Unit 3 Group Project

MKT660 – International Marketing

**Abstract**

The paper presented here discusses firstly in short about the disease of diabetes and its consistencies and then about Abbott Laboratories and its product to measure the insulin and glucose level at the same time. The devise is designed to measure both at the same time and inform to cure the disease. Then just like after every new product launch, there is a study of the potential market for that, the discussion involves the global situation of diabetes with parts of the world mostly affected by it. And then the most potential market is selected for the product to be launched.

**Global Strategy**

**Introduction**

As the technology plays much more crucial role in our day-today life making it simpler it also involves in fulfilling very tiny needs or jobs restricting the amount of physical efforts to do them. This has made the lifestyle of the people very smooth and easygoing. But at the same time, it has also brought diseases associated with the lack of physical activities to an early age, which earlier used to happen in old age only. One such disease is diabetes which occurs with the increased amount of sugar in blood. With the technology advancement in the field of medical science, there are devices such as glucose meter and insulin pump which are helpful in measuring the sugar level and taking precautions. Abbott Laboratories is bringing up a new product which will help in controlling diabetes.

**Background of Chosen International Company**

Abbott Laboratories is a USA based company which was founded by Dr. Wallace C. Abbott about 120 years ago who was a practicing physician at that time. He did some experiments with the active part of a medical plant to form tiny polls which were named 'dosimetric granules'. These became effective to his patients and were soon in demand. This marked the beginning of a very well known US based company of todays, Abbott Laboratories. The company is a global, broad-based health care company, which is involved in discovering new medicines and new technologies in the field of medical science.
The company's product range spreads from nutritional products to laboratory diagnostics through medical devices and pharmaceutical therapies addressing the health requirements of people from all the age-groups. Abbott has its units for sales, manufacturing, research and development and distribution processes in many parts of the world. This makes them reach more and more customers globally. The company is committed to provide more and more healthcare facilities in all the medical fields and to extend itself to humanitarian causes (Abbott Laboratories, 2011).

**Background of Chosen Product**

To diagnose the diabetes, there are insulin pumps and glucose meters. Insulin pumps are computerized devices that inject insulin continuously to the patients suffering from diabetes. Glucose monitors are also small sized computerized devices which help in monitoring where the glucose level is heading inside the blood of a patient.
Abbott Laboratories has come up with a new product which has insulin pump, glucose meter and a dose calculator in a single device. This is called 'FreeStyle Navigator' which is a continuous Glucose monitoring system for the people with diabetes. It is designed to separately and continuously measure glucose levels with the help of a sensor in the backside of the upper arm or abdomen. It provides information about the change in sugar levels with every changing minute. The information can inspire to take tighter glucose ranges. To apply therapy after the information from the FreeStyle Navigator System is taken, it is necessary to first go through the blood glucose tests.

**Criteria Used to Select This Country & Product**

There have been immense research and development in the pharmaceutical companies of USA. Especially, in case of diseases spreading in old ages or even in young ages because of the absence of physical activities, much of the research done is in the US. Now there have been devices helping in not only diagnose of the disease but also to get informed about the prior precautions to be taken for care.
The accuracy, safety and efficacy of the Freestyle Navigator System have been demonstrated in front of many doctors and experts from medical field in separate clinical trials which include tests done on patients with both type 1 and type 2 kind of diabetes. First the study is done on five-day basis in clinic and then done by patients themselves at home (Burdic & Peter, 2004).
The five-day clinic study is conducted to test how accurate is the system when gone through tests in 54 subjects ranging from the age 18 years to 64 years. The study took five days to demonstrate the accuracy of the system. When the readings of Freestyle Navigator Continuous Glucose Monitoring System were compared with the readings of references from a government laboratory, the measurements, which were in most accurate zone, were 98.4%.
In the case of home-use study, the study was done on safety and efficiency of the System on 123 people with type 1 and 2, diabetes with sensor on the back of their upper arm or abdomen. It took 40 days of observation and continuous glucose values were not visible in the initial days of study but became visible in the latter half of the study. The demonstration showed that around 96.4 % of values were in the most accurate zones. The participants with type 2 diabetes using a Freestyle Navigator System were seen spending less time in hyperglycemic state.
Therefore, after going through these tests, the Freestyle Navigator System has been proved accurate in its measurements and has allowed the patients to take either correct treatment decisions or no treatment decisions. Therefore, the product's need and value as a very high quality insulin and glucose testing product has been proved (Abbott Diabetes Care, 2011).

**Compare & Contrast Other Markets to Consider Entering**

The disease of diabetes has deepened its roots worldwide in the past two decades. As of the World Health Organization's report, in the year 2000, there have been some facts and figures related to diabetes: The number of diabetes patients worldwide was 171 million.
The number of deaths occurring due to diabetes every year is around 3.2 million, which makes it six people every minute.
Most affected parts of the world are from developed countries of America and Europe.
In the fast developing countries such as India and China there is an increasing trend.
The top 10 countries include India, China, USA, Indonesia, Japan, Pakistan, Russia, Brazil, Italy and Bangladesh.
The health-care costs of diabetes range from 2.5% to 15% of the annual health-care budgets depending on the prevalence’s levels which the countries have.
It is estimated that the pace at which diabetes is spreading currently, by 2030 the number of patients might reach up to 366 million.

**Best Country to Market Product In**

The Europe and the Asia especially the South Asia are the potential market for the products like Freestyle Navigator System. In these countries, there are huge number of citizens from both service and business class and who are in their middle or elder age. A huge section of these people is caught in the grip of diabetes. So, products like Abbott's Freestyle Navigator System can mark their huge presence in these countries where people usually skip many of their routine checkups due to lack of time (WHO, 2004).
As discussed above, diabetes is a disease which spreads due to the easy going lifestyle. It has spread its reach in the developed countries in the past two decades. But in the developing countries such as those of Asia, it is worsening the situations for the past one decade. Especially, in the fast developing countries such as India and China, its roots have become deeper than other parts of the world. In India, which is one of the few countries to have witness a higher rate of increase in diabetes, the number of patients suffering from diabetes have increased from 19 million in 1995 to around 40 million in 2007. This makes it as some scholars believe the 'diabetes capital of the world'. Hence, the market having most of the potential for the devices used to cure diabetes is South Asia specially India (WHO, 2007).

**Conclusion**

 So, looking at the scene which is present globally related to diabetes, it can be assumed that the product globally will become a success. And in the fast developing parts of the world, such as the South Asian countries where people from both the upper and the upper-middle class have compromised their health in the processing of acquiring prosperous life and who do not have the time for regular checkups, this dual purpose device measuring both insulin and sugar level at the same time will definitely reach the masses.

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