



BRAND

GfK Healthcare

Successful Brand Management in the Pharmaceutical Market



The original meaning of branding

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Branding

- defines territories
- creates identity
- adds distinction

Branding in consumer markets

Successful brands have created distinctive identities which are generating brand specific associations in the mind of the consumers



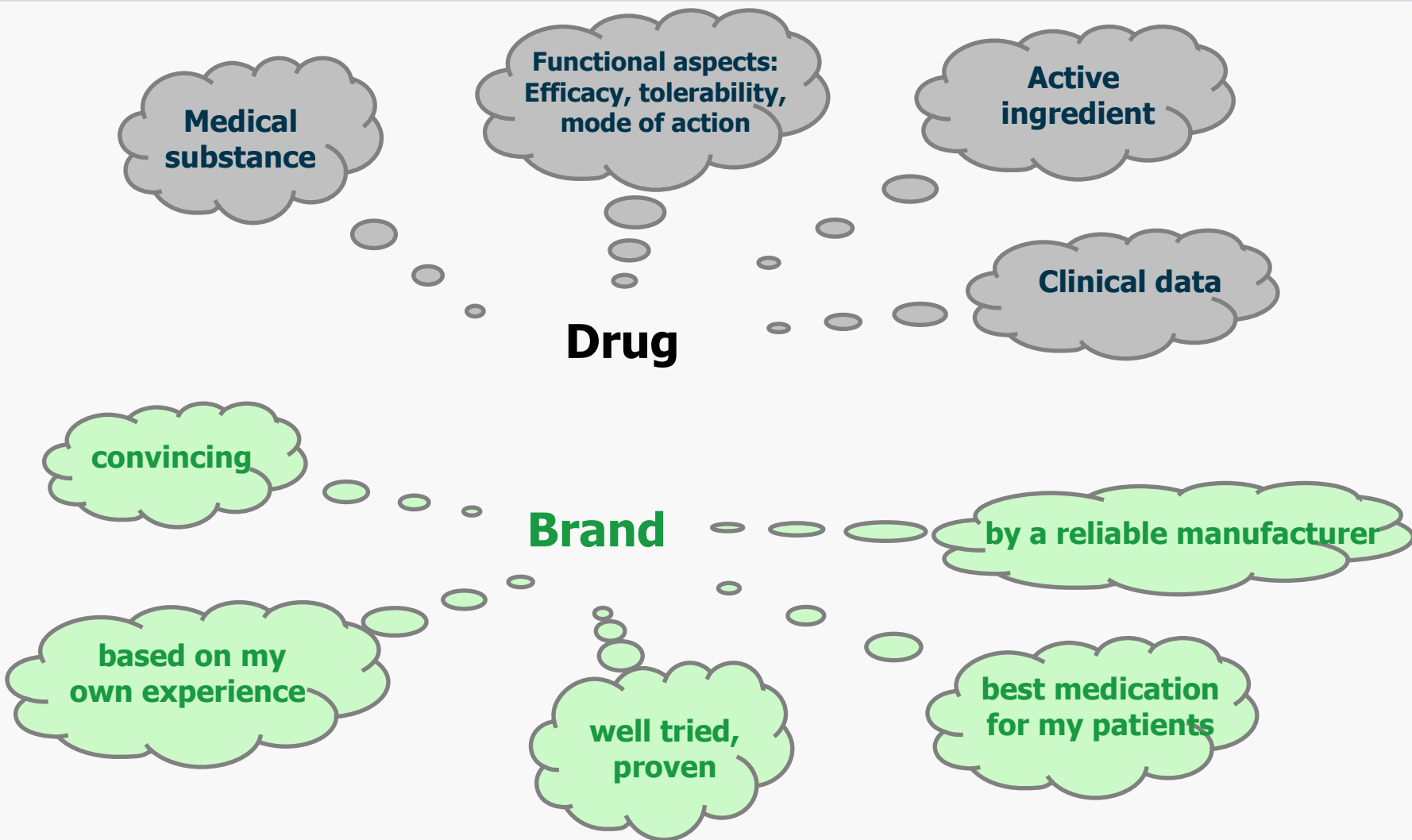
Branding in the pharmaceutical market

Do the pharmaceutical brands also own specific territories which are well known by the physicians?

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Drugs and brands are different!



How to define a pharmaceutical brand ?

David Aaker: 'Building Strong Brands' (1995):

*„... a set of assets linked to a brand's name
that adds to the value provided by a product.“*

GfK HealthCare recommends defining pharmaceutical brands as follows:

***“... a multitude of perceptions about a drug,
affected by its functional characteristics and the
personal impressions and long-term experiences
of the physician.“***

Core objectives of branding in the pharmaceutical area

- ➔ to enrich a drug by **emotional add-on benefits**
- ➔ to create an **emotional bonding** beyond functional arguments
- ➔ to **connect rationally AND emotionally**
- ➔ to make a brand unique and distinctive

Pharmaceutical Marketers have the choice ...

Also in highly ethical markets, the promise of a brand can be communicated in either a functional/scientific or emotional/image-oriented way

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Scientific/ functional communication concept



Emotional/ image-orientated communication concept



The decision as to which strategy is more promising for a brand has to be made brand-specific !

Sub-brands (subordinate brands, „product brands“) are different from ...

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... Umbrella brands (company brand, parent brand, master brand)

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Elementary strategies of brand architecture

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Elementary strategies of brand architecture

Sub-brand oriented strategy ("house of brands")

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"House of brands":

Entirely independent sub-brands with no visible connection to one another or to the umbrella brand

No interactive effects between the umbrella brand and the sub-brands

PROS:

- Positioning of sub-brands on the specific demands of the indication
- Low risk of the sub-brands having negative effects on the umbrella brand

CONS:

- Cost-intensive (continual investment in brand building and maintenance necessary for all the independent sub-brands)
- Dilution of the umbrella brands' identity



Example: German analgesics Hexal

Elementary strategies of brand architecture

Umbrella brand oriented strategy ("branded house")

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"Branded House":

The identity of the umbrella brand defines its subordinate sub-brands.
Very close ties of the sub-brands to the umbrella brand; no independent sub-brands.

PROS:

- Largely uniform brand identity for both the umbrella brand and the sub-brands
- Maximum synergy effects through image transfers
 - Efficient (investment in the umbrella brand indirectly benefits the sub-brands)

CONS:

- Only makes sense for strong umbrella brands
- Sub-brands could possibly inflict considerable damage to the umbrella brand



Example: German analgesics ratiopharm

Key areas of brand research

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1. **umbrella brand analysis**
2. **analysis of brand architecture**
3. **sub-brand analysis**

Brand research area 1: umbrella brand analysis

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Umbrella Brand X vs. **Umbrella Brand Y** vs. **Umbrella Brand Z**
own brand vs. (Competitor Y) vs. (Competitor Z)

Example:



- In-depth evaluation of the perception of different umbrella brands
- Identification of their equities and weaknesses

Brand research area 2: analysis of brand architecture

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Example:



Umbrella brand X

Sub-brand 1

Sub-brand 2

Sub-brand 3



→ Evaluation of the interactions between umbrella brand and sub-brands
e.g. does the umbrella brand positively contribute to the sub-brand ?

Brand research area 3: sub-brand analysis

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Sub-brand X

vs.

Sub-brand Y

vs.

Sub-brand Z

own brand

vs.

(Competitor Y)

vs.

(Competitor Z)

Example:



ERBITUXTM
CETUXIMAB INJECTION



Tarceva[®]
erlotinib
tablets



*Celebrating the Past
Leading into the Future*
GEMZAR[®]
gemcitabine HCl
(for injection)

- **Assessment of the brand performance of sub-brands**
- **Identification of promising dimensions for positioning**

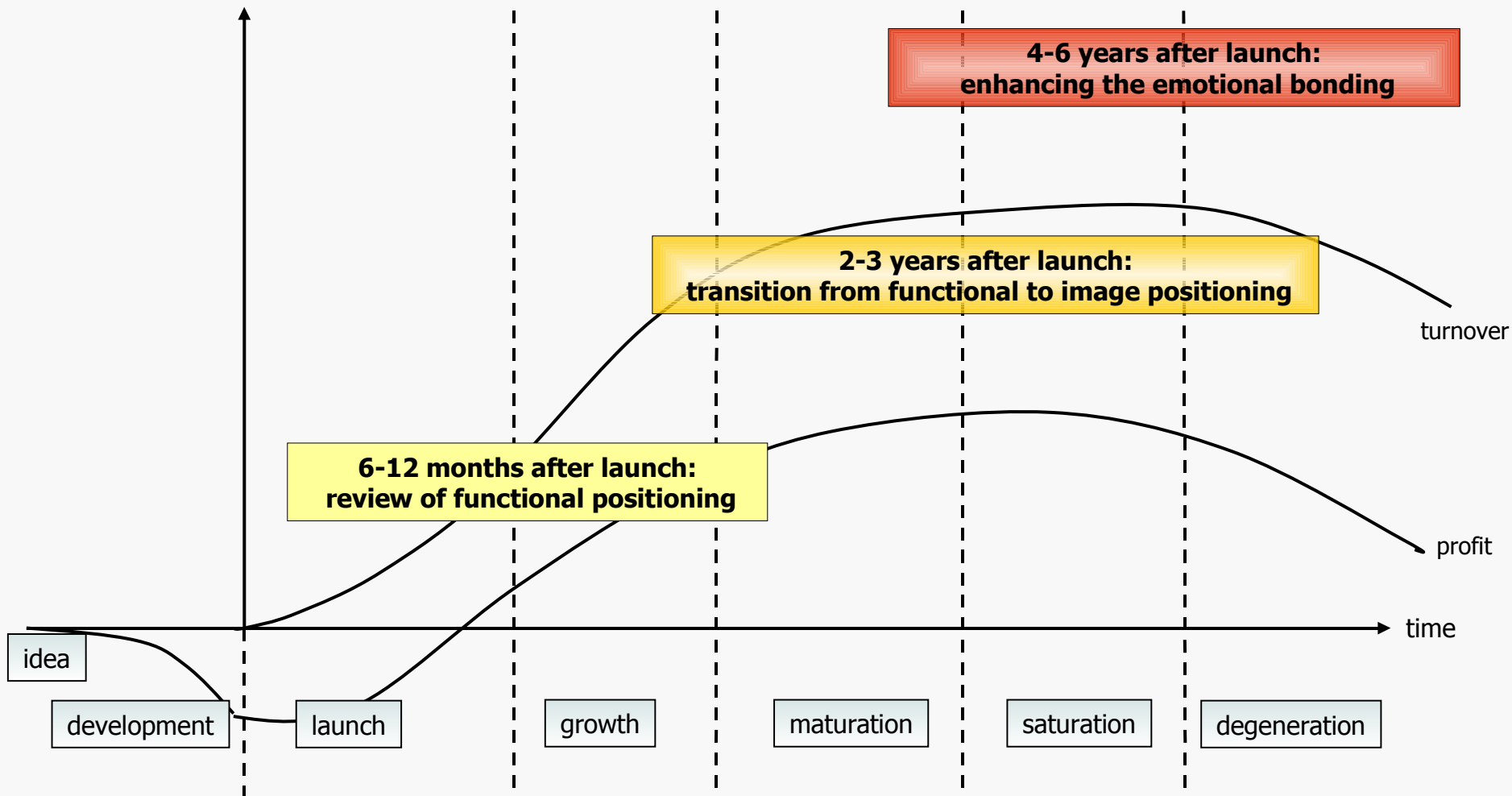
Successful Brand Management has to cover the whole life cycle

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- ➔ **Continuous monitoring how a brand is perceived by the target group (healthcare professionals, patients)**
- ➔ **Examination and fine-tuning of brand positioning (e.g. after the launch of new competitors)**
- ➔ **Support by appropriate communication activities (messages, media, budget)**

Continuous brand tracking allows for precise recommendations for strategic brand management

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BRAND ID is an advanced MR tool indicating the current status of a brand and delivering recommendations how best to strengthen it

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BRAND ID answers the key questions of strategic brand management

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➤ **How strong is my brand?**

BRAND ID measures the Equity of a brand in relation to relevant competitors (*benchmarking*) and/or in various phases of its life cycle (*brand tracking/ -monitoring*)

➤ **Which factors influence Brand Equity?**

BRAND ID quantifies the impact of all internal and external factors influencing Brand Equity

➤ **Does the target group see my brand as I want them to?**

BRAND ID clarifies to which degree the perception of the physicians matches the intended positioning (brand promise)

➤ **Which brand drivers successfully distinguish my brand from competition?**

BRAND ID identifies the brand-specific success factors ("brand drivers") which differentiate a brand successfully amongst competitors

➤ **Which actions should be taken to support my brand?**

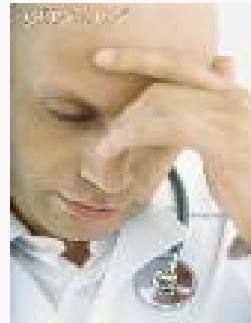
BRAND ID develops concrete recommendations which activities will improve brand Equity

The analytical framework of BRAND ID (1/2)

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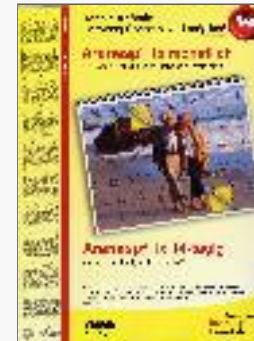
Module 1:

Analysis of fit between the intended brand positioning vs. actual brand perception



?

=



Module 2:

Objective measurement of Brand Equity

Brand Appearance

Vividness
Relevance
uniqueness



+

Brand Heart

Appreciation
Confidence
Loyalty



=

Brand Equity

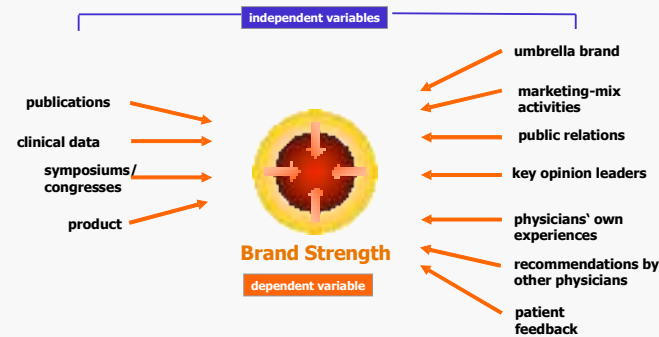


The analytical framework of BRAND ID (2/2)

23

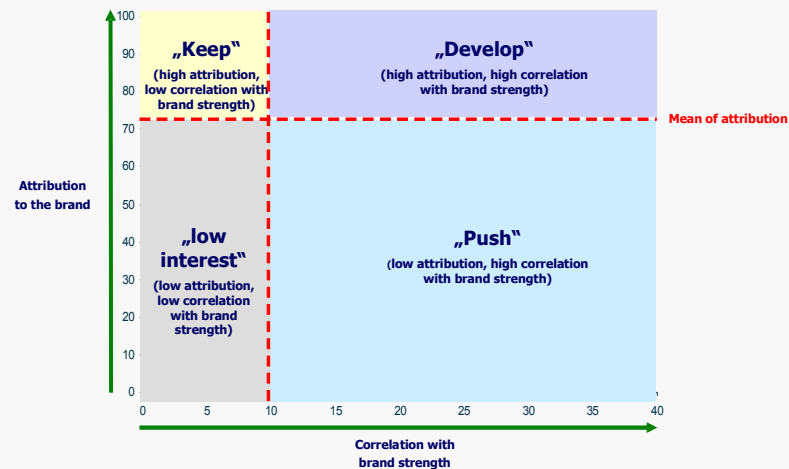
Module 3:

Quantification of the particular influence of communication activities and other external factors on Brand Equity



Module 4: Brand Driver Analysis

Identification of the brand-specific success factors ("brand drivers")



BRAND ID module 1

Evaluation of spontaneous brand perception

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Which impressions and associations spontaneously come to your mind when you think of...?



Analysis of fit between the spontaneous brand perception and the intended positioning

BRAND ID module 1

Analysis of fit between intended brand positioning vs. actual brand perception

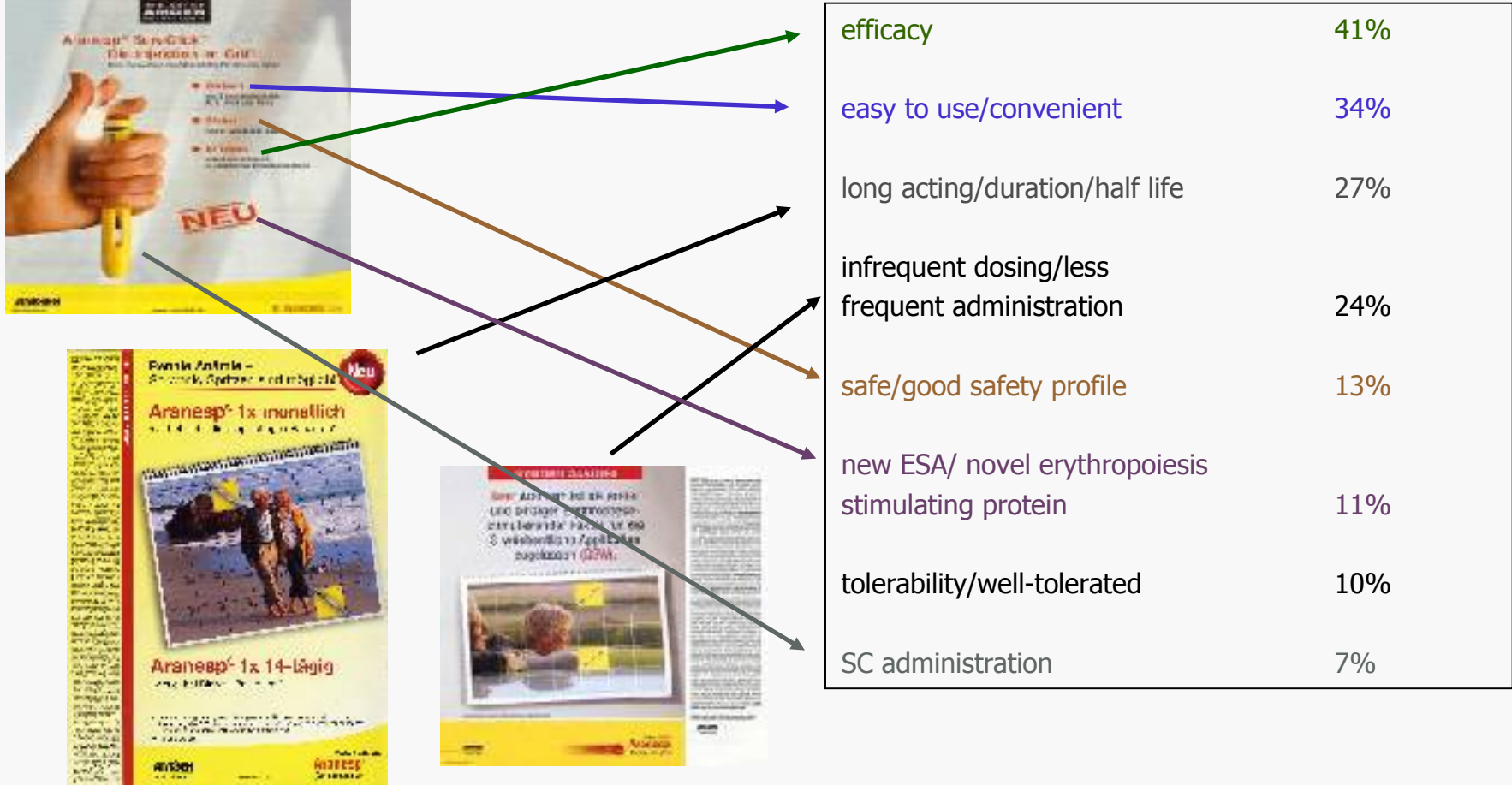
Fictitious example

Intended brand positioning



Spontaneous brand perception

efficacy	41%
easy to use/convenient	34%
long acting/duration/half life	27%
infrequent dosing/less frequent administration	24%
safe/good safety profile	13%
new ESA/ novel erythropoiesis stimulating protein	11%
tolerability/well-tolerated	10%
SC administration	7%



BRAND ID module 2

Quantification of Brand Equity based on the overarching factors of brand success

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1. Identity/ Vividness

Is it clear to the target group what a brand stands for?

Is the brand perceived vividly?

2. Relevance

Is this brand's promise relevant for the target group?

Does the brand cover benefits which are relevant for the treatment?

3. Uniqueness

Does the brand distinguish itself (positively) among the competition? Whereby?

Does the brand have a decisive benefit or occupy and own "territory"?

4. Appreciation, Confidence, Loyalty

Is the brand anchored emotionally with the target group?

Does the brand create an emotional added value?

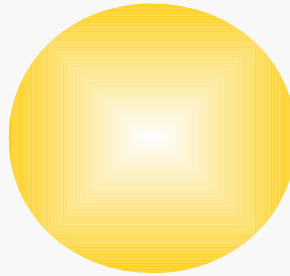
BRAND ID module 2

The overarching dimensions of brand success are compiled into two dimensions:
brand appearance (brand perception) and brand heart (brand attitude)

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Brand Appearance

Vividness
Relevance
Uniqueness



- obvious impressions
- can be directly influenced
- "head"
- short-term perception

+

Brand Heart

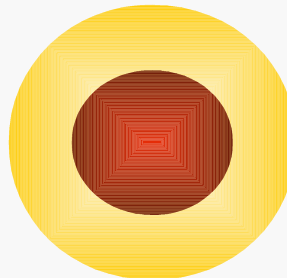
Appreciation
Confidence
Loyalty



- attitudes, experience
- can only be influenced indirectly
- emotional bond
- "heart"
- long-term

=

Brand Equity

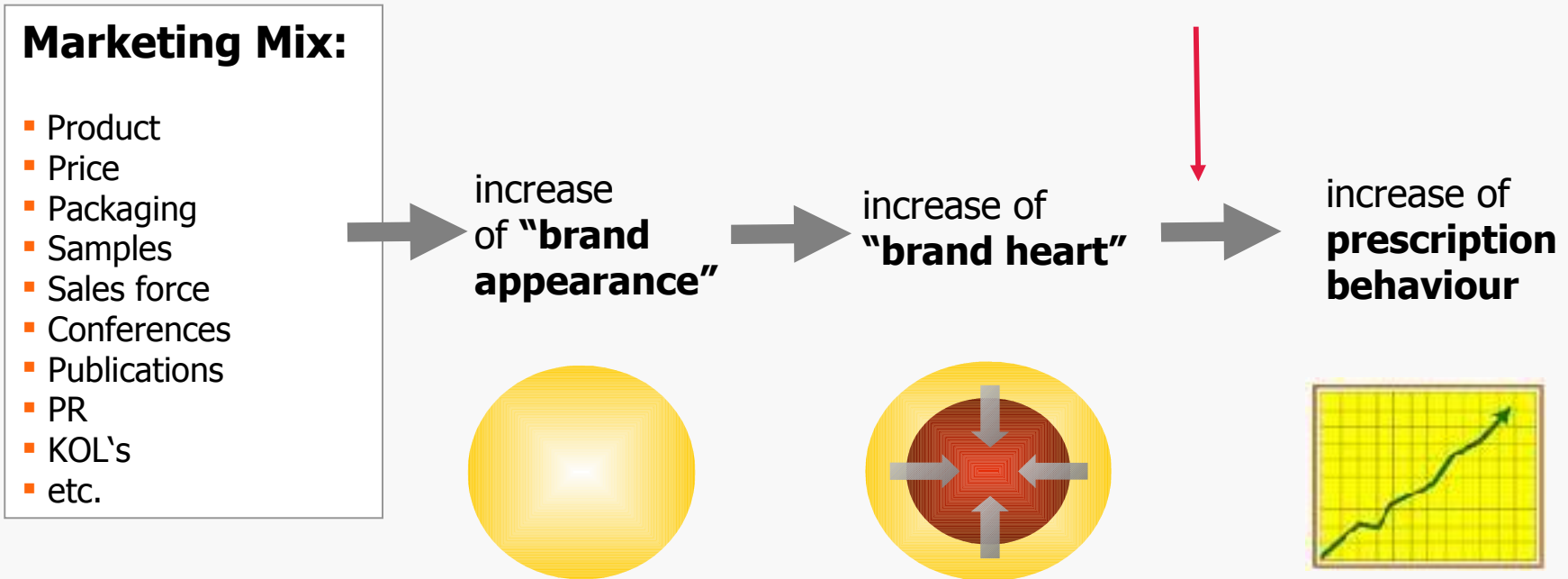


- holistic evaluation of Brand Equity

BRAND ID module 2

Validated successfully by individual Rx prescription data

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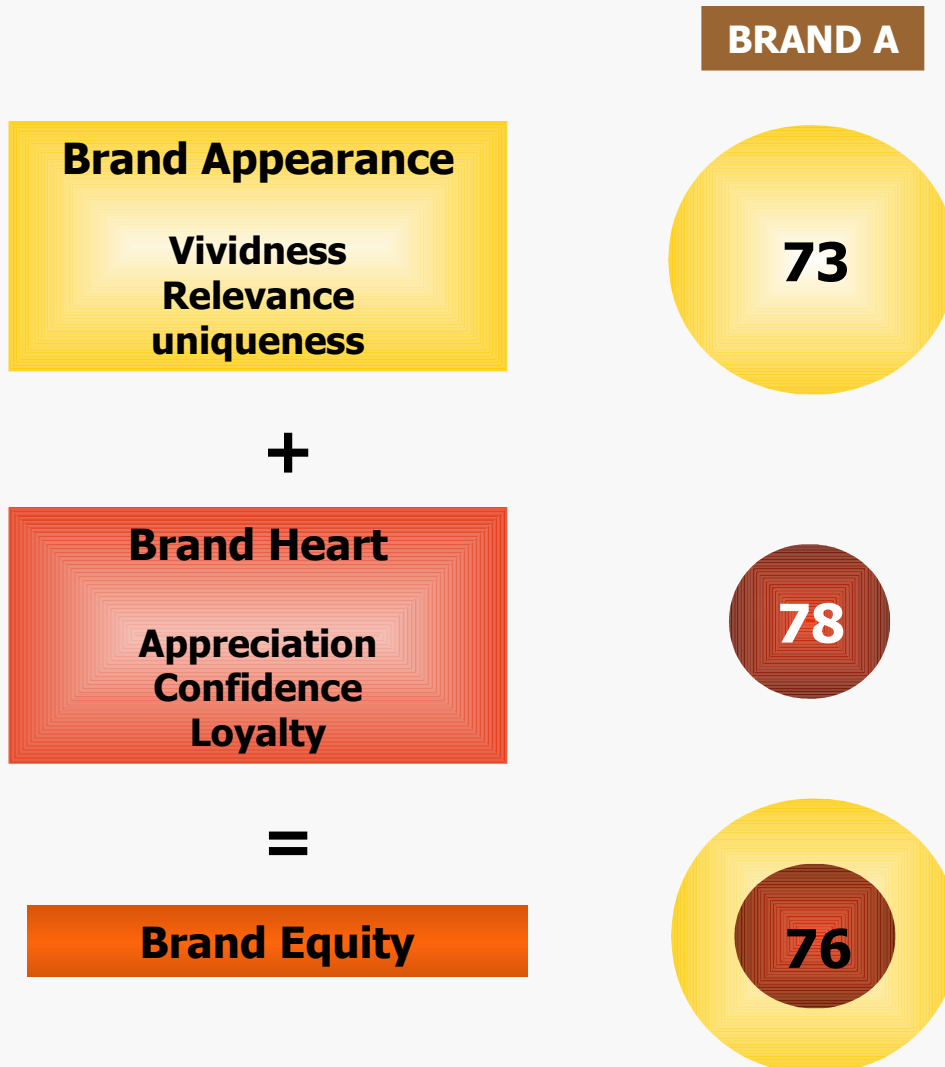
The indexed score is a meaningful indicator for future prescribing behavior

BRAND ID module 2

Output: Normative quantification of brand equity,
clearly illustrated by an indexed score

Fictitious
example

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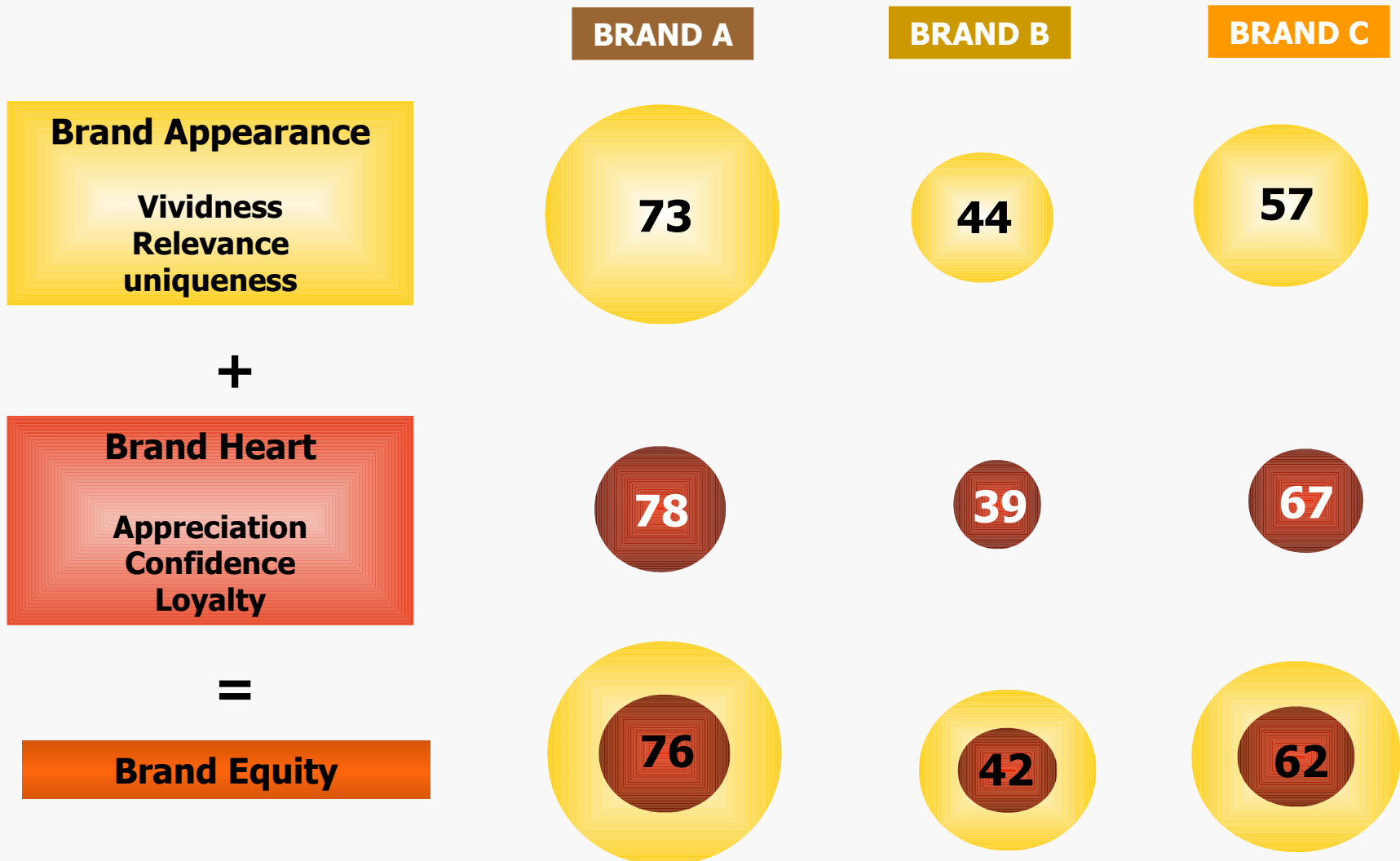
BRAND ID module 2

Case study: Comparison of brand equity of three EPO brands

Target group: Oncologists

**Fictitious
example**

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BRAND ID module 2

Detailed evaluation of the brand performance for each brand success factor

**Fictitious
example**

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BRAND A

Brand Appearance

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Vividness

86



Relevance

46



Uniqueness

Brand Heart

78

67



Appreciation

83



Confidence

83



Loyalty

BRAND ID Database

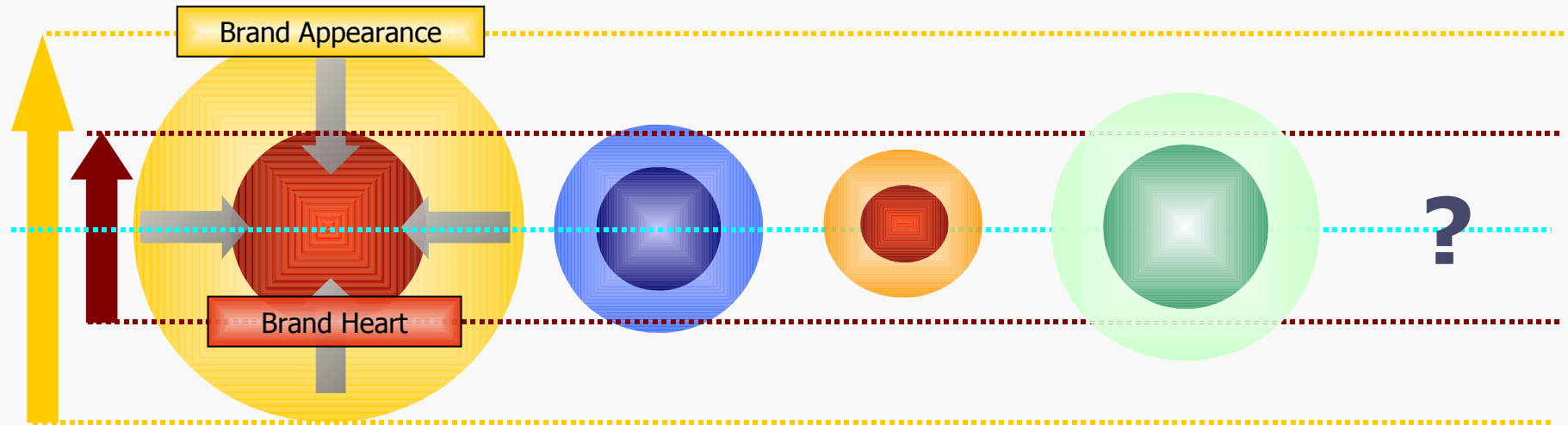
Evidence based experience in pharmaceutical brand research

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- 10 BRAND ID studies conducted in 2006/ 2007
 - Countries: Top 5 EU, US, Sweden, Finland, Denmark, Switzerland, Poland
 - Indications:
 - Oncology (prostate cancer, renal anemia)
 - CNS (ADHD)
 - Erectile dysfunction
 - Pain
 - Dental
 - OTC
 - Target groups:
 - GP's
 - Specialists (e.g. Oncologists, Nephrologists, Urologists, Psychiatrists, Dentists)
- More than 30 different brands evaluated
- Database includes more than 90 cases

BRAND ID Database

Normative benchmarking of the performance of your brand



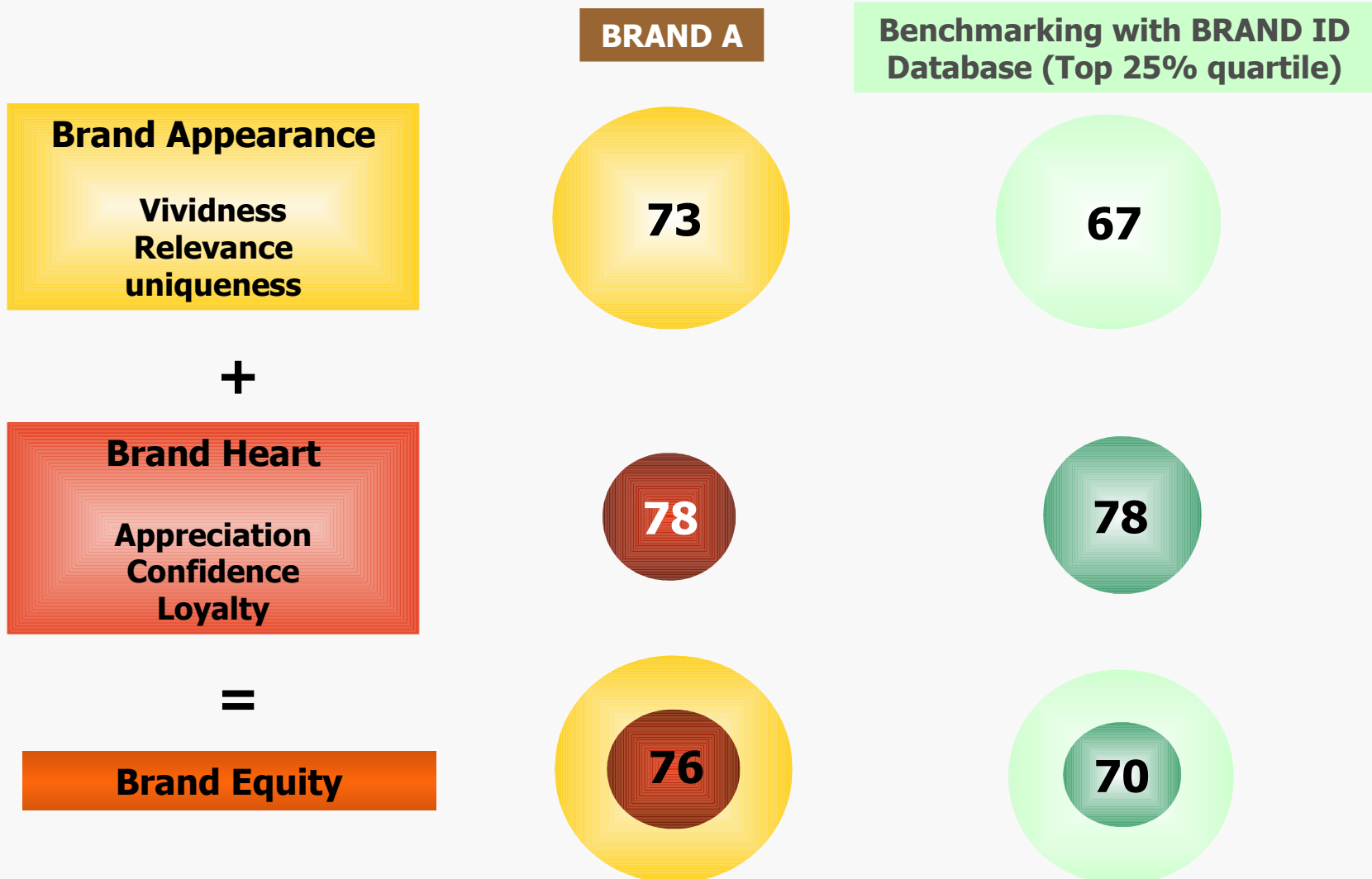
	Mean	Low 25%	Top 25%	How strong does your brand perform? XX
Brand Appearance Index	54	45	67	XX
Brand Heart Index	64	55	78	XX
Brand Equity Index	60	49	70	XX

BRAND ID Database

Normative benchmarking of brands equity

**Fictitious
example**

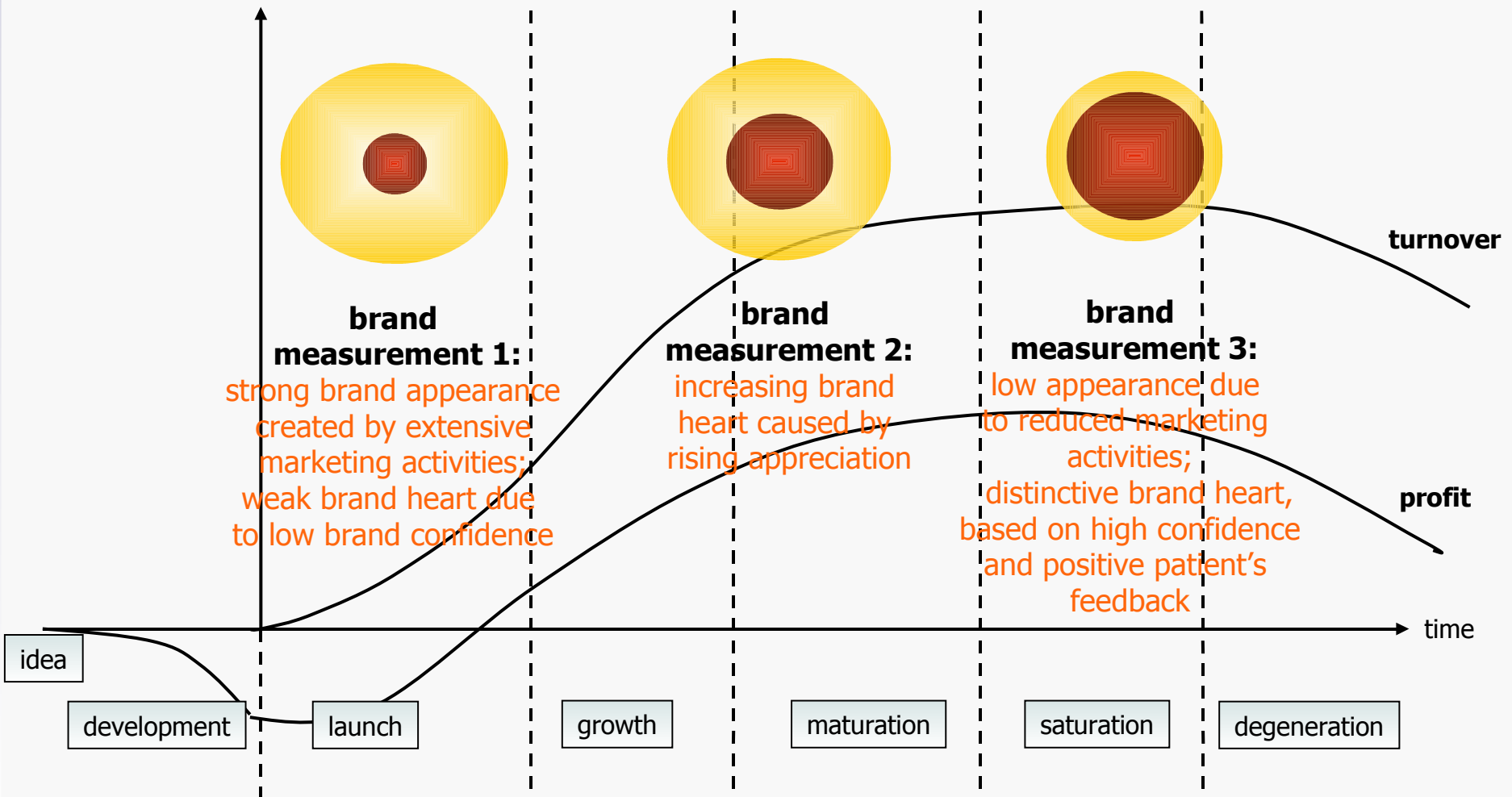
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BRAND ID module 2

Monitoring Brand Equity within various phases of the brand's life cycle (Brand Tracking)

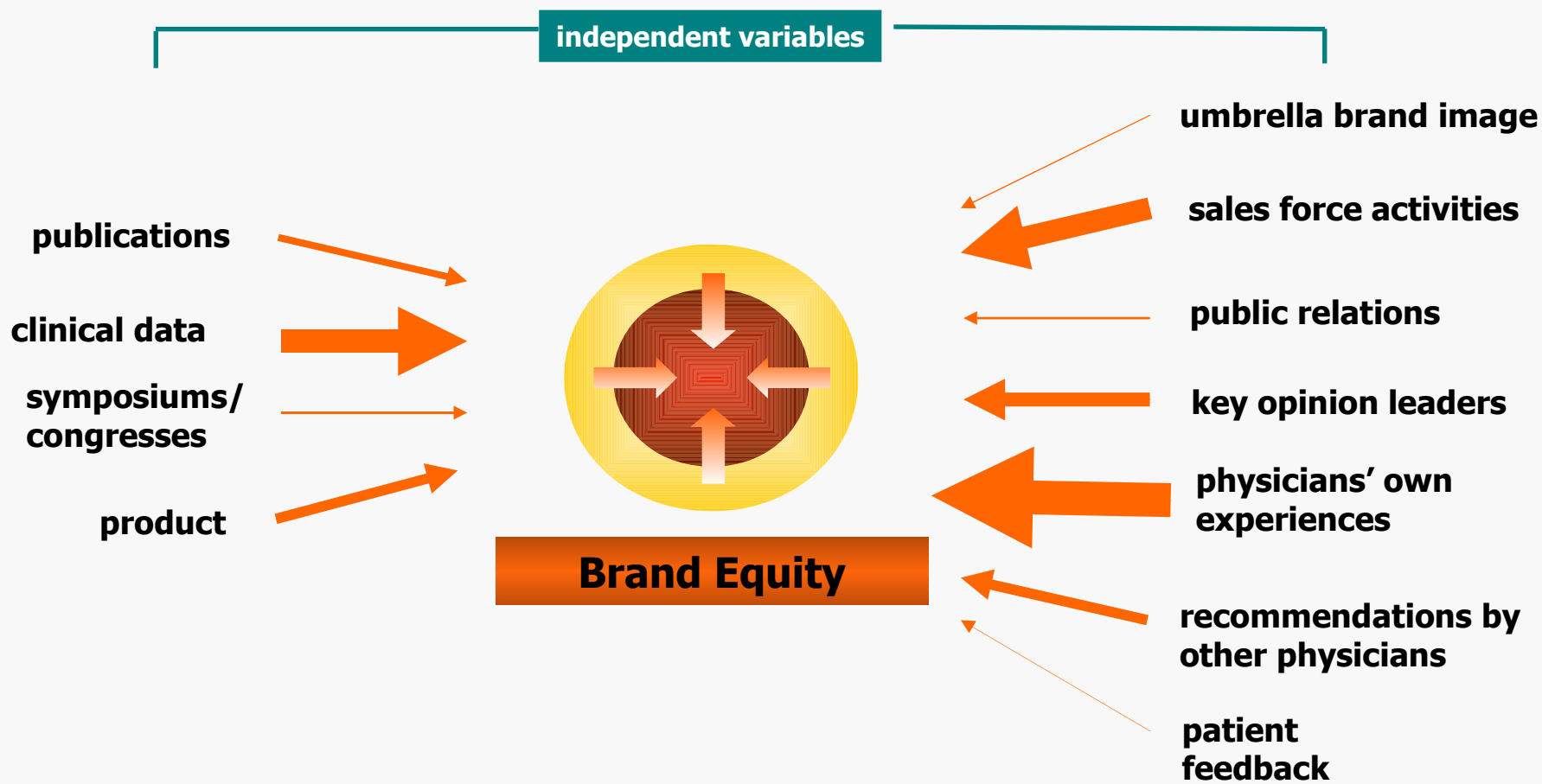
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BRAND ID module 3: Effectiveness of communication activities

Quantification of the particular impact of the communication activities and other external factors on Brand Equity

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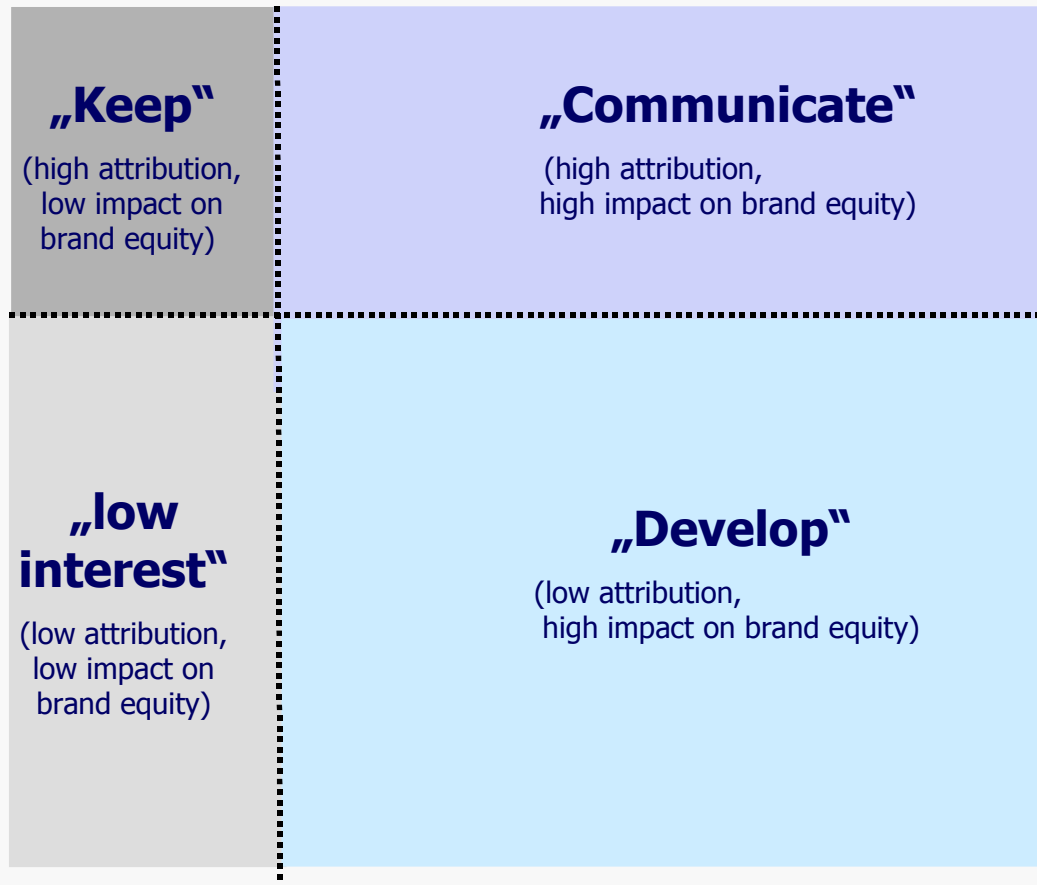


BRAND ID module 4: Brand Driver Analysis

BRAND ID identifies the strengths and weaknesses of a brand. Additionally it reveals those image dimensions which are most suitable for being communicated (=brand drivers)

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Attribution
to the brand
=
brand territory



Correlation with Brand Equity = impact (driving power)

Case Study:**Identification of most convincing brand tonalities**

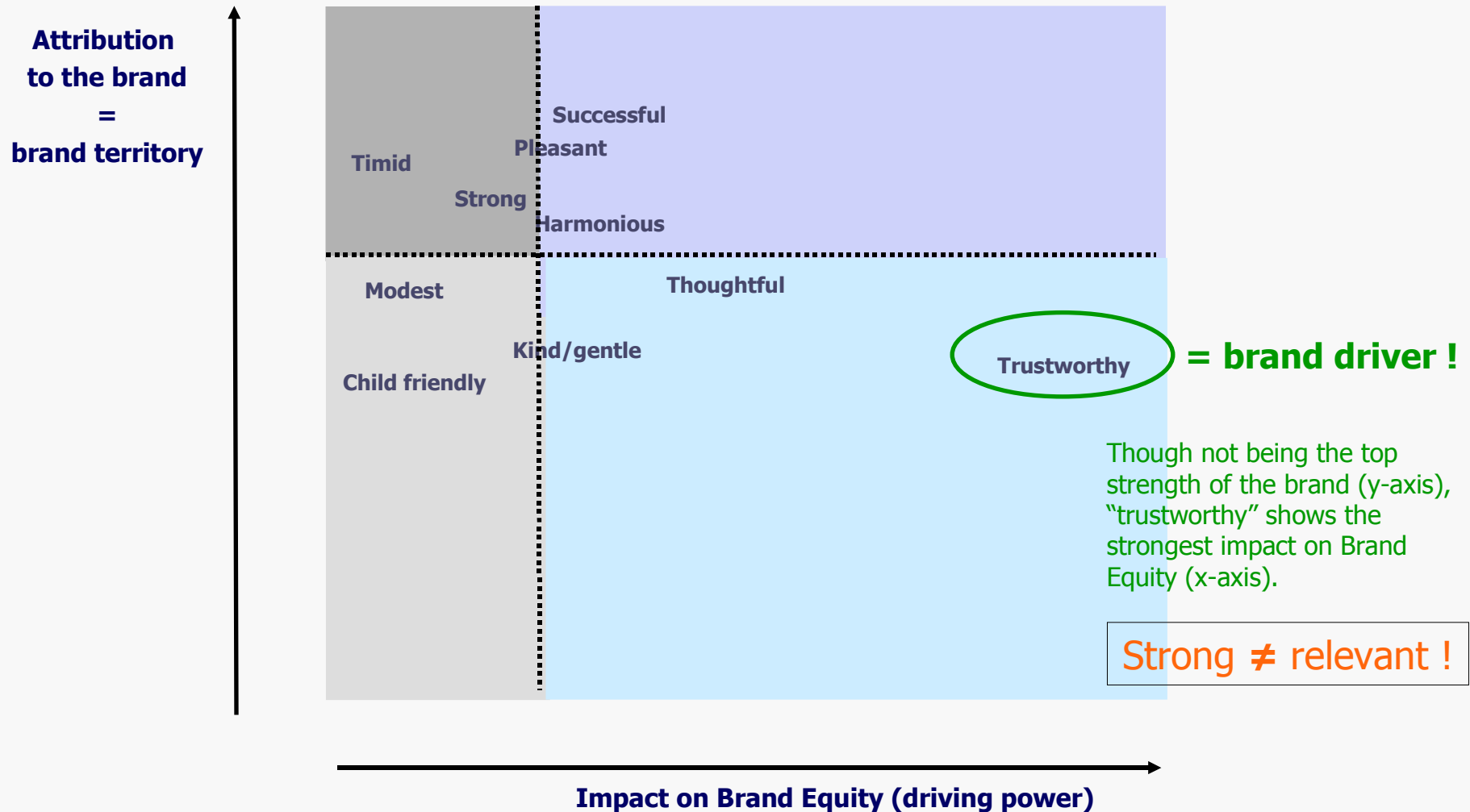
Indication:

ADHD

Target group:

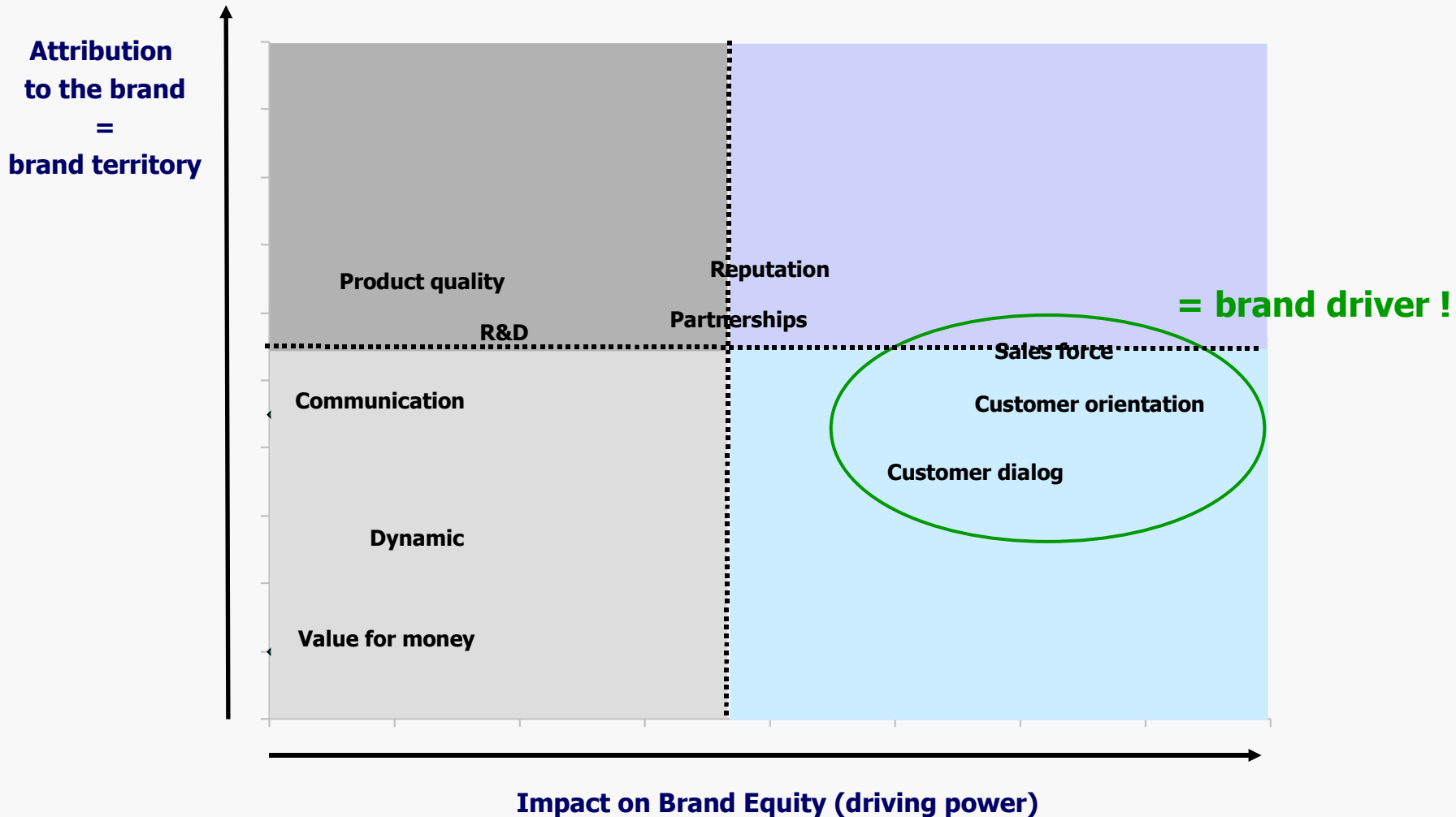
Psychiatrists

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Case Study: Identification of brand positioning dimensions
 Indication: Dental market (filling materials)
 Target group: Dentists

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Branding matters in the pharmaceutical market!

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“Very few sectors demonstrate the value of branding **as much as the pharmaceutical sector.**”

A drug or an active ingredient cannot be dynamic, warm or gentle, a brand can.

Thus, pharmaceutical brands have a mental existence and an influence on the minds of prescribers.”

Jean-Noel Kapferer,
The new strategic Brand
Management, 2004



GfK HealthCare – Your Experts in Rx branding

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BRAND ID
GfK Healthcare

FOR MY MEDICAL RECORD
CALL COMPUTERLIFE
IN GREATER NEW YORK, CALL: (212) 486-4500
FROM NEW YORK STATE, CALL: 800-522-2170
FROM ELSEWHERE, CALL: 800-321-2140

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Udo Gock
Research Manager
GfK Healthcare Germany

0049 - 911 - 3954280
udo.gock@gfk.com