

CEO

CORPORATE DOSSIER

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SIX MONTHS AGO, on a flight to Jakarta, Sanjiv Bajaj got talking with an Indonesian lady sitting next to him and eventually handed her his visiting card, to which she exclaimed, "Ah, so you're like Bajaj." When the executive

director of Bajaj Auto informed her he was not just "like Bajaj" (that's how Indonesians pronounce Bajaj) but actually one of THE Bajaj that owned the brand name, the lady was understandably incredulous. After all, Bajaj three-wheelers have been sputtering around Jakarta's

streets for 25 years now and are considered to be a part of Indonesian heritage. They performed especially well in the recent floods when Jakarta's streets were knee deep in water, and the rickshaw drivers were reported to be very happy.

Bajaj Auto was obliged to shut down its operations in Indonesia for a while due to a change in government policy, but it's now making a comeback. Luckily, the well-heeled in Indonesia see Bajaj as a "very durable brand", simply because its products have managed to endure for so long.

Not every company that's eyeing business in foreign markets has the good fortune of a legacy like Bajaj. Take the case of Wipro Technologies. When it first forayed into Japan in 1995, the company found the going very tough. "However excellent your product, if you don't speak Japanese, you cannot succeed there," says Hari Bhat of Wipro Japan, whose wife is Japanese (though she now has an Indian name, Yashoda). At its learning centre in Chennai, Wipro has a

Shimpo programme, which trains batches of 30 software engineers intensively on cultural aspects like Japanese traditions and language, social conduct, business etiquette, and even the nightlife. Today there are 250 trained Indians working in Wipro Japan and an additional 100 in India working on Japanese projects.

As they expand to do business abroad, Indian companies are realising that there's more to it than getting the

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business model right. Cultural issues have an equally important role to play in shaping the country strategies of these global Indian companies.

And the challenges are different for each sector. In the highly regulated pharma business, getting access to a foreign market means legal

and administrative hassles and reams of paperwork. And the Latin American countries come out tops on this count. Chandan Purohit heads the international ops of the Ahmedabad-based Claris Life Sciences, which is present in 18 key Latin American markets, and says, "Getting entry into these markets is difficult. It takes a lot of time to register pharma products, sometimes up to two years. In comparison, the same process in African countries takes just about six months."

Purohit spent a year and half working out of Sao Paulo, Brazil, and was up against formidable competition from German and American pharma companies. Now, four years later, the company is well entrenched and its ciprofloxacin (generic drug name) brand Cipropine is the market leader in Brazil. There were other payoffs as well — the great beaches of Rio de Janeiro were just an hour's drive away, so weekends were equally busy. "It was one of the best experiences of my life," grins Purohit.

Some businesses are so well entrenched that Indian companies bringing in new



Sanjiv Bajaj, N Chandrasekaran, Pramod Chaudhari, Chandan Purohit

When the Pune-based Praj Industries went to Colombia, it had a hard time making the initial breakthrough. Vice-president Vikram Pandit, who led the company's operations out of Cali, in the sugarcane-rich Cauca Valley, says clients were not convinced about Praj's new sugar-based fuel ethanol extraction process and had to be flown down to Praj's Kolhapur plant for a first-hand look.

Next, the company roped in a Colombian lady married to a Praj employee living in Pune to help set up a culture training system. Says Pramod Chaudhari, chairman, Praj Industries, "We prepared our business model, including learning to speak the language and training internal

We have not only created a brand for Praj, but have also created a brand for Indian engineering goods."

Many developing nations, especially in Africa, south-east Asia and Latin America, suffer from problems similar to India. In Nigeria, for instance, the public transport system is woefully inadequate, and moto-

taxis, along with buses, are a key mode of travel. So Bajaj motorbikes are modified by adding longer seats and made more durable by using metal parts. Some regions in Nigeria follow Islamic laws, and women are prohibited from riding two-wheelers, making the Bajaj three-wheeler a perfect alternative. What initially made matters easier for Bajaj was that the two-wheeler

quality Chinese products.

In stark contrast, Indonesia, the third largest two wheeler market after China, has been dominated by the Japanese (with a 97% share). So here, Bajaj launched its top range motorcycle, the Pulsar. Indeed, the Pulsar has been quite a hit in many parts of the world where it has been launched. In Columbia,

it's a cult brand, with communities such as Pulsar clubs and races being organised around it. Those learnings are now being applied into the marketing of the brand in India, with a Yahoo e-group created around the Pulsar. "The Pulsar is so well-recognised in Columbia that when I pass through immigration at Bogota airport, and tell them I am from the company that makes the Pulsar (that's how it's pronounced in Columbia), they break into a smile and treat me like a king," says Sanjiv Bajaj.

Japan is considered among the toughest places to do business in, and is a market most Indian corporates haven't managed to break into. "The Japanese guard their core technologies closely," says Wipro's Bhat.

Trends