Frost & Sullivan: Appropriate Channel Partners Vital in the Highly Fragmented Medical Devices Distribution Market in VITSK

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SINGAPORE, Dec. 10, 2012 /PRNewswire/ -- The medical devices distribution market in Vietnam, Indonesia, Thailand, and South Korea (VITSK) is highly fragmented, with 1428 distributors in Vietnam alone. This is due to the need for focused and specialized expertise to distribute highly diversified medical devices in different therapeutic areas and the peculiar nature of the medical devices distribution landscape.

New analysis from Frost & Sullivan (http://www.healthcare.frost.com [1]), Medical Devices Distributor Profiling in Vietnam, Indonesia, Thailand and South Korea, finds that original equipment manufacturers (OEMs) should form partnerships after a careful analysis of the complete profile of each distributor, which includes product focus areas, SWOT, geographic and customer coverage, and financial health. It is also important to carefully analyze the competitive landscape and segmentation of distributors.

"The unique medical devices distribution ecosystem comprises smaller, provincial or local, and family-owned distributors," said Frost & Sullivan Research Analyst Nitin Dixit. "Most of these distributors are not managed and operated as professional channel partners and lack professional sales and marketing skills, customer support, and technology."

While the medical device market is highly attractive to foreign manufacturers, they have to be careful while selecting a partner, because distributor selection is critical. They will be hard pressed to home in on a channel partner that best matches their product portfolio and market plans.

The cultural and linguistic differences put up further barriers to the adoption of a channel partner. Therefore, a trustworthy local agency has to be commissioned for conducting due diligence.

Hospitals buy medical devices by issuing tenders and group purchase orders. Therefore, it is essential for device manufacturers to partner wi
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