal is designed with templates that allow repeat orders to be quickly made. And information goes two ways so they can see their order status and Invoice details.

B2BE was happy to add a further feature, the ability to see the availability of items on back order, after a handful of customers who took part in an initial pilot said that would be useful.

Jo Ross, operations manager of Ecopharm, says the system has made the ordering of products her business supplies to piggeries nation-wide more efficient and accurate.

"Once I've put orders through and the system has confirmed them, then it's all done and dusted," Ross says. She is having to spend less time communicating with Pfizer, yet has gained more control over the ordering process.

The one objection customers could have is that orders entered online don't automatically end up in their own back-end system, Cowie says. The answer is that the portal allows a customer to export orders as a data file for importing or copying and pasting into whatever system they use. This is useful for both order confirmation and order receipting functions.

But if they are after a more seamless solution, stumping up for EDI is the only answer.

“We’d encourage them to do that and we’d meet some of the cost,” says Cowie.

Perhaps Pfizer’s biggest gain from the portal won’t be how it changes small customers’ ordering behaviour, but a potential reduction in customer service contact with existing EDI users.

“e-Cat™ is all-encompassing in that even if a customer doesn’t enter an order through the system, they can still track its status,” Cowie says. “This is important because some of the big wholesale customers we have had on EDI for six years were still having to ring and check order status, or availability of products on back order.

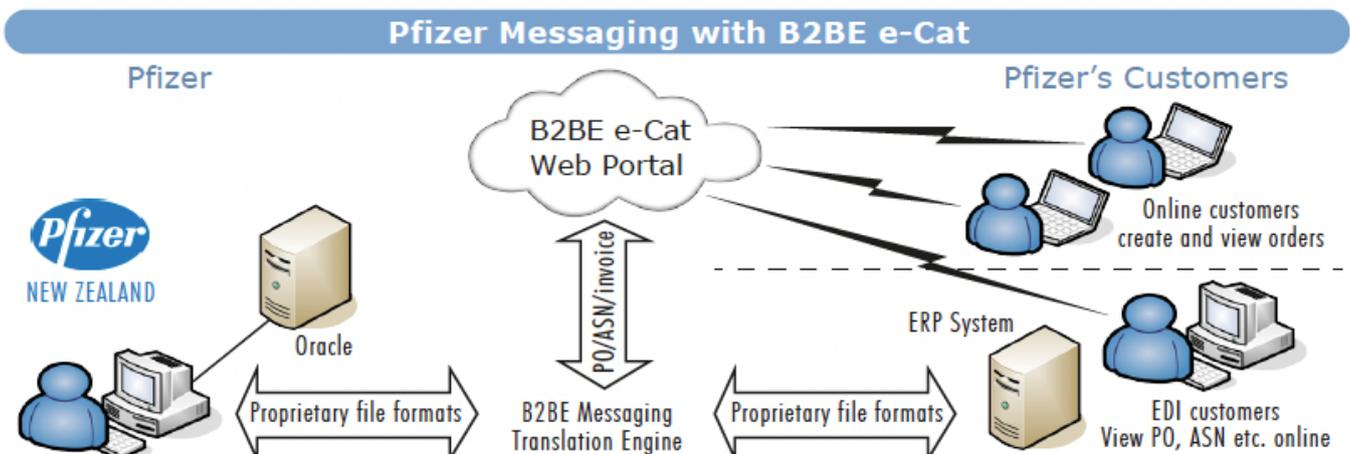
“We’ll be going back to those EDI customers and telling them we’ve got this ability now, so it’s pretty much self-service. They don’t need to ring our customer service people to check on orders.”

As the company begins dealing with new customers resulting from last year’s acquisitions, it is considering the option of making use of the portal as the preferred way of interacting with specific customers in certain sales channels.

“Some of those customers are so small we’re investigating whether we say the only way they can deal with us is online, rather than through our customer service department, so we don’t have to take on more staff to accommodate this new sales channel.”

Even relatively soon after the portal’s implementation, Pfizer is hailing the project a success.

“It provides a nice front-end to EDI for people who don’t have it and can’t afford it,” Cowie says. e-Cat™ allows all their customers to enjoy the benefits of low-cost e-commerce.



About B2BE

B2BE delivers electronic supply chain solutions globally allowing organisations to better manage their supply chain processes, providing greater levels of visibility, auditability and control. With over 20+ years of experience, the B2BE teams operate in over 20 countries and regions and speak 17 different languages. We are trusted by over 6000+ customers with more than +58,000 trading relationships.

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