

WhitePaper



Ipsos Healthcare: Brand Positioning Framework



Ipsos Healthcare
The Healthcare Research Specialists

Why a Framework?

More than 30 years after Trout and Reis published their seminal work on positioning; this important concept has become a bedrock of marketing thinking across virtually all industries. Dedicated to the pursuit of blockbusters and wedded to the notion that physicians and medical practices are guided by purely rational decision-making, the pharmaceutical industry was relatively slow to embrace the positioning concept.

Today however, positioning as a discipline is now thoroughly entrenched in pharmaceutical marketing. Whatever resistance was once mounted against it in the golden past of pharmaceuticals, has since fallen by the wayside as companies seek to ward off generic competition, demonstrate value and enhance the impact of the sales force. Today, no responsible marketer can prepare his product for market without developing a clear and compelling positioning, ensuring that this positioning is achieved, and jealously guarding it against competitors in an evolving and increasingly challenging environment.

In recent years, a number of consulting companies have armed pharmaceutical marketers with rigorous structures for market analysis and strategy development. Strategy maps now delineate segments of opportunity and patient flows isolate leverage points where behavioural change efforts are best focused. Laddering and unmet needs analytic tools link functional attributes to higher order benefits, and environmental context frameworks ensure that due attention is paid to competitors, payers and regulatory influences. Whereas positioning was once the domain of creative agencies and might justifiably have been classified as "art", it is now a systematic discipline which blends creativity and analytics in a holistic approach. It is still a far cry from science but it now operates in a conceptual and process framework which ensures a comprehensive perspective, imposes internal consistency, and organises evidence in a rational fashion.

For the most part, the market research tools which support the positioning process have not undergone a similar systematisation. Very good market research tools and techniques exist to support distinct positioning tasks at specific time-points in the product lifecycle. These tools and techniques are incorporated in research studies, only a small minority of which will bear the explicit title, 'Positioning Research'. Yet we know that many, if not most of the studies we conduct in support of a brand - particularly in pre-launch - are utilised to help inform positioning decisions. While there is no need to spread confusion by stamping the label 'Positioning Study' on every project in the launch market research plan, acknowledging the contribution made to positioning by so many of the projects does raise an important issue. If all this research iteratively zeros in on and elaborates a positioning for the brand, should we not have a framework that helps ensure an efficient and comprehensive approach to conducting 'positioning' market research and organising the tools and techniques which are critical to this process?

Ipsos Healthcare has developed just such a framework. The **Brand Positioning Framework** identifies four fundamental tasks within the overall positioning process:

- Diagnosis
- Creation
- Realisation
- Monitoring

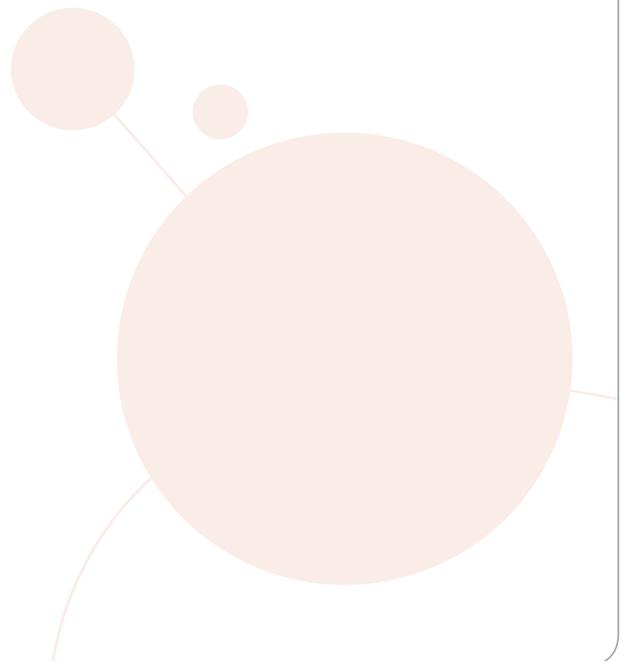
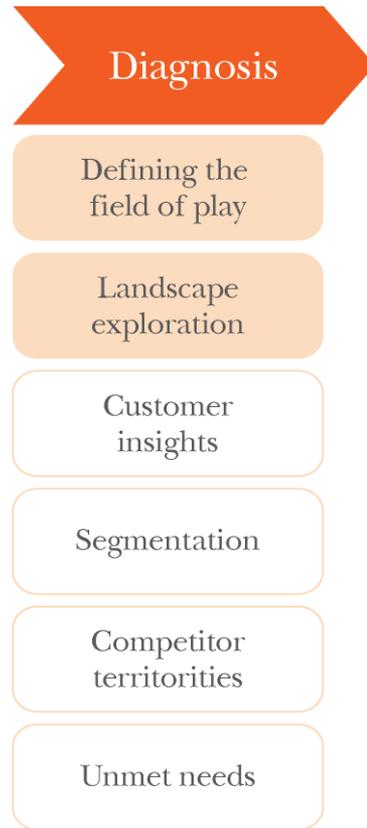
In developing a positioning for a brand, these four tasks are inescapable and highly integrated with one another. Each task demands that the brand manager make critical decisions and call upon particular market research methodologies and modes of thinking to support this decision-making. The sum total of these decisions results in a fully delineated positioning. The body of the market research conducted to support positioning creates a robust knowledge base, upon which the brand's potential can be optimised and its health effectively managed over time.

Diagnosis

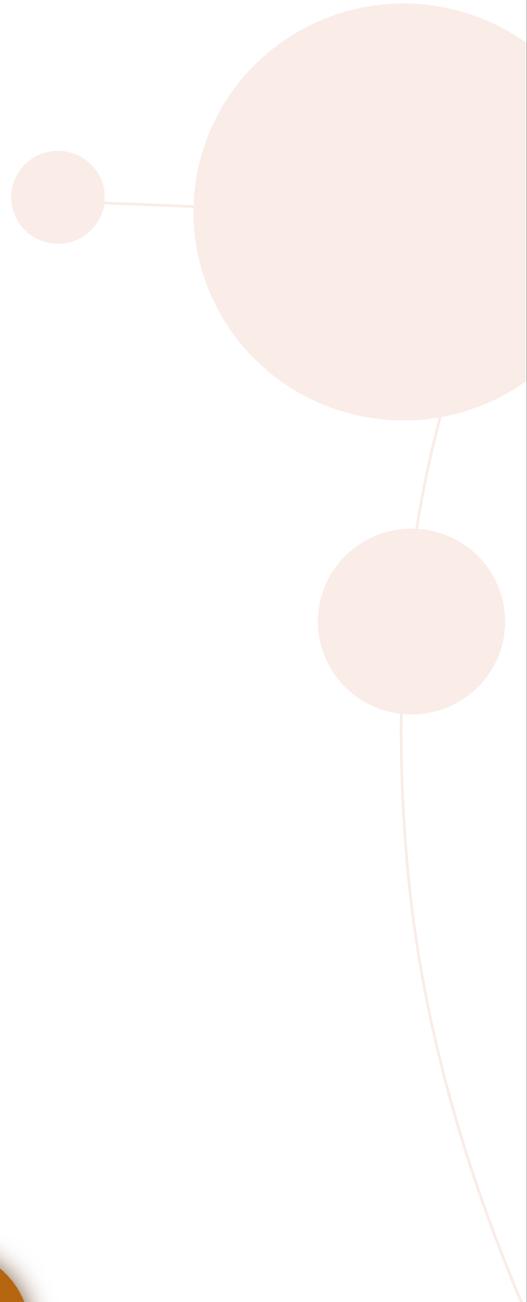
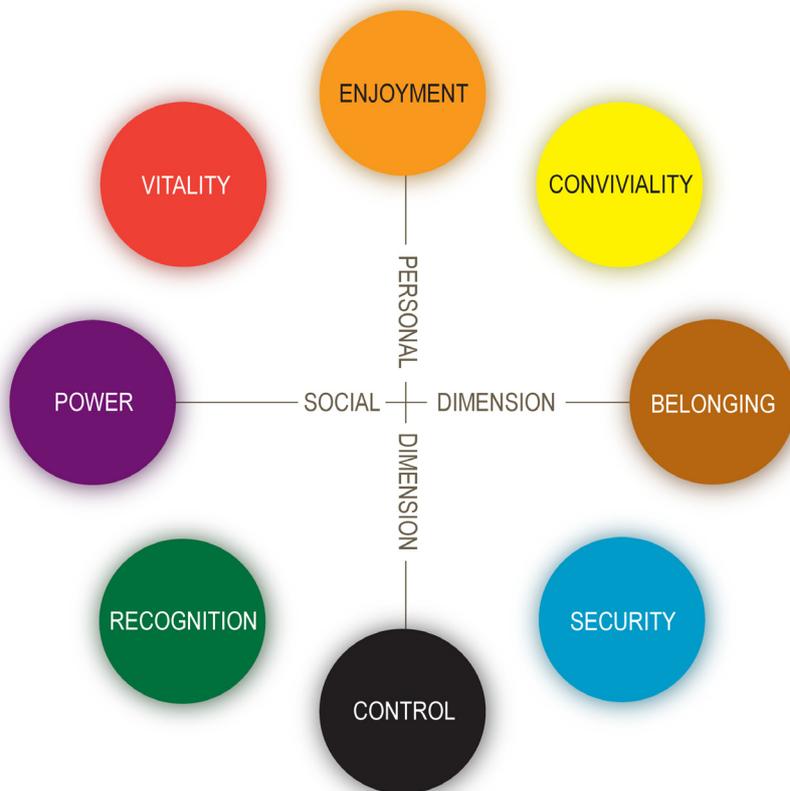
The first, and in some respects the most challenging, stage of brand positioning is defining and exploring the landscape upon which a positioning for a product or service is to be built. Within the **Brand Positioning Framework**, we call this task **“Diagnosis”**. At the core of diagnosis is a determination of where the opportunities in a market exist.

What makes isolating a market opportunity so challenging is the fact that the various facets of market opportunity assessment cannot be tackled individually. For example, understanding the competition and how your product measures up against it provides vital input for diagnosing the market, particularly if you are considering positioning against a targeted competitor. But the competitive set is in turn determined by the overall definition of the market. The competitive set may change yet again in certain segments of the market, each of which the analyst is free to define in a wide variety of ways: patient or treating physician type, stage of treatment, unmet need, payer type, and so on. Defining and characterising the field of play, its size and segments through an understanding of customers and competitors, and identifying intersections where your product can carve out a unique positioning is the fundamental goal of diagnosis.

One of the most useful tools for identifying and diagnosing positioning opportunities in the market is the patient record study. Patient record studies provide an in-depth, behavioural view of what is happening at the intersection of physician, patient and treatment. They contain a wealth of data on patient characteristics and treatment algorithms. As a result, patient record studies can be used to create robust patient based segmentations and forecasts, both of which are critical to effective diagnosis of positioning opportunities. Product profiles can also be presented to physicians in conjunction with actual patient profiles to gain real world insight into how physicians might naturally ‘position’ a new product in the market. Given the expense associated with their implementation, patient record studies are typically syndicated, but they are also done on an ad hoc basis. Those syndicated record studies which have been in place for multiple years, offer the additional benefit of providing trend data and insight into adoption patterns of previous market entries. Since the early 1990’s, **Ipsos Healthcare** has offered a family of patient record studies (**Therapy Monitors**) which have provided critical insight to countless positioning decisions.



Along with grasping the 'hard' components of positioning opportunities such as numbers of patients in any given segment, or potential sources of competitive business and prescriber profiles, it is important to understand the unmet needs and perceptual openings in the market. These openings are likely to be based on more than just functional attributes such as efficacy, safety, side effects, dosing and price. Often, positioning opportunities can be found in unstated needs which spring from deep-seated motivations and emotions. Teasing out these opportunities requires more qualitative approaches. Recent interest in ethnographic techniques such as **Ipsos' Life World** derives in part from a new-found appreciation of the role that observation of physicians and patients can play in generating new insights into unmet needs and opportunities to position pharmaceutical products and services. To the extent that positioning involves a 'battle for the mind', understanding the range of psychological factors which drive physician and consumer behaviour creates opportunities to associate a brand with a psychological motivator and thus gain positioning advantage. **Ipsos'** innovative qualitative approach called **Censydiam**, maps the motivational space within the mind of consumers - including that of the 'always rational' physician.

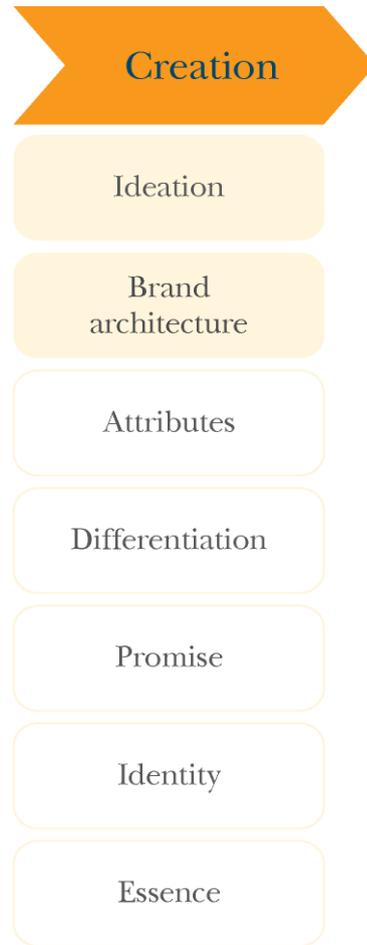


Creation

Once an opportunity in the market has been defined, the central task of positioning turns to developing the various elements which, together, define the brand and maximise its chance for success in the targeted market opportunity. These elements include the tangible attributes and features which characterise and differentiate the brand, the brand promise (which announces what the brand will do for the consumer), and the brand identity (a profile of personality traits which link the product with the target audience). All these elements are brought together into the brand essence, a statement which encapsulates the totality of the brand offering. A well known example from another industry is the brand essence of BMW, summed up in the tagline; "The ultimate driving machine."

This step is at once highly analytic and highly creative. In no other part of the positioning process is art and science so closely enmeshed, for, unlike products, brands must appeal to the heart as well as the mind. Attributes grounded in advanced science and clinical trials are linked to benefits which address emotional as well as clinical needs. A positioning based solely on functional attributes such as efficacy or safety may be powerful, but it will always be vulnerable to a competitor who arrives with better performance and data to prove it. A positioning which effectively incorporates a strong claim to a relevant and emotional 'hot button' in the customer is insulated from functional attribute based challenges from competitors.

By definition, '**Creation**' is a creative process, but this does not mean that it is solely the possession of ad agencies. Effective and efficient development of product positioning requires the input of multiple players from within and without the organisation. External stakeholders include patients, healthcare providers, payers and key opinion leaders. Internal stakeholders include: marketing, sales, clinical, health economics, regulatory and others. Increasingly, these disparate parties are being brought together through formal ideation processes in order to come up with positioning options for an array of products and services.

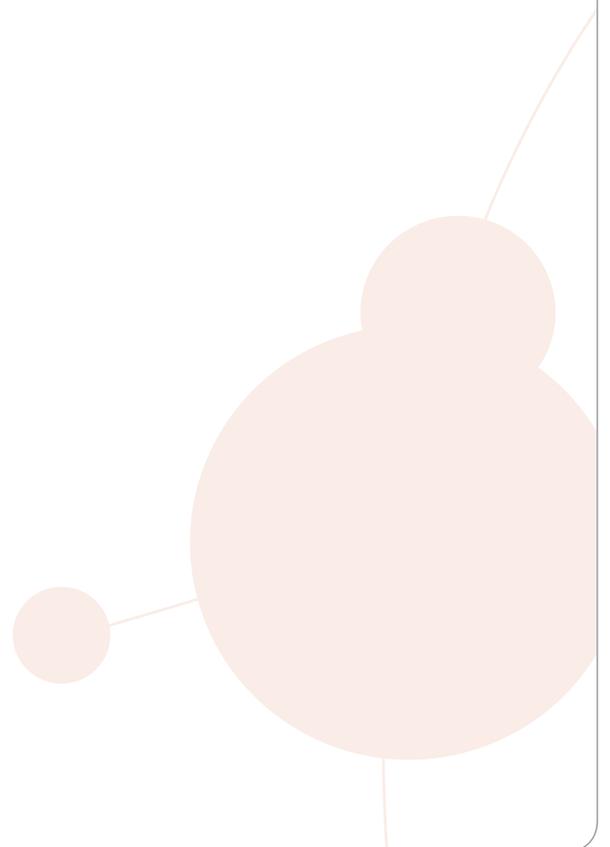


The market research function plays a critical role in these ideation processes. First of all, market research is responsible for ensuring that the perspective of external stakeholders is represented at the table. Individual KOLs, patient society representatives and others may sometimes be included in ideation, but the systematic representation of the external perspective is made possible by the efforts of market research. Secondly, the central engine of ideation, namely the coupling of divergent and convergent modes of thinking, is powered by market research insights and understanding. Divergent thinking refers to the creative act of generating as many ideas as possible. This process is critical, for we know that the surest way to come up with a great idea, for positioning or otherwise, is to generate a large number of ideas. Divergent thinking is powered by provocative insights and observations - the kind which comes from a deep understanding of the behaviours and thinking of external stakeholders, as well as the dynamics and impact of the environment in which they operate.

Once a large number of positioning options are created, the ideation process calls for convergent thinking whereby ideas are refined and evaluated to yield a reduced set of high quality positioning options. Again, the same deep understanding of the market, systematically delivered through market research, plays a critical role in the convergent thinking process. Knowledge of how stakeholders in the market think and behave provides the primary measure against which positioning options are refined and initially evaluated.

The role of market research in convergent thinking is probably better known than its role in divergent thinking. To the extent that market research is seen as the 'finder of warts,' it is not surprising that ad agencies and brand managers sometimes see research as the ugly handmaiden of convergent thinking. At **Ipsos Healthcare** however, we believe that the role of market research in nurturing divergent thinking is equally important. In fact, we believe that a market research, evidence-based approach to ideation will beat an unbounded 'creativity-based' approach every time. For this reason, **Ipsos** has developed its own ideation process for positioning option development which uses research insight to drive both divergent and convergent thinking.

The output of ideation is a set of positioning options expressed as statements. These positioning statements make explicit the key components of brand positioning: the target audience, the market/category definition, the brand promise, and reasons to believe which support that promise. While the positioning statement is an internal statement of strategy, it can, with some degree of translation, be tested in order to select among positioning alternatives or to refine components of a single positioning platform. Such an assessment can be done either qualitatively or quantitatively against a set of criteria which typically includes preference, likelihood of prescribing, credibility, differentiation and relevance. When the positioning assessment is done in a quantitative format, prescribing likelihood data is often utilised to update forecasting models. The challenge here is adjusting stated prescribing intent to real world prescribing. Using a database of analogues and validated analytics, **Ipsos Healthcare's** forecasting group is often called in to make these adjustments at what is often the last formal strategic forecasting opportunity prior to launch.



Realisation

All the work that is put into diagnosis and creation goes to waste unless the positioning is effectively communicated to the target audience. Development of this communication involves not only explicit messaging and selection of a brand name, but also all the visual elements which surround it. This includes all the branding components, such as logo, visual style, typeface, and colour. Here, positioning strategy gives way to the development of the stimuli which will generate the desired positioning in the mind of the target audience. While some research processes prefer to separate the verbal from the visual elements of communication, it is absolutely clear that in the real world, the two work together. Context and visual cues interact with explicit verbal messages to complete communication. Any robust approach to realisation will seek to optimise brand communication by creating mutually reinforcing ties between the verbal and visual.

Ipsos Healthcare's approach to realisation draws much of its inspiration from semiotics, the study of signs (semeions). Semiotics, which borrows from the disciplines of philosophy, linguistics and cultural anthropology, provides a framework for understanding how people construct meaning from signs and symbols - both visual and textual. As such, it provides a powerful window through which to analyse how communication is interpreted. In semiotics, context is essential. A sign in one setting may mean something very different from the same sign in another. Accordingly, a semiotic approach lends itself to assessment of communications in a holistic fashion, considering simultaneously verbal and visual elements, and even the environmental context and means of delivery of the communication. Whether the task at hand is to develop or evaluate logos, a journal ad or detail-aid, semiotics can provide deep insight into how the communication stimulus is being interpreted.

MindClouds is a companion technique which has been developed by **Ipsos** to explore the mental maps which audiences create about brands and to understand how these maps change in response to communications. This qualitative research technique starts by eliciting the thoughts and feelings a respondent associates with a brand. These are mapped into a network of associations; a **MindCloud**. The process is repeated for an advertisement or other piece of communication. The two **MindClouds** are then used to assess the response of the respondent to communication. Here, response is defined in terms of a shift in the mental landscape of the respondent. If positioning is the 'battle for the mind,' it is critical to know the lay of the land and how to manoeuvre on it.

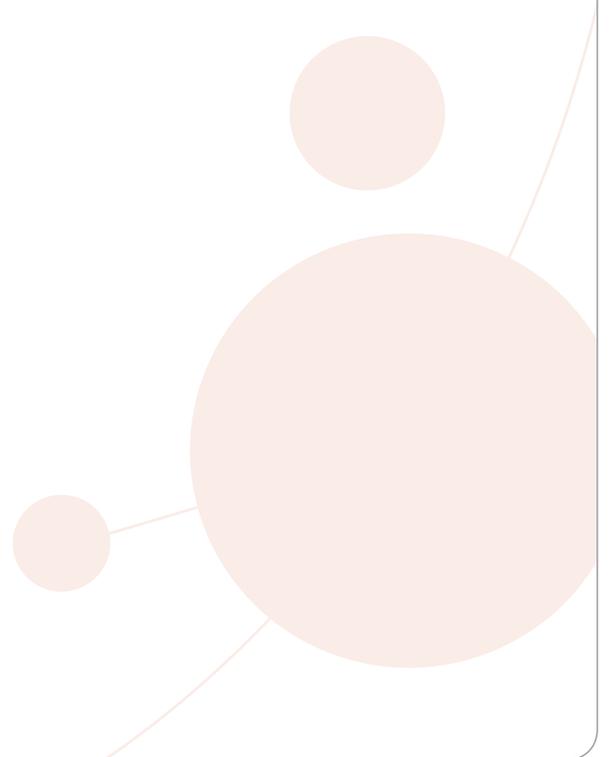


Monitoring

Up until this point, the brand positioning process has been about strategy and tactics. Now comes implementation. And with implementation comes the necessity of monitoring the health of the brand against key vital signs which measure success. These can be the traditional metrics associated with tracking studies: awareness, usage, promotional message recall and brand perceptions. Monitoring will of course also include prescriptions and, in markets like the US, formulary status. More broadly, monitoring will include the promotional inputs as well, such as detailing effort and sampling. Taken together, these metrics tell you whether or not you are achieving the desired positioning in the market. They should also help you diagnose why you might be off track, most importantly helping you determine whether you suffer from issues of implementation or of strategy. In so doing, these metrics should point you in the direction of possible solutions.

Prescription volume and share, as well as sales, ultimately define the commercial success of a brand. But these metrics tell us little about positioning. Sales success does not necessarily mean positioning success. Have sales been gained through prescribing to the targeted patient types? Is the brand sourcing business from the targeted competitors and at the right line of therapy? Do physicians think about the brand in the way they should? In the face of good share and sales performance, it is tempting to sweep negative answers to these questions under the rug. But they indicate potential issues in brand building which may cause problems in the future. Conversely, if sales are off, it does not necessarily follow that the brand strategy is wrong. The problem might be implementation.

One critical monitoring metric is attitudinal equity. By this we mean the gamut of associations and beliefs about a brand which are embedded in the physician's mind. The goal of brand building is to drive up positive attitudinal equity so that, when given a choice, the physician will prescribe your brand. We know, however, that there are many circumstances when the preferred choice will not be prescribed because barriers to prescribing exist. These might be formulary status, patient resistance, and so on. Among all the measures which are appropriate for tracking brand performance, the combination of attitudinal equity and barrier effects represents the most succinct and actionable summary of brand health. At **Ipsos**, we have developed **BrandVision**, a unique brand tracking system which combines these two elements of attitudinal equity and barrier effects. Armed with **BrandVision** insights, marketers can focus their efforts on reinforcing positive equities and addressing malleable barriers to prescribing.



Putting it all together

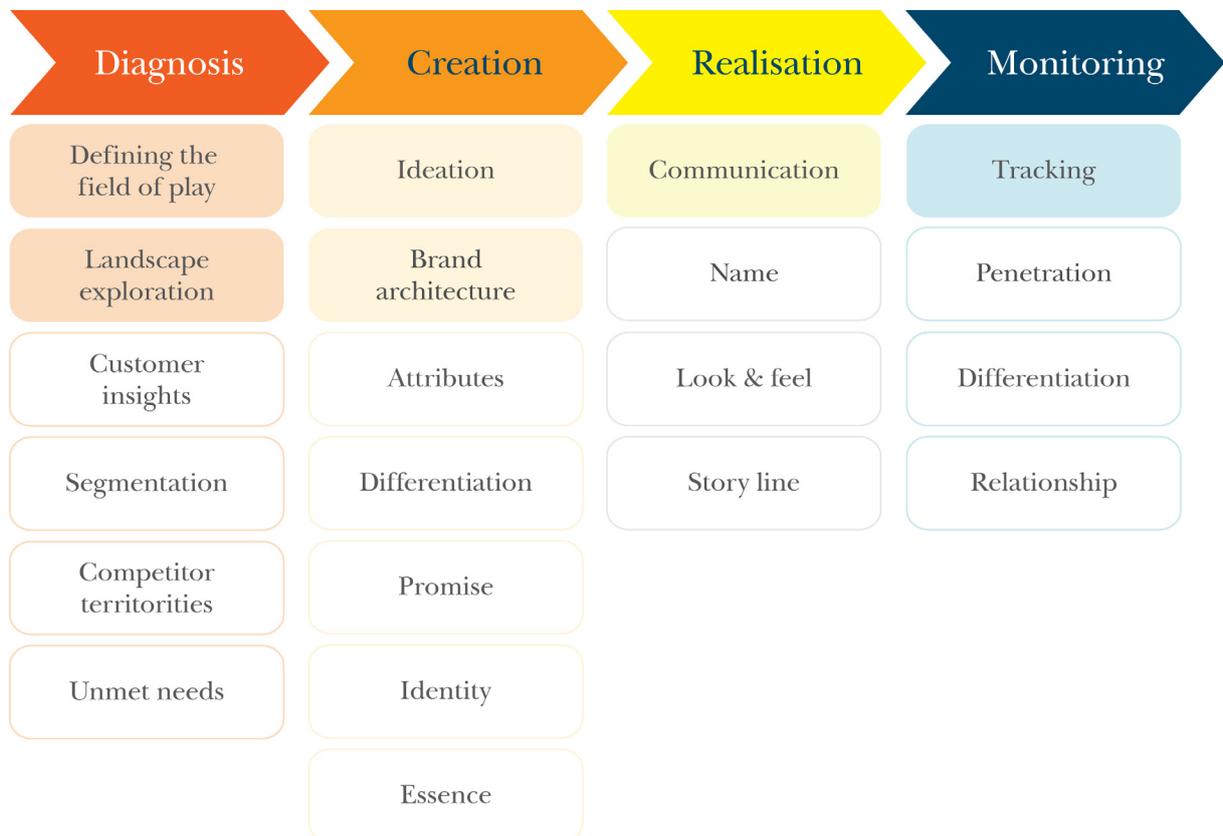
The concept of positioning is central to the development of strong brands. Theory and widely accepted practice exist to guide the brand manager in the process of integrating positioning into overall brand strategy.

The market research tools to support the development of brand positioning also exist, but they are rarely systematised into an interlocking whole which relentlessly drives evidence-based insight into:

1. Identifying positioning opportunities (**Diagnosis**),
2. Developing and assessing positioning options (**Creation**),
3. Producing effective communication and messaging (**Realisation**), and
4. Assessing and diagnosing success in achieving the desired positioning (**Monitoring**).

No brand manager would define a positioning strategy and then allow execution of an off-strategy sales and marketing plan. Nor would the brand manager allow the brand’s performance to be measured without reference to attainment of the desired positioning. Similarly, the market research manager must oversee a research program which is internally consistent and mutually reinforcing in building both strategic and tactical insights into positioning. This is the role of **Ipsos Healthcare’s Brand Positioning Framework**.

The complete Brand Positioning Framework



Contact

To learn more about how Ipsos Healthcare can help you with your Brand Positioning, please visit www.ipsoshealthcare.com

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About Ipsos Healthcare

Ipsos Healthcare is a global business division focusing on research in the pharmaceutical, bio-tech, and medical device markets. It is also the leading provider of global syndicated therapy monitor data. Operating in over 40 countries, the team of 600 pharmaceutical market research experts, marketers and client-side brand-builders focus on delivering outcome-oriented research for its clients. Drawing from a broad range of qualitative and quantitative techniques, Ipsos Healthcare offers custom and syndicated research programmes to evaluate motivations, experiences, interactions and influence of stakeholders forming the multi-customer markets which increasingly drive business success in the healthcare industry.



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