


Pharmaceutical Marketing

The background of the slide is a solid blue color. In the lower right quadrant, there are several thick, black, wavy lines that flow from the bottom right towards the center, creating a sense of movement and depth. The text 'Pharmaceutical Marketing' is positioned in the upper left area of the slide, centered vertically relative to the wavy lines.

Agenda

- Introduction
 - What is 'marketing'?
 - Marketing & drug development
 - SWOT
 - Strategy
 - The pharmaceutical market
 - The 'marketing mix'
 - 'Promotional mix'
 - Workshop
 - Summary & close
- 

What is marketing?

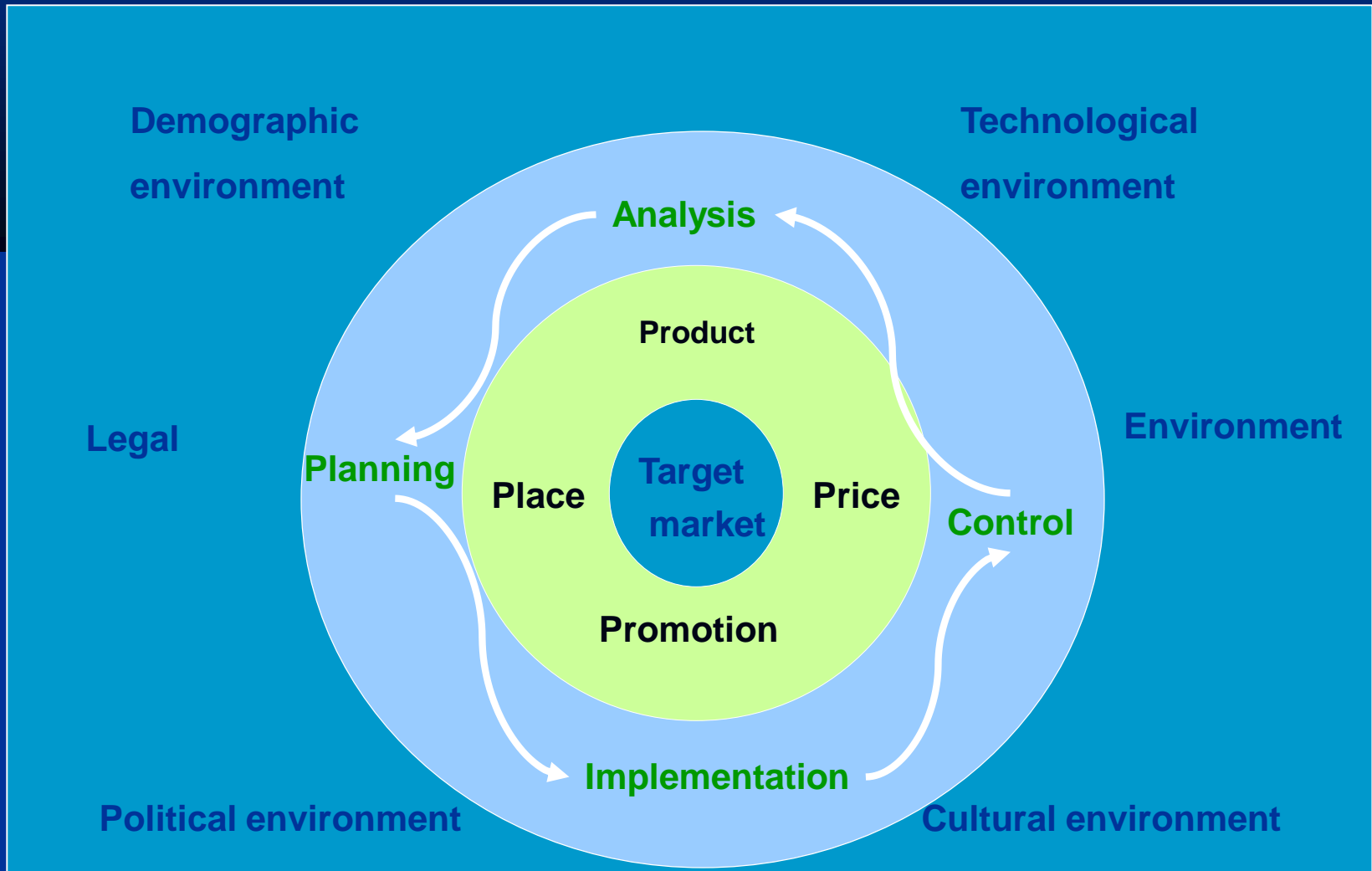
The image features a solid blue background. On the right side, there is a large, black, wavy graphic element that resembles a stylized wave or a ribbon. The text "What is marketing?" is centered in the upper half of the image in a bold, white, sans-serif font.

Mini workshop


Take 5 minutes and consider
what your perception of 'marketing' is...

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The Marketing Process



Environmental Analysis

- **Why monitor the environment?**
 - **Prevents inertia**
 - Identify threats at an early opportunity and take evasive action
 - **Encourages innovation**
 - Identify opportunities at an early stage and inform investment
 - **Fine tune ongoing planning**
 - **Minimise costs and maximise profit**
- 

PESTEL

Factor	Example
Political	
Economic	
Social	
Technological	
Environmental	
Legal	

PESTEL

Factor	Example
Political	Priority of healthcare on political agenda
Economic	Downward pressure on healthcare budgets
Social	Increasing no. obese individuals
Technological	Healthcare at home
Environmental	Impact of climate on disease e.g. malaria
Legal	Increasing regulation of industry

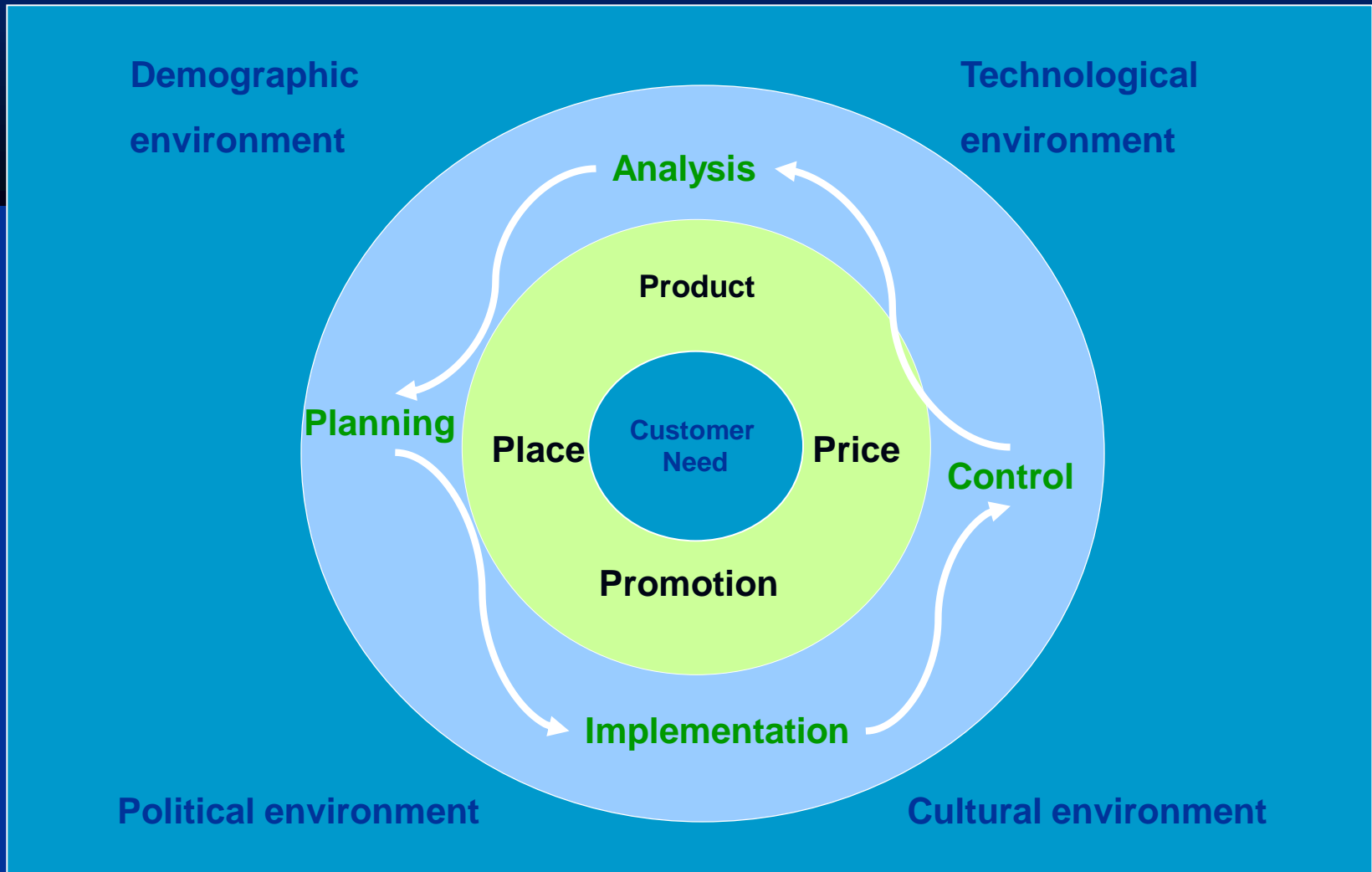
PESTEL Workshop

- Construct a PESTel analysis with a 5 year outlook for one of the following products/markets
 - Global market for iPhone
 - UK car market
 - New 5G technology in the UK
- Divide environmental factors into a) opportunities and b) threats

PESTEL Workshop

Factor	Examples:
Political	A B
Economic	A B
Social	A B
Technological	A B
Environmental	A B
Legal	A B

Marketing



SWOT Analysis

- **Why use a SWOT analysis?**
 - **Captures internal product factors - strengths and weaknesses**
 - **Captures external factors – opportunities and strengths**
 - **Provides context for product within target market and vs competitors**
 - **Use in conjunction with scenario planning**
 - **Minimise costs and maximise profit**

SWOT Analysis

Strengths (product/ service)

Weaknesses (product/ service)

**Opportunities (market/
environment)**

**Weaknesses (market/
Environment)**

SWOT Workshop

- Construct a SWOT analysis for one of the following brands (5 year perspective)
 - The global market for Apple iPhone
 - Low cost airlines within Europe e.g. EasyJet
 - Private healthcare companies (e.g. BUPA) within the UK
- Use online sources if required
- Time allowed 30 minutes

SWOT Workshop

Strengths (product/ service)

Weaknesses (product/ service)

**Opportunities (market/
environment)**

Threats (market/ Environment)

Definition of Marketing

Maximising sales opportunity

+

Maximising profit

through a rigorous process including

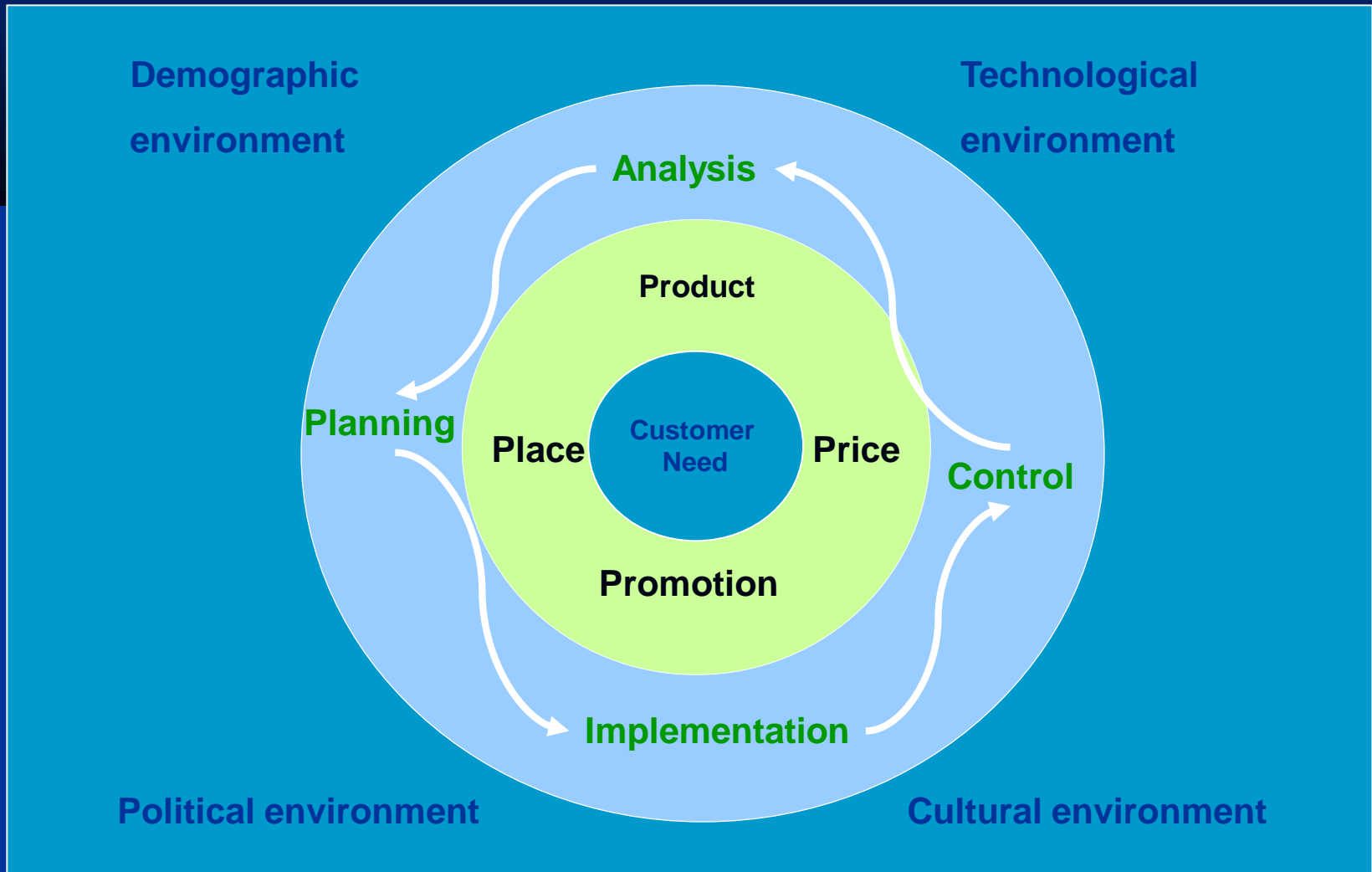
Analysis

Planning


Implementation

Control

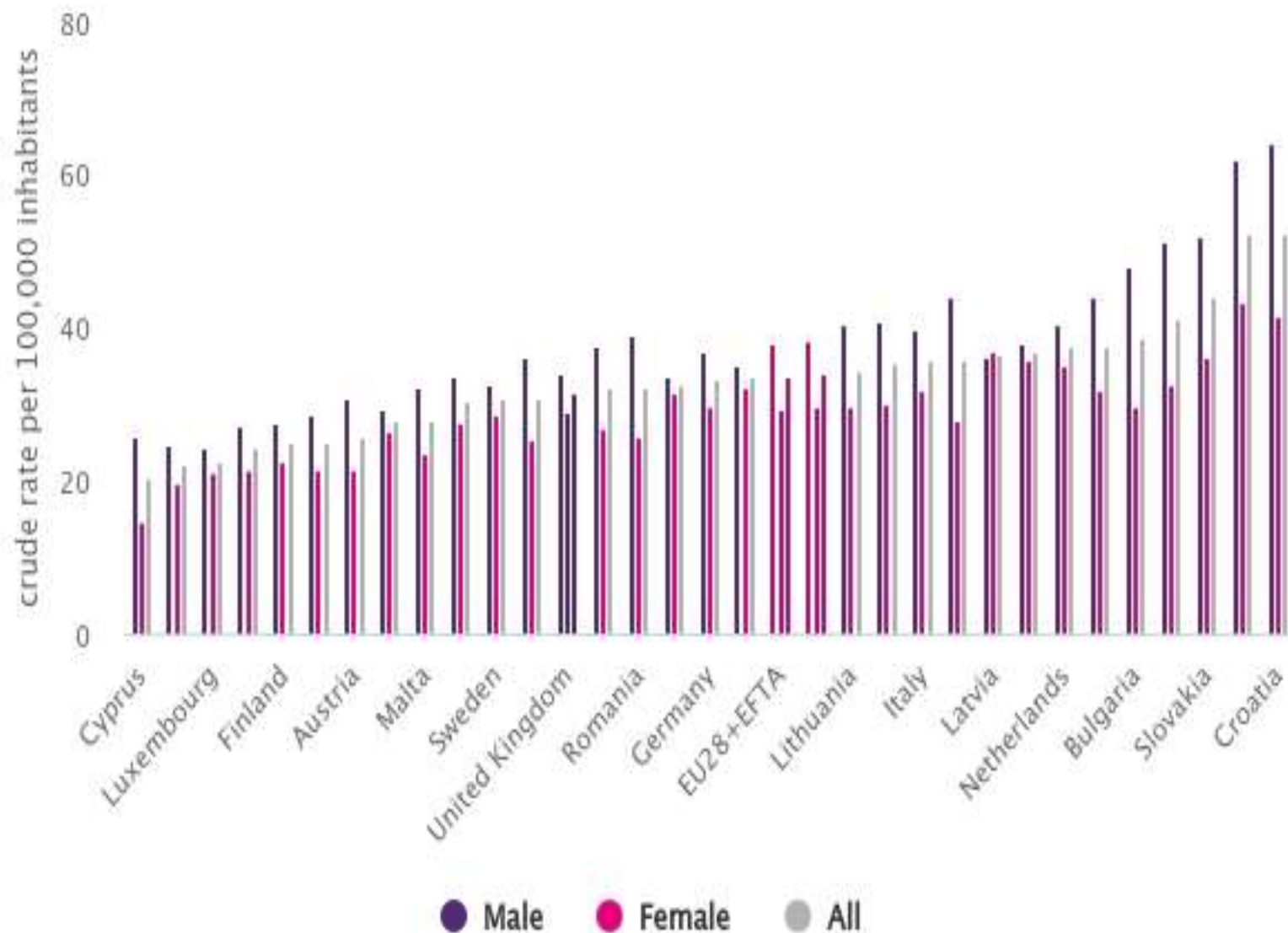
Marketing



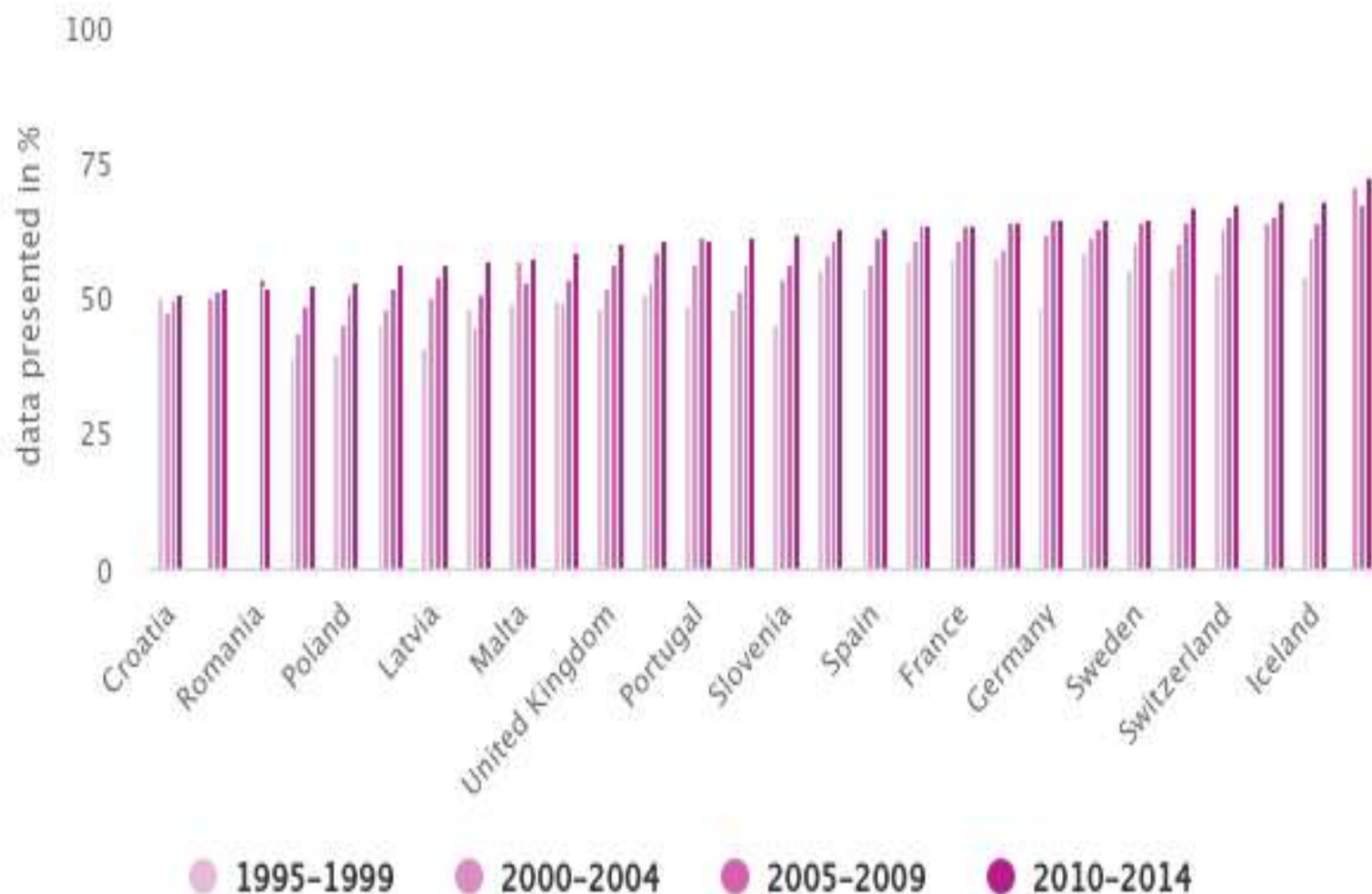
Market Research

- Desk research – epidemiology data
 - Market reports – subscription
 - Omnibus surveys – sent out regularly to capture e.g. changes in prescribing
 - Regular data monitoring reports e.g. IMS prescription data
 - Commissioned market research
- 

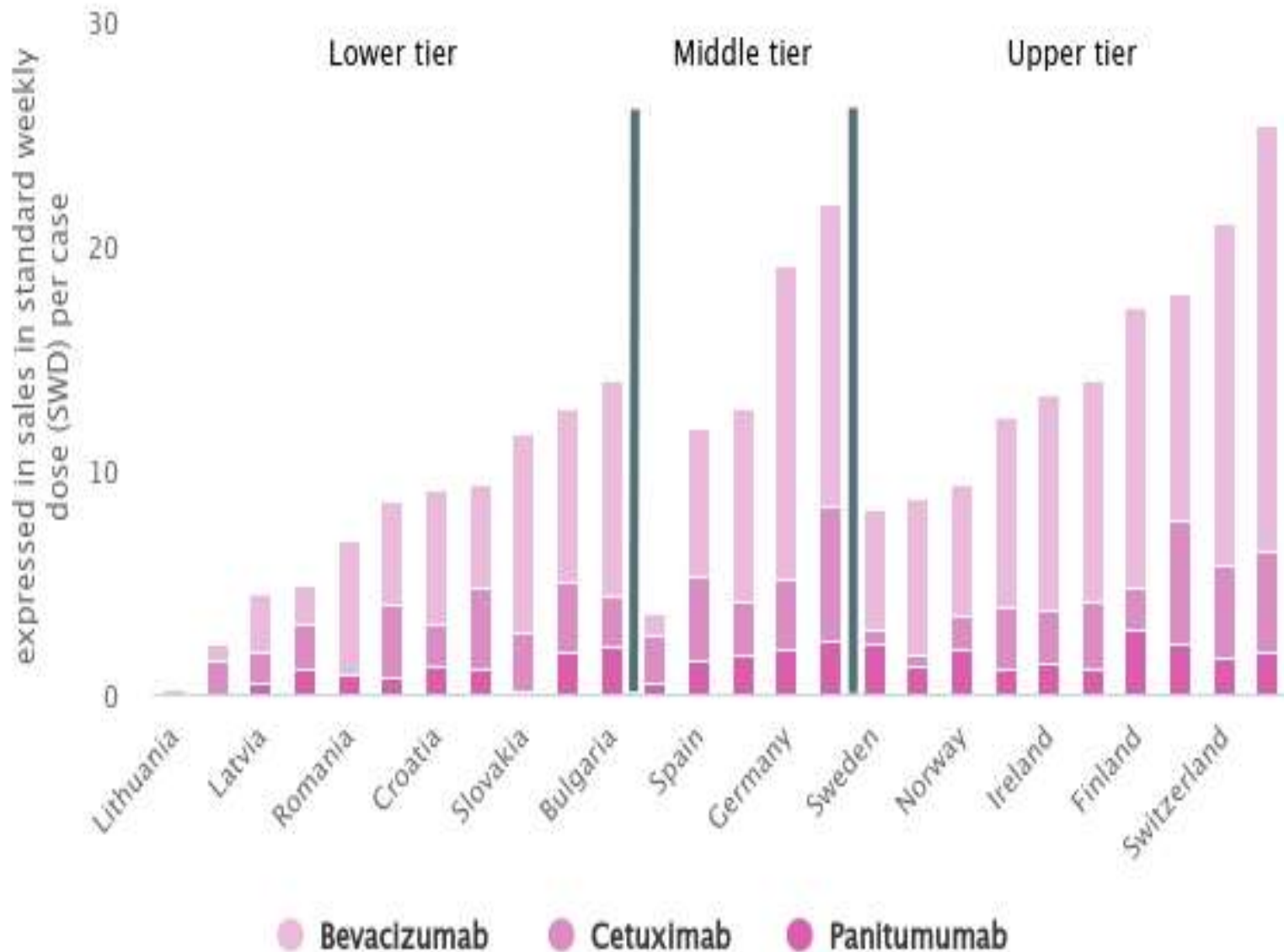
Colorectal cancer mortality rate in 2018



5-year age-standardized net survival rates for colorectal cancer in adult patients of all sexes (15-99 years), between 1995 and 2014



Uptake of medicines in colorectal cancer in 2018



“You’ve got to start with the CUSTOMER EXPERIENCE and work back to the technology” Steve Jobs



Understanding Customer Need



Customer Focus Success...



Way to the top

Virgin Records goes international

Virgin Atlantic Airways and Virgin cargo are launched

Virgin Group now includes record labels, retail outlets, exported music publishing, broadcasting, satellite television, and film and video distribution

Virgin launches Virgin Airship & Balloon Company

1980s

- Virgin Megastores arrives in Japan
- Virgin Publishing (Virgin Books) is formed
- Virgin Records is sold to Thorn EMI
- Launch of Virgin Vodka and Virgin Cola
- Virgin Express a European low cost Airline is launched in Brussels
- Virgin Mobile launches Virgin's first telecoms venture

1990s

- Virgin launches Virgin Blue
- Virgin launches Virgin Galactic
- Virgin launches Virgin Health Bank
- Virgin launches Virgin Media
- Virgin Fuel US\$400 million in Virgin Atlantic jet flight on biofuels and in renewable energy.

2000s

Marketing Strategy



Market/ Product Development Strategy

Current Products

New Products

Market Penetration

Product Development

Market Development

Diversification

New Markets
Current Markets

Target Marketing Strategy



Walkers vs. Own Label Multi-Packs


This case study illustrates:

- Effective application of customer insight into the marketing mix
- Protection of premium pricing against cheaper competition

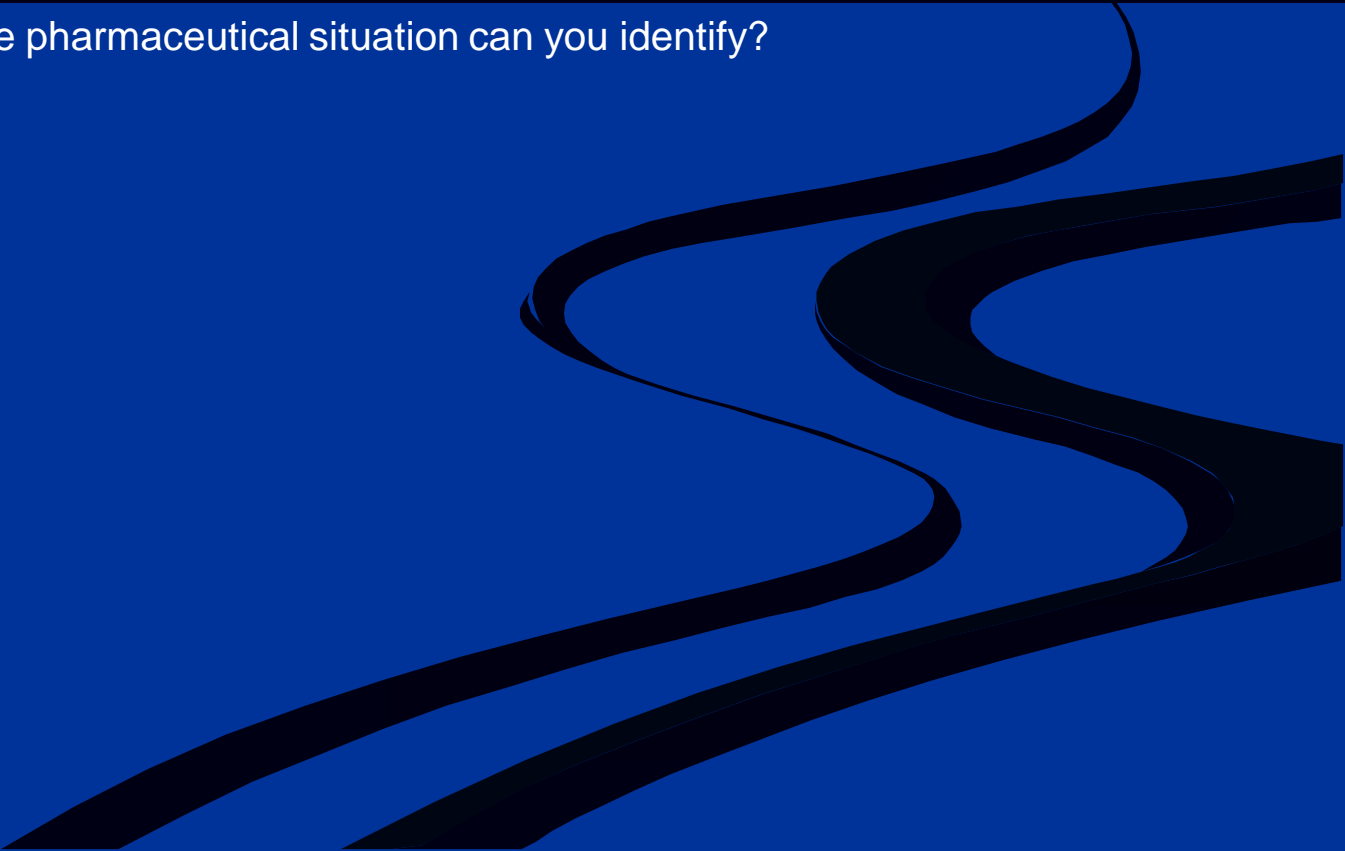
Source : Consultant's own records

Walkers vs. Own Label Multi-Packs

The Situation

- Walkers Crisps are market leaders in the
 - Perceived superior quality product, strong brand image and loyalty support premium pricing for single pack purchases
 - Crisps sold as single packs and also multi-packs of 10 and 20 packs
 - Multi-pack crisps are sold predominantly via supermarkets and purchased by mothers for their children as snacks
 - Walkers discovered that volume share was being eroded by “own label” multi-packs in supermarkets due to an increasing price differential
- 

Walkers: Key Issues

- What options do Walkers have to respond to the loss of volume share to own-label multi-packs in supermarkets?
 - How could Walkers gain further insight into influences on the buying decision of multipacks in supermarkets?
 - What analogies to the pharmaceutical situation can you identify?
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- A decorative graphic consisting of several thick, black, wavy lines that flow from the bottom right towards the top left, creating a sense of movement and depth against the blue background.

Walkers: In Reality

- Walkers ran focus groups with customers which revealed some key customer insights
 - Parents wanted “portion control”
 - Felt guilty giving crisps as snacks as aware that not “healthy”
 - Parents just wanted to satisfy child by giving bag of crisps regardless of size
- Walkers reduced the weight per individual pack in a multipack but increased the number of bags in a multi-pack, 10s to 12s and 20s to 24s whilst maintaining the original price point
- This satisfied the purchaser’s need to offer a child a bag of crisps regardless of size but also achieved greater perceived value through the increased units per multipack
- Walkers reported a 24% increase in volume of multi-packs year on year over the following 12 months and an 18% increase in profit from multi-packs

Marketing & Drug Development



Approaches to Drug Development

■ Product Driven Approach

- traditional approach of Pharmaceutical Industry
- work out how to sell an existing product

■ Customer Driven Approach

- develop a product based on customer needs & wants
- design development programme around critical factors
- will help reduce development times & costs
- will maximise sales return (and profits)

Product- vs Customer-Led Drug Development

EXAMPLE

HRT product (oestrogen/progesterone
continual combination)

Patch technology

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Product Led Development

- Development follows EmEA guidelines for control of menopausal symptoms
- Phase III studies vs placebo
- Results show product highly effective in prevention of periods & reducing symptoms of menopause
- Product available to sell quickly


Great, but...

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Customer Led Development

- Menopausal market very crowded (41 HRT products in UK)
- HRT products largely undifferentiated - GPs need reasons to Rx
- High non-compliance with HRT - GPs want an easy solution
- Patches more expensive than tablets - GPs want to save money
- Osteoporosis market is large, growing and not crowded

Ideal Solution

- Target Product Profile
 - licensed for control of menopausal symptoms & prevention & treatment of PMO
 - efficacy =/+ to market leaders
 - tolerability = / + to market leaders
 - improved compliance & convenience vs market leaders
 - improved cost effectiveness vs market leaders
- 

Sales Potentials

Product Led Development

Control of menopausal symptoms only

Compete with all other HRT products

No differentiating features

Unlikely to make a good sales return

Customer Led Development

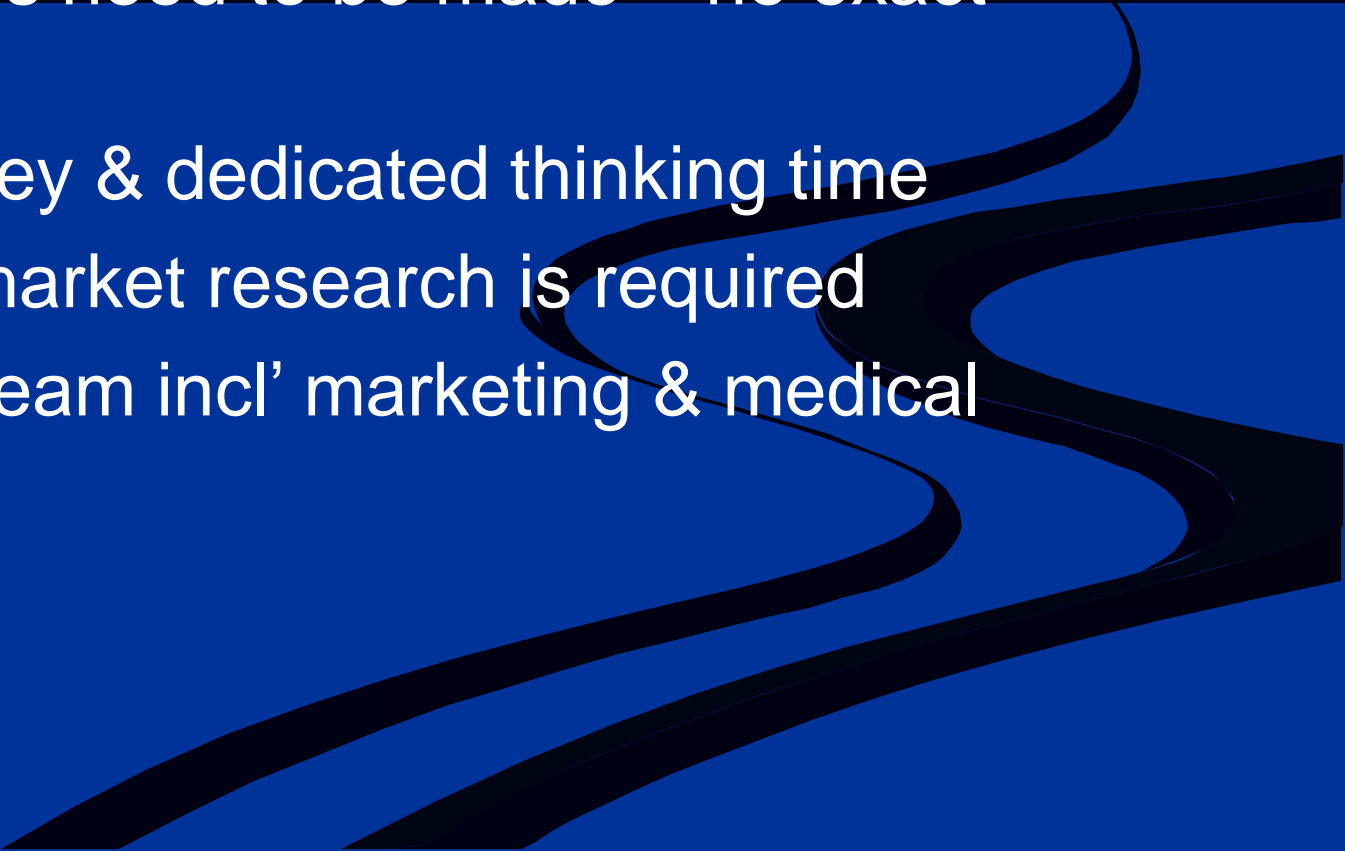
Full range of indications

Proven advantages vs competition

Cost effective solution

Likely to take a leadership position

Implications for Drug Development

- Needs forward planning by several years
 - Assumptions need to be made – no exact science
 - Needs money & dedicated thinking time
 - Extensive market research is required
 - Integrated team incl' marketing & medical
- 

Customer Led Development

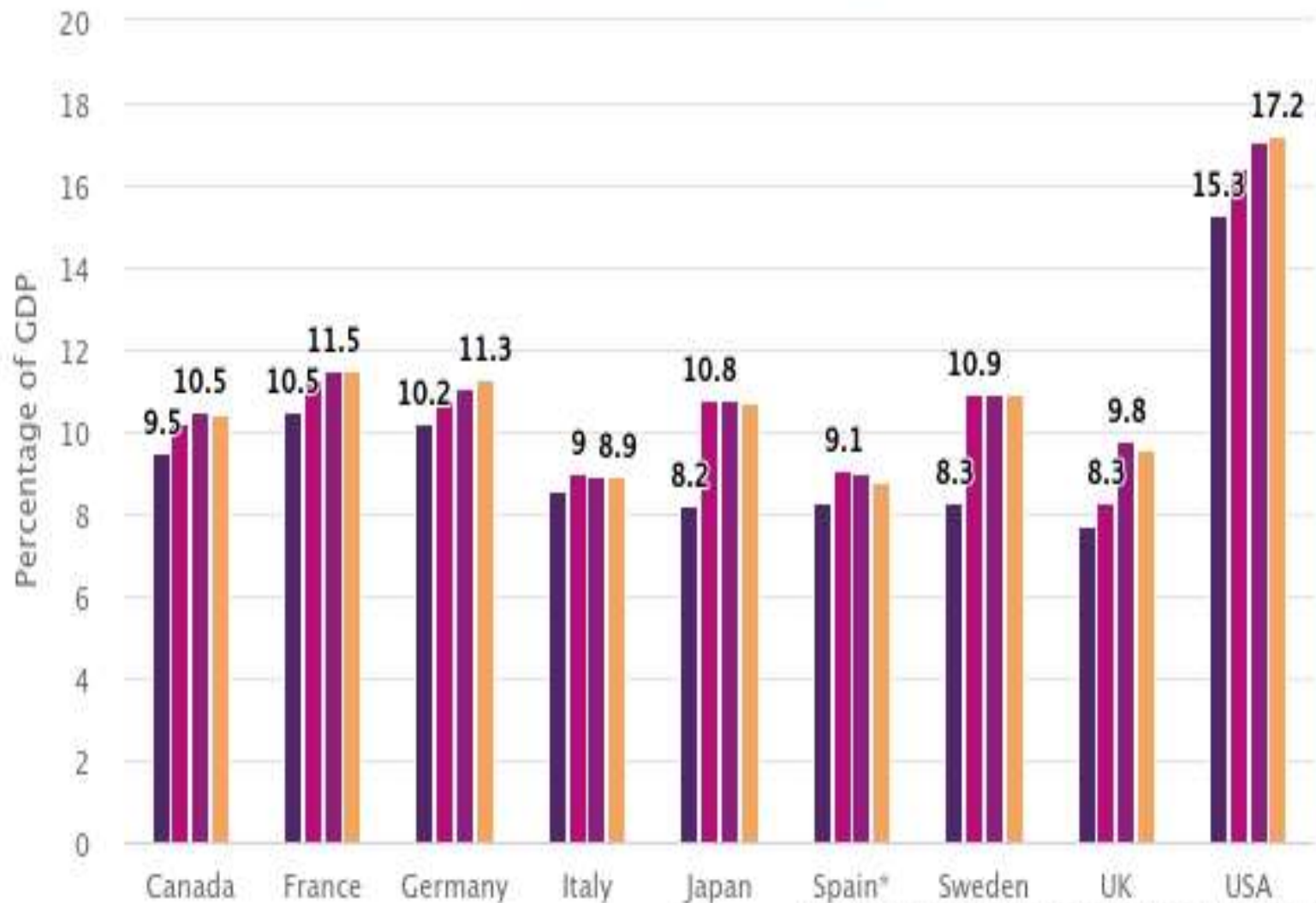


The Pharmaceutical Market



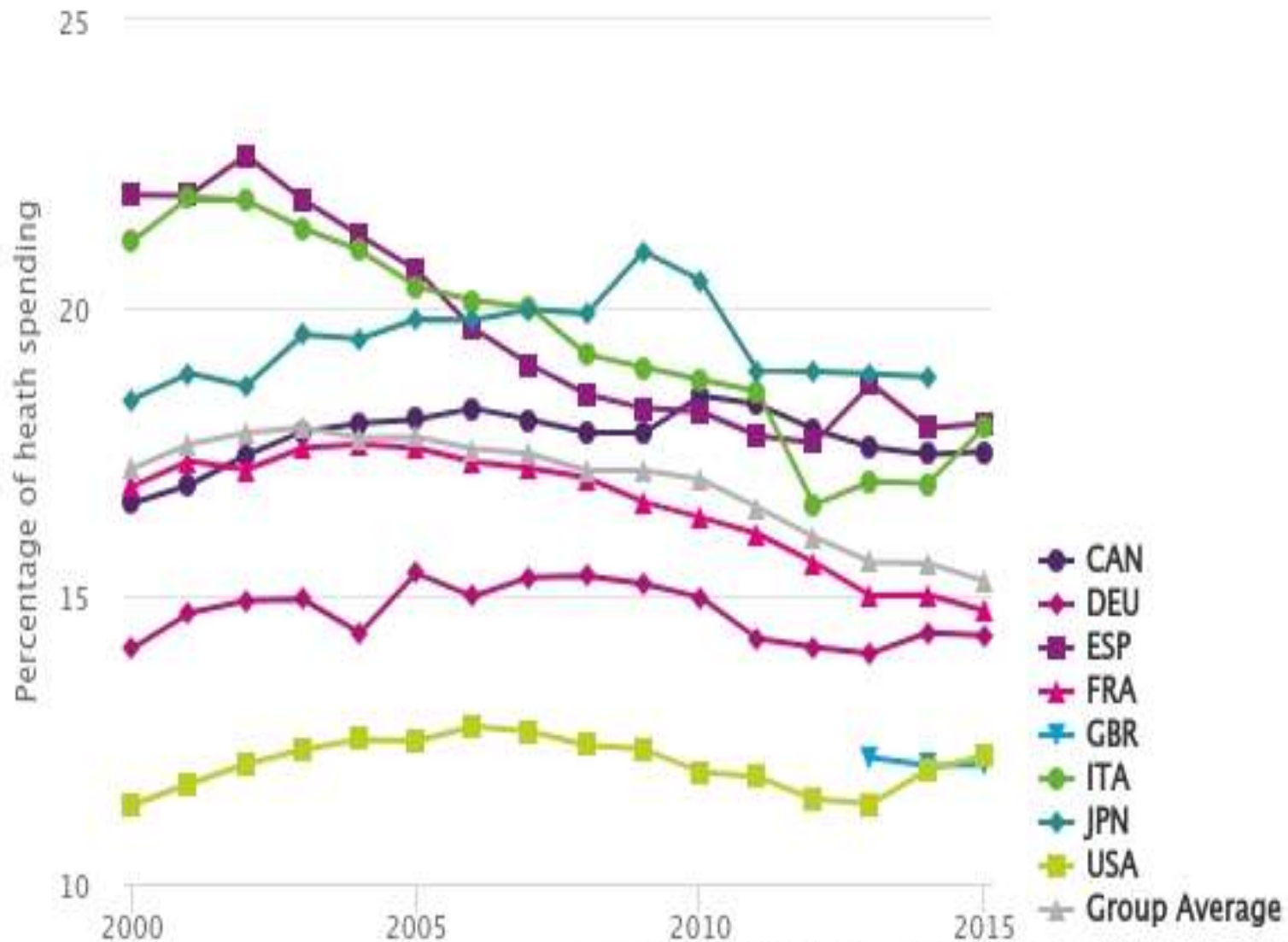
Health Expenditure as per cent of GDP

● 2008 ● 2012 ● 2016 ● 2017



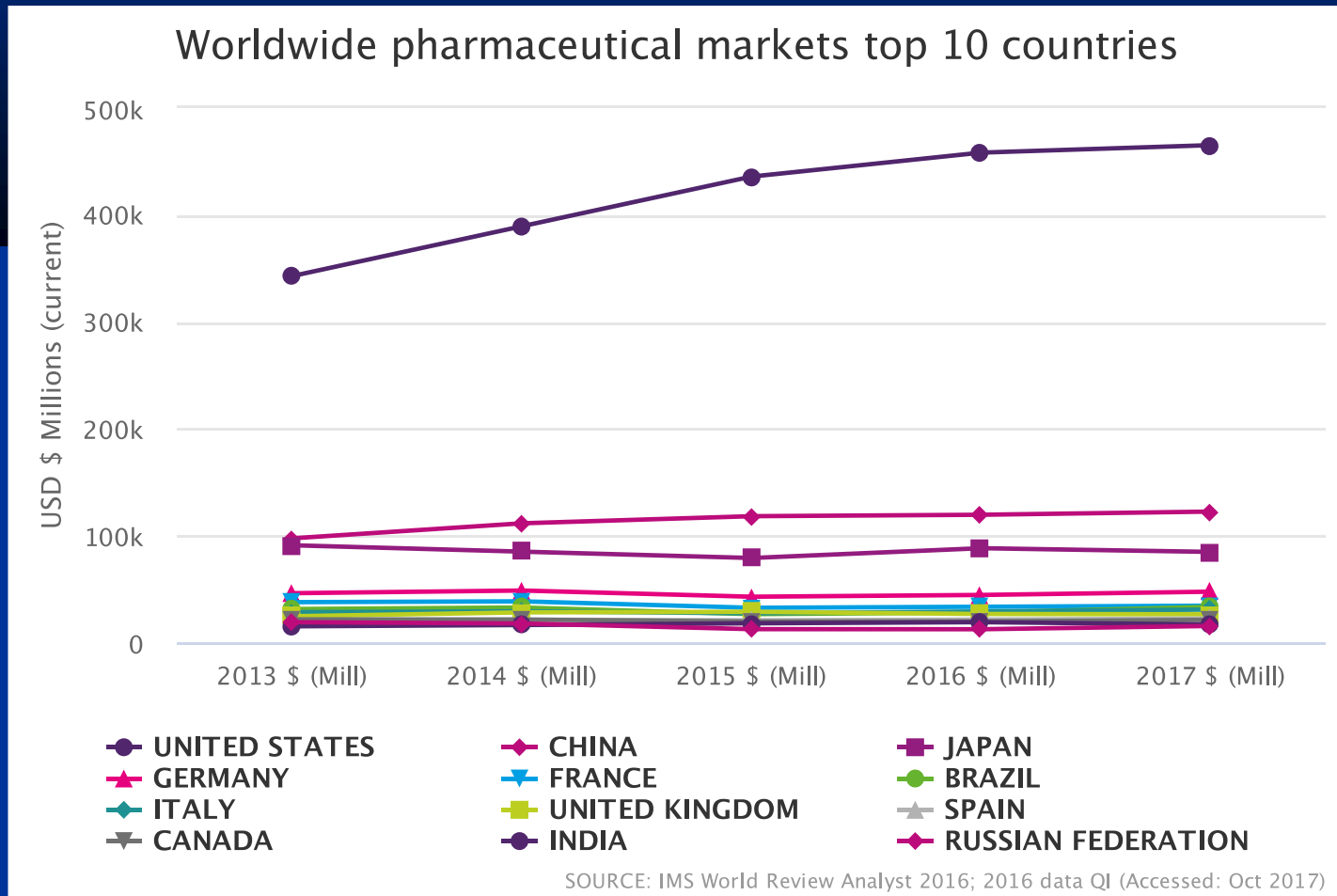
Source: OECD Health Database (Accessed: Oct 2017)

Pharmaceutical spending as a percentage of health spending 2000-2015



Source: OECD Pharmaceutical spending (indicator). (Accessed: Oct 2017).

Worldwide Pharmaceutical Markets – Top 10 Countries

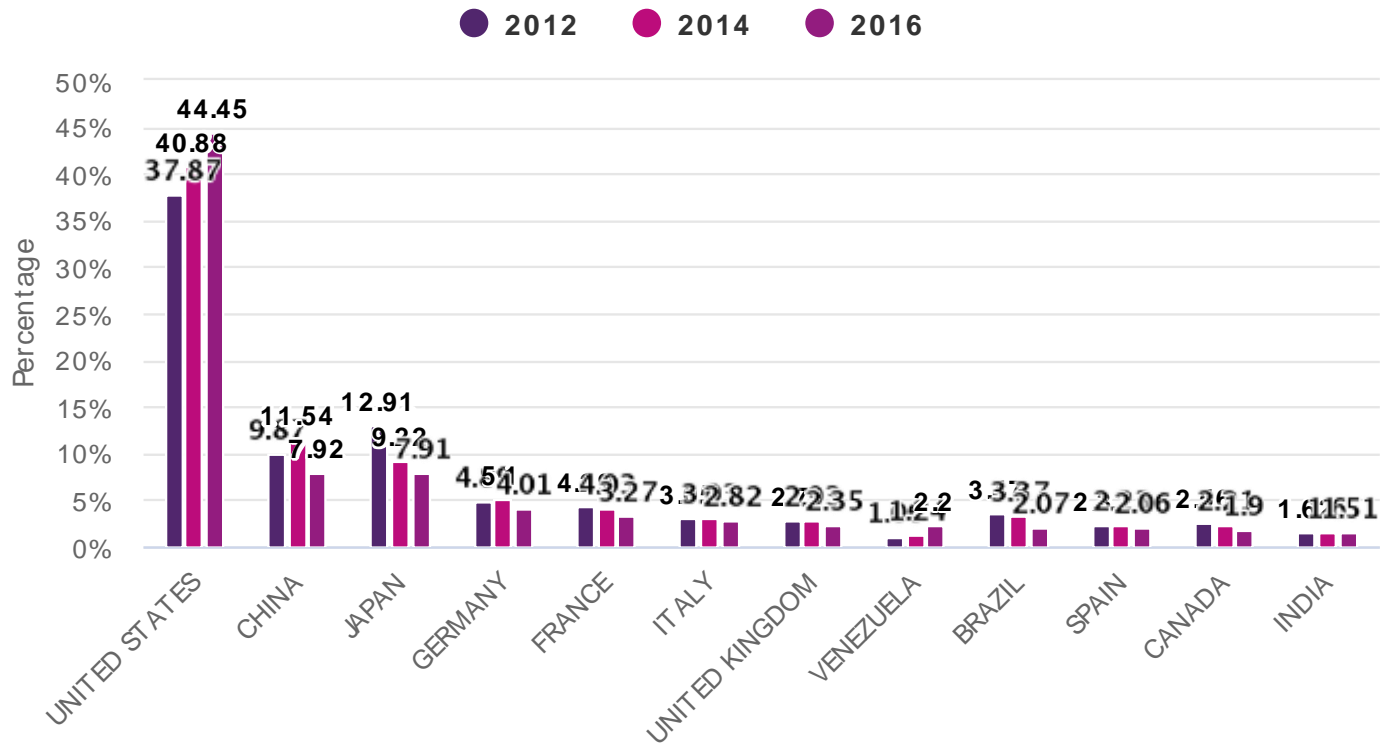


Global pharmaceutical top markets 2011 & 2013

2013				2011		
Country	Rank	\$ (Mill)	Growth %	Rank	\$ (Mill)	Growth %
USA	1	339,694	4	1	331,476	4
Japan	2	94,025	-16	2	111,642	16
China	3	86,774	16	3	66,794	22
Germany	4	45,828	9	4	44,698	6
France	5	37,156	1	5	39,957	4
Brazil	6	30,670	5	7	31,102	18
Italy	7	27,930	6	6	28,656	8
Canada	8	24,513	16	10	20,850	3
UK	9	21,353	-3	9	22,334	3
Spain	10	20,741	4	8	22,706	2

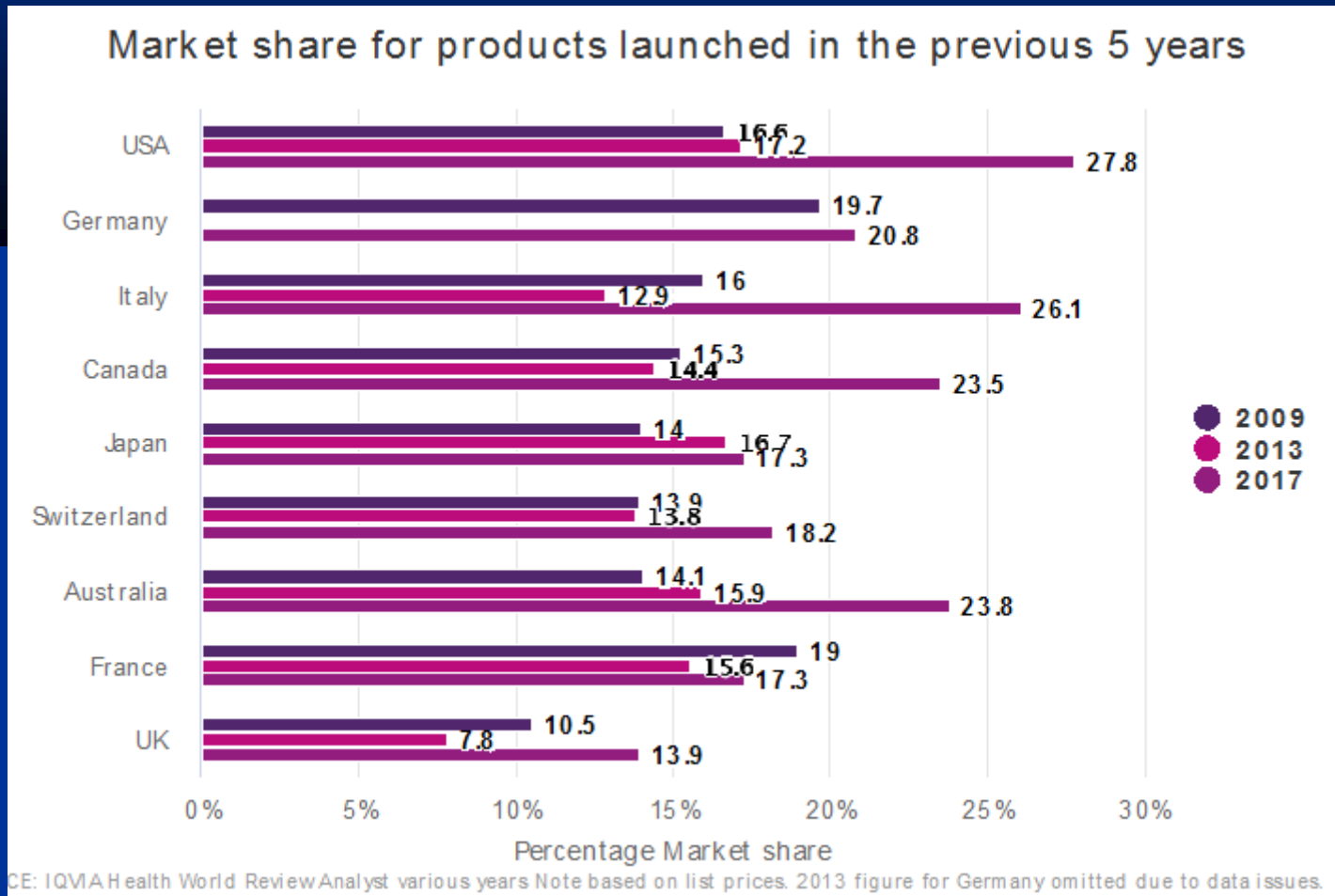
Percentage Share of Global Pharmaceuticals Sales for Leading Markets

Percentage share of global pharmaceutical sales for leading markets by sales



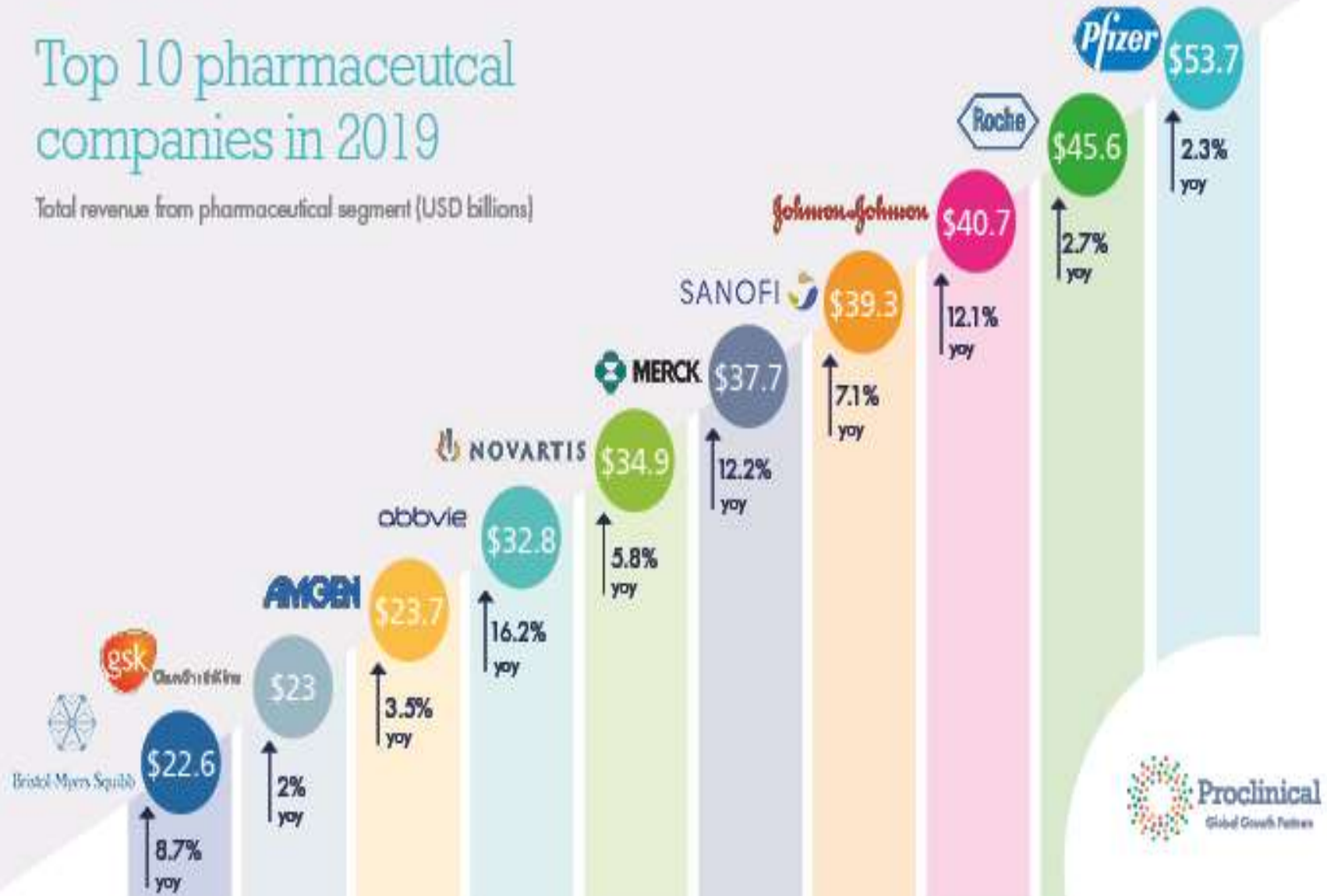
Source: IMS World Review Analyst 2016 (Accessed: Sep 2016). 2016 data supplied by QI, (Accessed Oct 2017).

Market Share for Products Launched in the Last 5 Years



Top 10 pharmaceutical companies in 2019

Total revenue from pharmaceutical segment (USD billions)



2007	Country	Sales £	Growth* %	Market share** %
Pfizer	USA	22,292	-2	6.7
GlaxoSmithKline	UK	18,847	1	5.6
Novartis	SWI	17,154	9	5.1
Sanofi Aventis	FRA	16,788	8	5.0
Astrazeneca	UK	15,010	9	4.5
Johnson & Johnson	USA	14,478	5	4.3
Roche	SWI	13,814	18	4.1
Merck & Co	USA	13,631	8	4.1
Abbott	USA	9,570	8	2.9
Lilly	USA	8,335	13	2.5
Leading 10		149,920	6	44.9
Amgen	USA	8,188	1	2.5
Wyeth	USA	7,949	8	2.4
Bayer	GER	7,020	13	2.1
Bristol-Myers Squibb	USA	6,519	6	2.0
Boehringer Ingelheim	GER	6,277	11	1.9
Schering-Plough	USA	6,181	10	1.9
Takeda	JAP	5,479	9	1.6
Teva	ISR	5,300	12	1.6
Novo Nordisk	DEN	3,336	18	1.6
Daiichi Sankyo	JAP	2,925	7	0.9
Leading 20		209,093	7	62.6

PHARMACEUTICAL TRADE BALANCE

EFPIA 2017

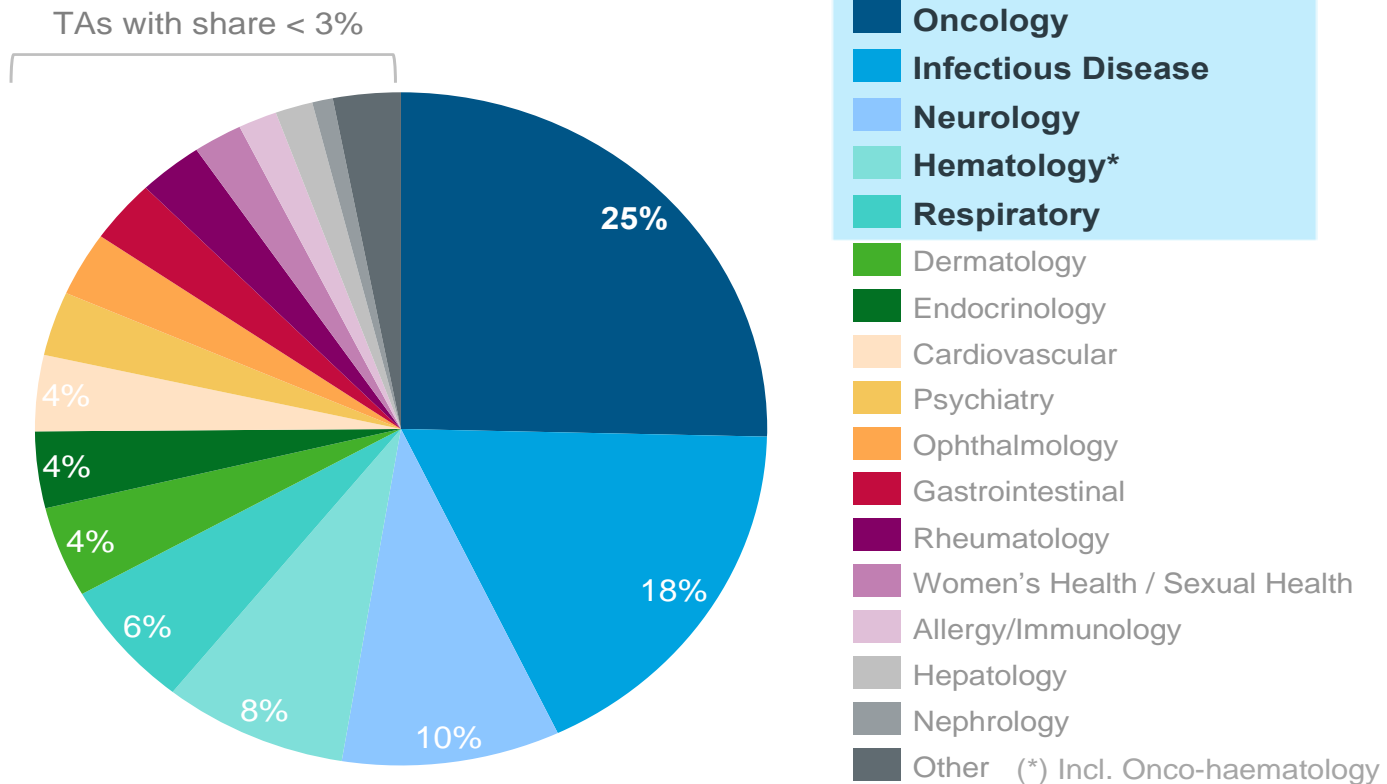
€ million

€ million

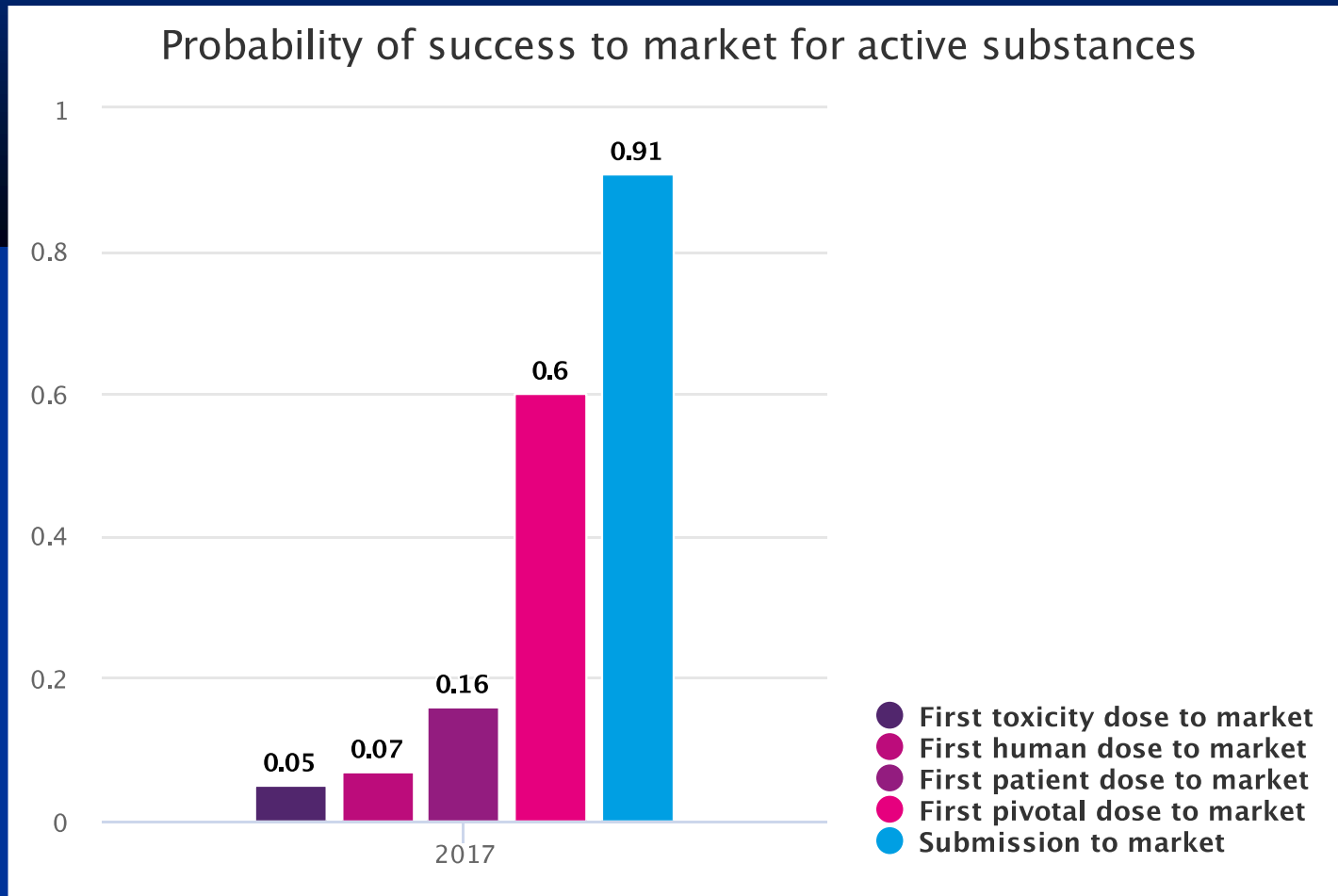
Austria	966	Lithuania	-309
Belgium	7,631	Luxembourg	-147
Bulgaria	-401	Malta	82
Croatia	96	Netherlands	8,209
Cyprus	33	Norway	-1,392
Czech Republic	-1,791	Poland	-2,087
Denmark	8,667	Portugal	-1,361
Estonia	-277	Romania	-2,213
Finland	-1,166	Russia	-7,702
France	3,959	Slovakia	-1,379
Germany	27,446	Slovenia	1,469
Greece	-1,902	Spain	-2,450
Hungary	1,044	Sweden	3,706
Ireland	25,911	Switzerland	39,694
Italy	465	Turkey	-3,163
Latvia	-160	United Kingdom	-74

Global pipeline analysis (all Rx areas) (%) (2020)

Pipeline summary – key therapeutic areas² [# trials started in 2020]

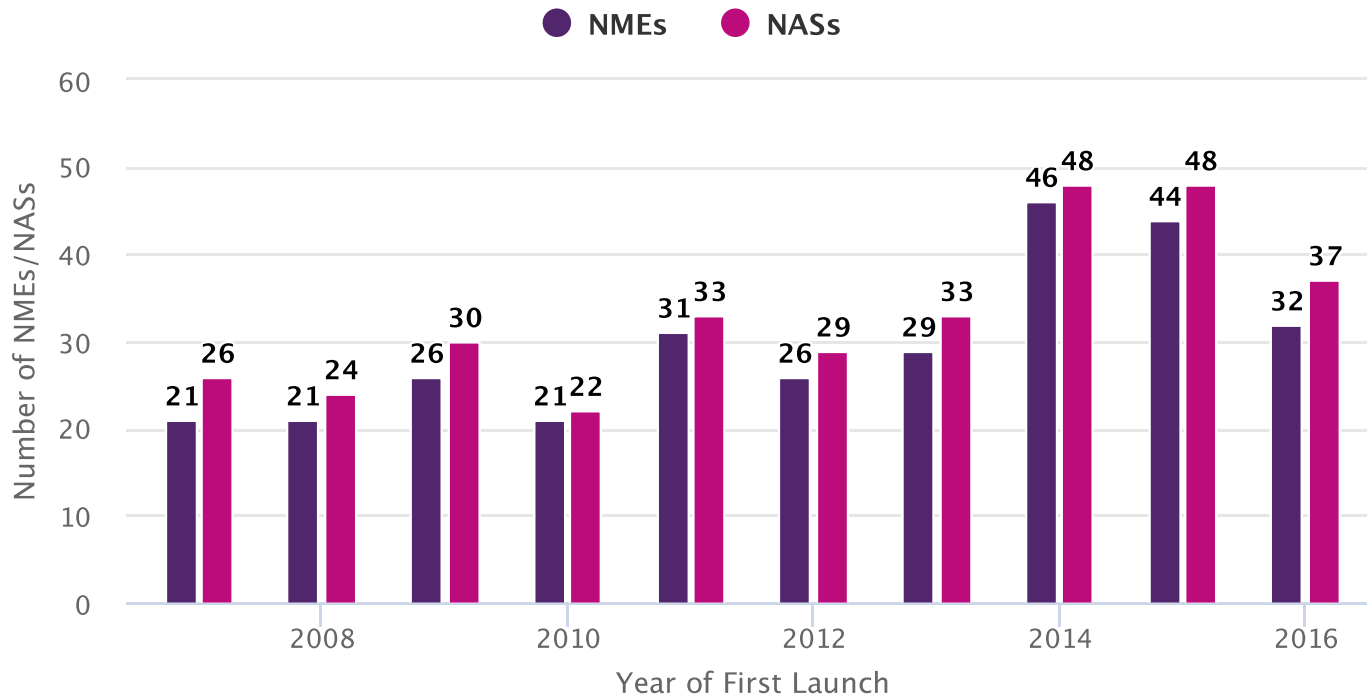


Probability of Success to Market For Active Substances



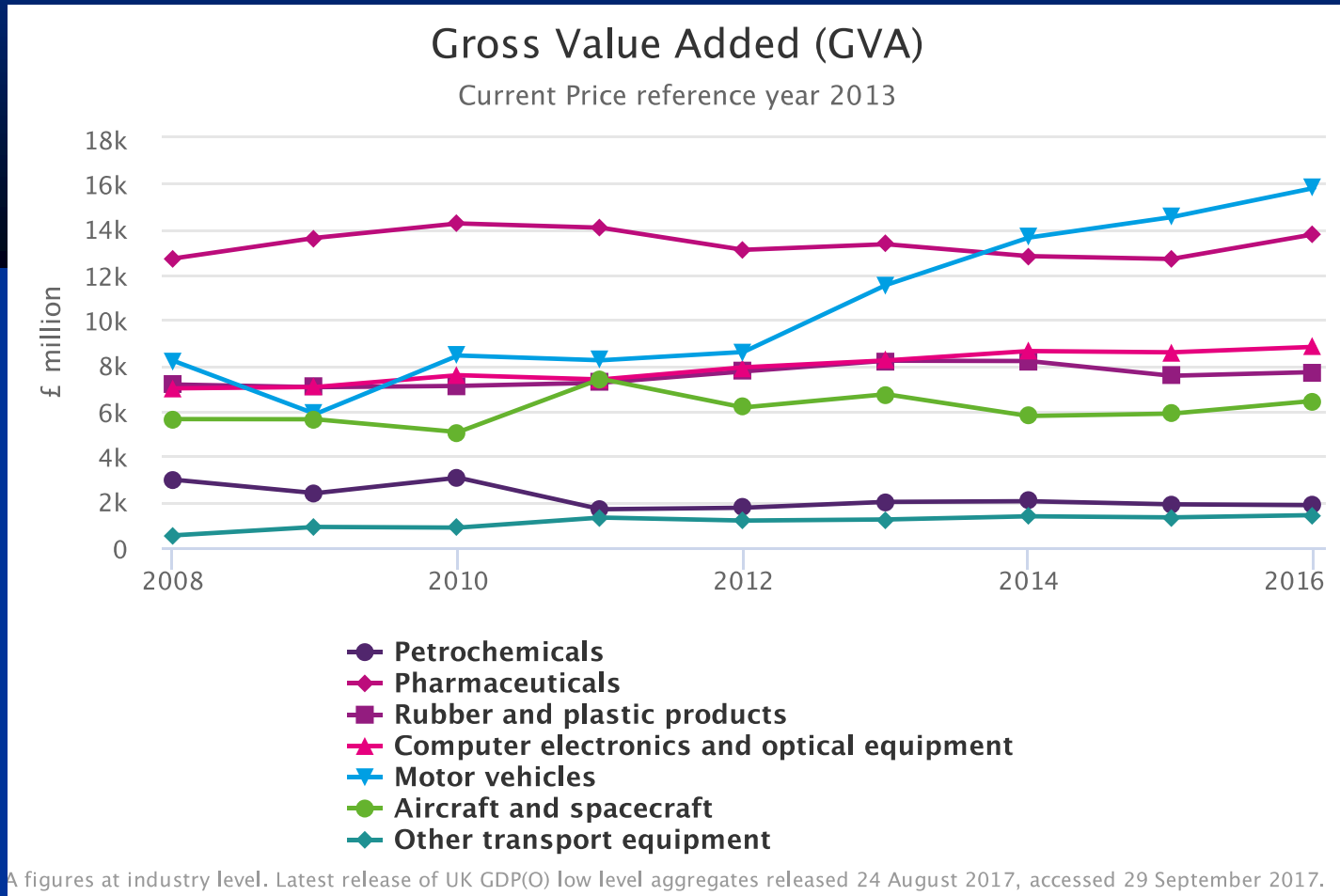
Number of NME and NAS Launched Onto Global Market

Number of New Molecular Entities (NMEs) and New Active Substances (NASs) first launched onto the world market 2007-2016

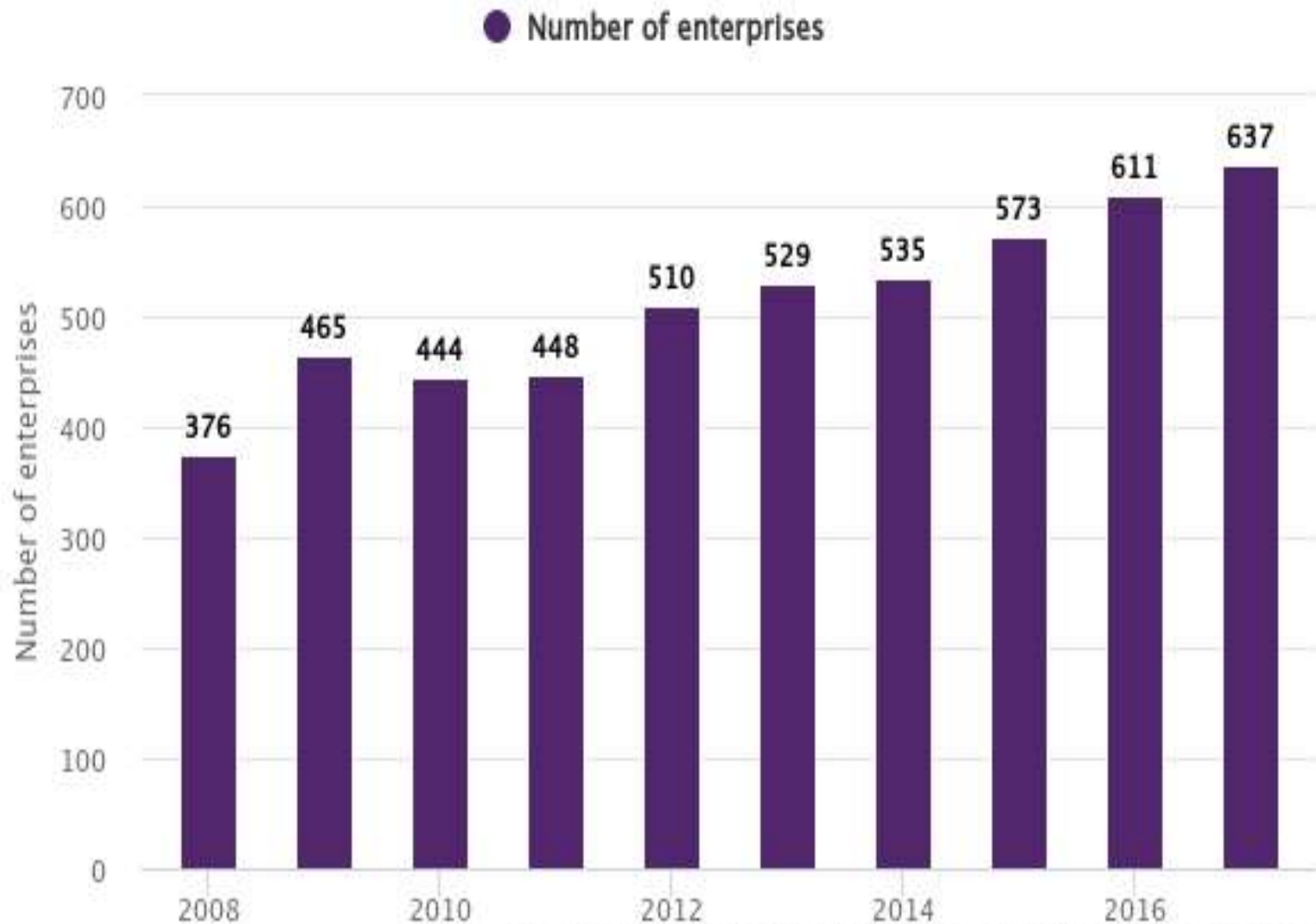


017 CMR Factbook from Clarivate Analytics; Drawn from the Industry R&D Investment Programme and reproduced with permission.

Gross Value Added (GVA) UK

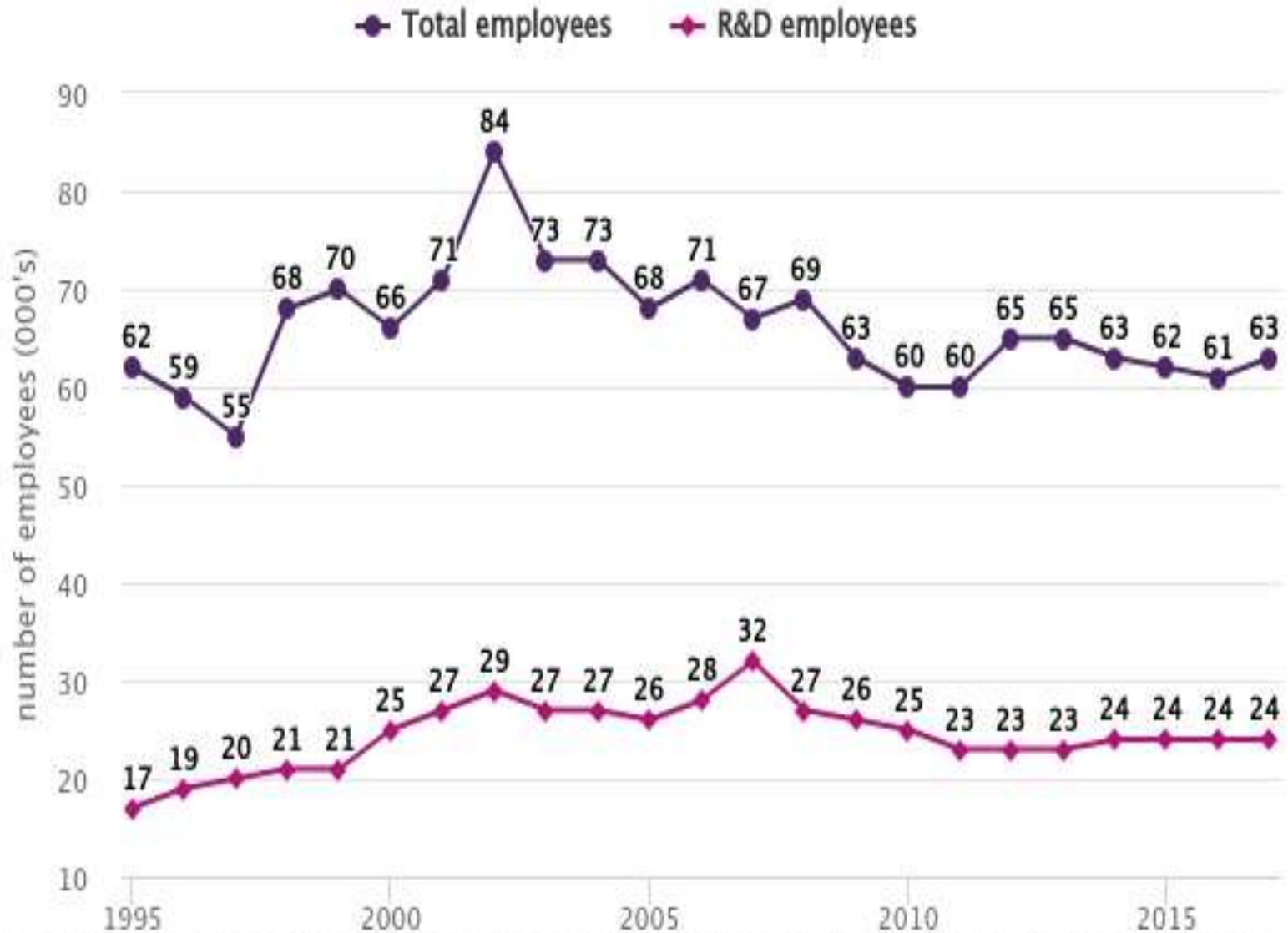


Number of pharmaceutical enterprises UK



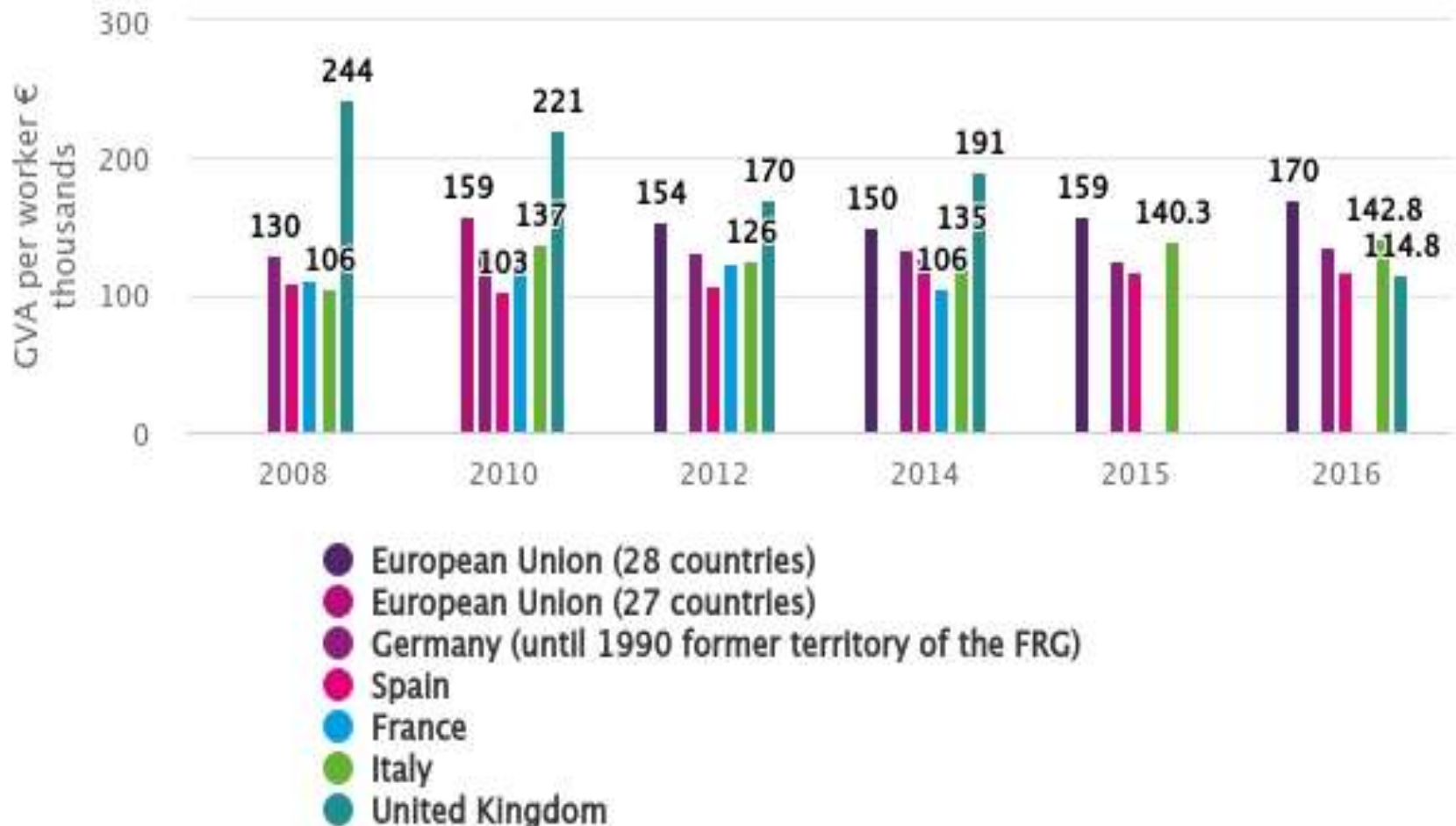
SOURCE: Annual Business Survey (ONS), released June 2017 (Accessed Sep 2017).

UK pharmaceutical industry employees (000's) 1995 - 2016



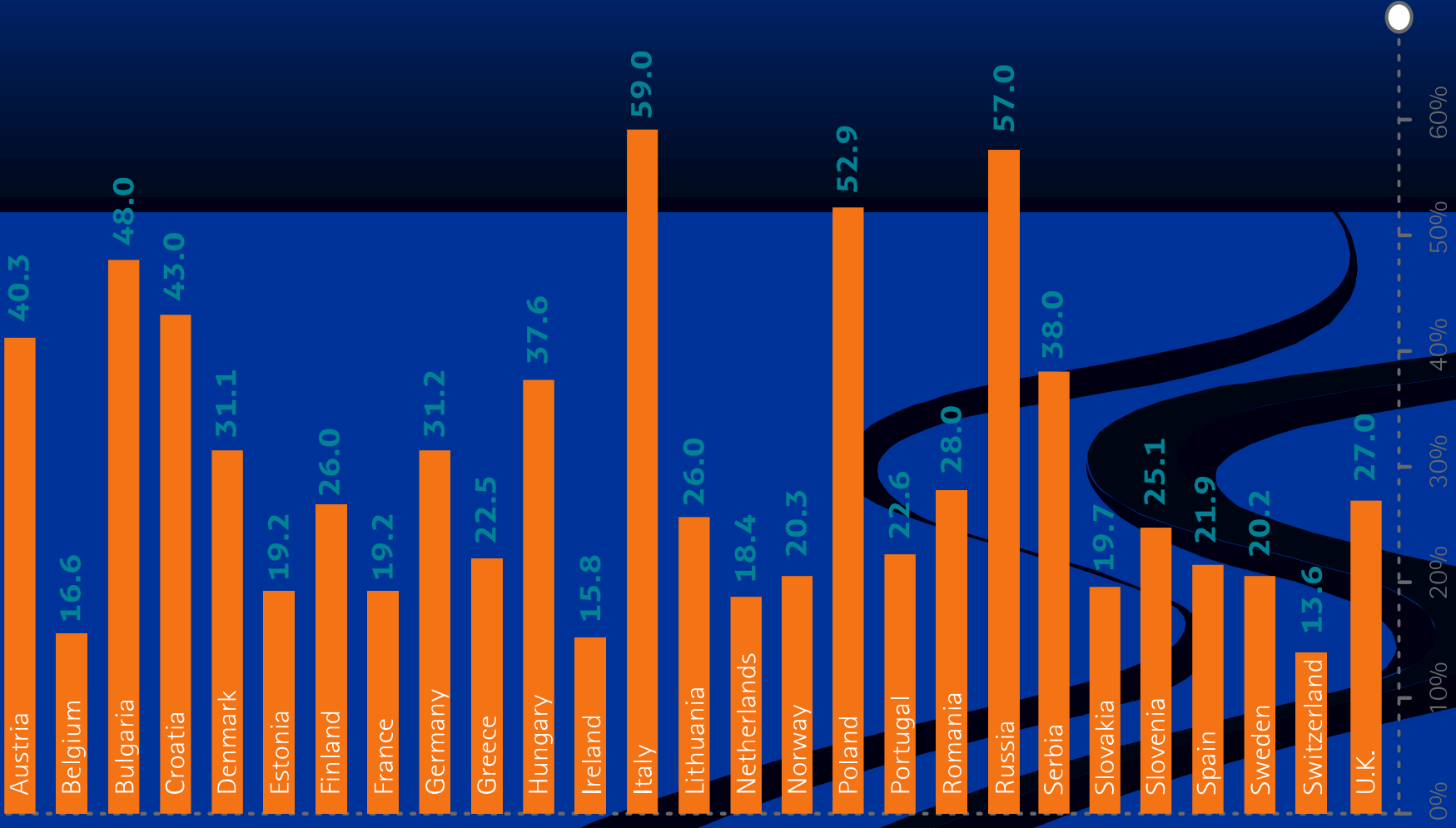
level (manufacturing) Released on December 2017 (Accessed Feb 2018). Number of jobs at industry level (R&D) (Accessed Nov 2016).

Relative performance of pharmaceuticals in UK compared to other major EU economies: GVA per worker (€ 000s per person)



Source: Eurostat. 2009, 2011 and 2013 have been omitted Due to data availability issues.

Generic market shares – Europe



The Marketing Mix



Target Marketing Strategy




Marketing – is it just about promotion?

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Marketing Mix

The 4 P's of Implementation

Product (customer needs & wants)

- Quality
 - Design features
 - Brand name
 - Packaging
 - Services
 - Warranties
 - Variety
- 

Marketing Mix

The 4 P's of Implementation

Price (cost to customer)

- List price
 - Discounts
 - Allowances
 - Payment period
 - Credit terms
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Marketing Mix

The 4 P's of Implementation

Place (convenience for customer)

- Channels
 - Coverage
 - Locations
 - Transport
- 

Marketing Mix

The 4 P's of Implementation

Promotion (communication with customer)

- Advertising – incl' direct mail
 - Promotions e.g. Exhibitions
 - Personal selling - Fieldforce
 - Publicity - Public and professional relations
- 

Mini workshop

Take 15 minutes and consider the marketing mix for the following brands...

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4 Ps



4 Ps



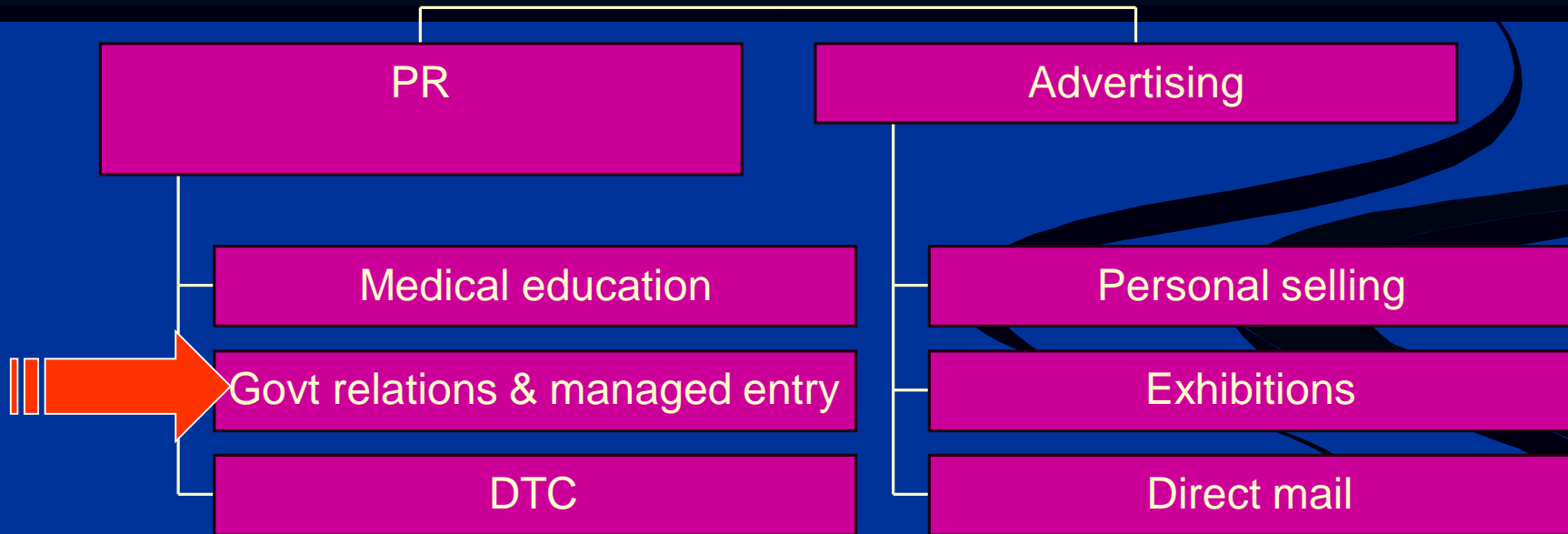
4 Ps



The Promotional Mix

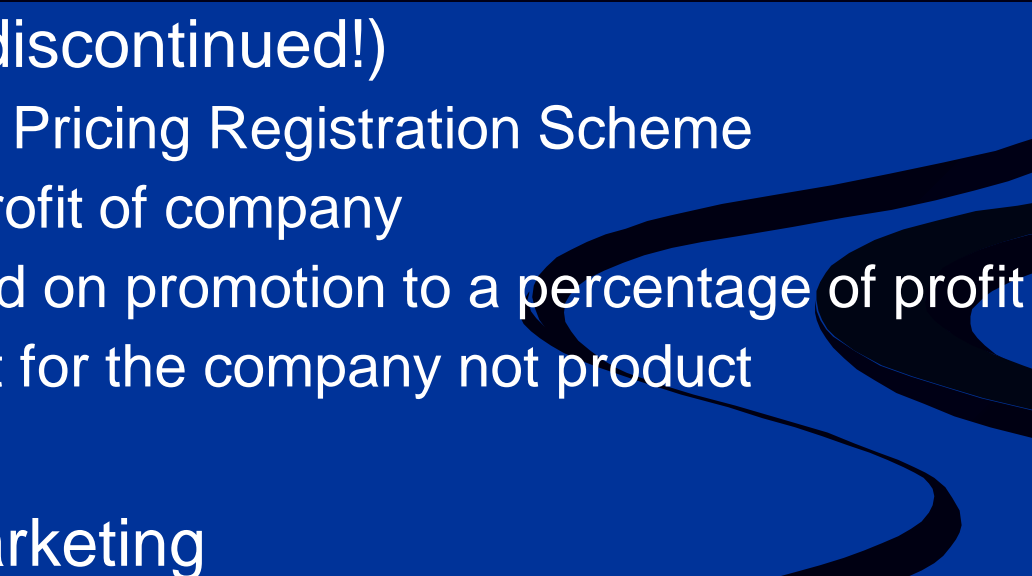


Pharmaceuticals & the Promotional Mix



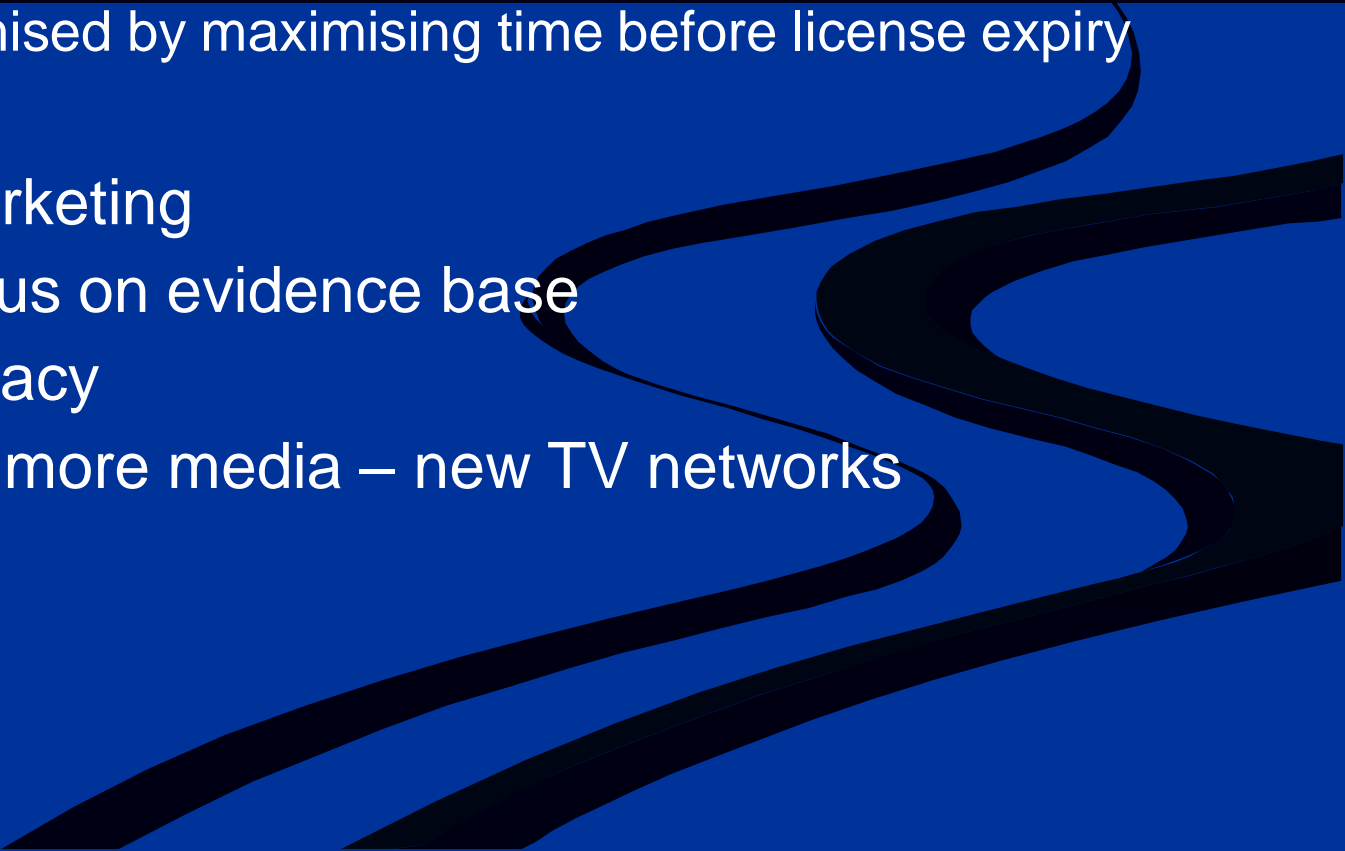
Promotional Mix

Constraints

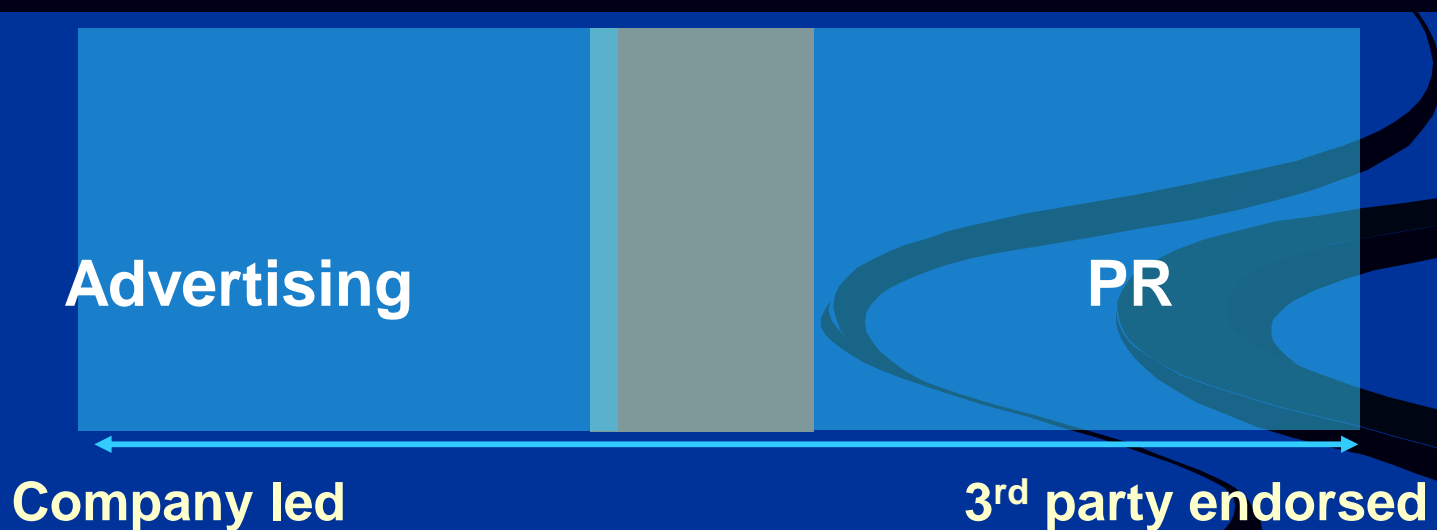
- ABPI code of practice
 - PPRS (now discontinued!)
 - Prescription Pricing Registration Scheme
 - Linked to profit of company
 - Limits spend on promotion to a percentage of profit
 - Overall limit for the company not product
 - Profitability
 - Drives co-marketing
- 

Promotional Mix

Trends


- Growing emphasis on pre-marketing
 - Profit maximised by maximising time before license expiry
 - Co-marketing
 - Franchise marketing
 - NICE and focus on evidence base
 - Patient advocacy
 - New media – more media – new TV networks
- 

Pharmaceuticals & the Promotional Mix



Pharmaceuticals & the Promotional Mix

Advertising

- Magazine and journal advertising
 - Direct mail campaigns
 - Fieldforce materials – detail aids, leave pieces
 - Promotional items e.g. pens etc
 - Launch meetings
 - Exhibitions
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Pharmaceuticals & the Promotional Mix

Advertising

Pros

- Good control of the message
- Target 'hot' segments
- Pulse to integrate with other components of promotional mix
- Pull at short notice
- Highly visual – promote brand, logo etc

Cons

- Lack of third party endorsement
- Lack of available journals/magazines in specialist areas
- Availability of prime space
- Costly

Pharmaceuticals & the Promotional Mix

Public and Professional Relations

“Public relations practice is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics”

Institute of Public Relations



Pharmaceuticals & the Promotional Mix

Public and Professional Relations

- Driven through event/ press releases
- Media coverage
- Editorial – magazine and journal articles
- Radio and TV coverage

- Leader development
- Medical education
- Advocacy – patient groups
- Govt lobby & managed entry
- Crisis management

Pharmaceuticals & the Promotional Mix

Public and Professional Relations

Pros

- Third party endorsement - credibility
- High impact if it is timed well
- Increasing number of channels e.g. the Internet

Cons

- More difficult to control the message – use specialist agency to advise
- Difficult to target ‘hot’ segments
- Difficult to fully integrate with other components of promotional mix
- Cannot be pulled at short notice
- ? cost-effectiveness – measure with surrogate markers

Pharmaceuticals & the Promotional Mix

Medical education

- Part of PR campaign
- Driven by evidence base – publication strategy
- Advisory panels (PR)
- Monographs
- Disease primers
- Educational meetings – issues, disease area
- Training kits
- Clinical slide sets
- Patient leaflets

Pharmaceuticals & the Promotional Mix

Medical education

Pros

- Target relevant customer group
- Flexible – tactics easily adapted
- Third party endorsement
- Control of the message
- Valued by the recipient e.g. CPD

Cons

- Must be fully integrated to ensure ROI

Pharmaceuticals & the Promotional Mix

Medical Education – create understanding of disease area

create an understanding of role of product in disease

Advertising – create demand for the product through awareness

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Promotional Mix & The Product Life Cycle

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Promotional Mix & The Product Life Cycle

Pre-launch

- Med Ed and PR of paramount importance as only way of priming audience
ABPI guidelines
- Med Ed of importance if the product is :-
 - a new class of drug e.g. atypical antipsychotics
 - being launched into a poorly understood disease area e.g. ADHD
 - used in a slightly unusual aspect of the condition

Launch

- Advertising of prime importance to create awareness
- Med Ed and PR in parallel to ad' campaign
- Natrilix SR - diuretic

Promotional Mix & The Product Life Cycle

Growth

- Advertising to maintain awareness/ usage
- Med Ed and PR used to position line extensions, new indications etc

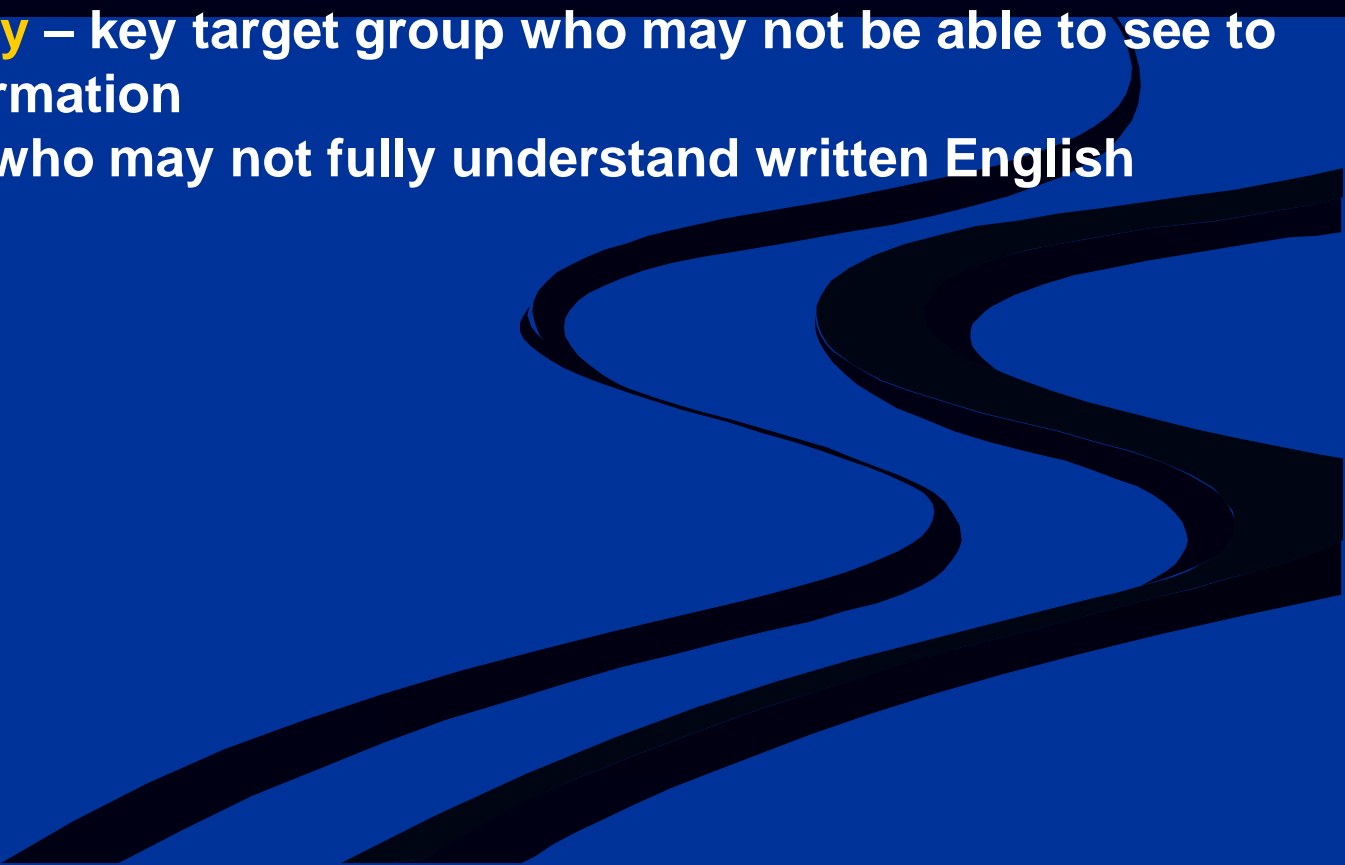
Maturity

- Maintain loyalty through advertising
- PR can create 'gold standard' position e.g. Ten Years of Prozac

Decline

- PR used to protect heritage and introduce new products into franchise

How do you reach the target audience?

- **Teenagers** – can be unreceptive to medical advice
 - **Pensioners/ elderly** – key target group who may not be able to see to read in-depth information
 - **Ethnic minorities** who may not fully understand written English
- 

How do you reach the target audience?

Teenagers/ young

- Often see medical advice as boring
- Key is to create empathy
- Appealing format
- Young person's guide to stress – supported by Eli Lilley, utilised fold-out postcards with strong, contemporary images. Facts were kept to a minimum on one side of the card.
- Ideal is to use magazines and channels teenagers already reading
- Position posters etc in teenage venues – testicular cancer posters in clubs
- TV is an ideal medium – teenage pregnancies and Soaps
- Internet ideal for embarrassing topics – no confrontation

How do you reach the target audience?



Elderly

- The elderly will read medical information but needs to be clear, easily readable, obtainable and relevant
- TV and Radio very powerful medium – esp' R2
- Multi-faceted campaigns work best – e.g. 'flu campaign used TV & press advertising, resource packs, leaflets and free telephone helplines
- Daily Telegraph & Daily Express good channels for the > 65
- BBC but not C4
- Internet – silver surfers – 4.6m users > 50

How do you reach the target audience?

Ethnic minorities


- Heart disease > common in Asian men – need for targeting advice
- Utilise the correct relevant images/ language etc
- Local health advice – via forums etc
- TV networks – the ‘Voice’ and ‘Network East’
- Translate and also use oral media e.g. tapes
- Ethnic minority ‘name’ to spearhead campaign

Workshop


Scenario

- A pharmaceutical company will launch a new product for the treatment of ADHD
- The main challenge they face is the fact that ADHD is not well understood and the 'over use' of Ritalin in the US has shaped the thinking of doctors and the public
- Design a pre-marketing programme to shape the market for this new entrant
- Consider the elements of the plan, target audiences and appropriate vehicles


Workshop

- **Target audiences**
 - **Key tactics**
 - **Communication vehicles**
- 
- A decorative graphic consisting of several thick, black, wavy lines that flow from the right side of the slide towards the left, creating a sense of movement and depth against the blue background.

Workshop

- **Target audiences**
 - **Key tactics**
 - **Communication vehicles**
- 
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Workshop

- **Target audiences**
 - **Key tactics**
 - **Communication vehicles**
- 

Module Assignment

The background of the slide is a solid blue color. In the lower right quadrant, there are several thick, black, wavy lines that resemble stylized waves or a ribbon. These lines start from the right edge and curve towards the bottom left, creating a dynamic, abstract graphic element.

Tesco Clubcard



This case study illustrates:

- The value of a long term customer strategy
- Effective Customer Relationship Marketing

Tesco Clubcard: The Situation

- Tesco is the **number 1** supermarket retailer in the UK
- The loyalty scheme TESCO CLUBCARD was launched in 1995
- The scheme enabled Tesco to gain deep and detailed information about their customers
- Members purchases, shopping frequency and value were tracked in detail through the loyalty card
- In return customers were given vouchers for money-off purchases and points which could be traded for non-Tesco goods and services e.g. Airmiles



Tesco Clubcard: The Situation

- Tesco customers were segmented into five main groups based on:
 - Recency, frequency and value of shopping, and time of day
 - Life stage of customers (students, young adults, older adults, young families, older families, over 60s)
 - Lifestyle ('Basket typology')
 - Customers driven by product promotions
 - Customers loyal to specific brands.
- Segmentation on this basis allowed Tesco's communications with their customers to be extremely specific
- In 1999 Clubcard had over 80,000 variations in communications based on customer life-stage and allowed them to include vouchers specifically tailored to customers' previous purchases
- The overall result is that the Tesco Clubcard has been recognised as one of the best examples of direct-to-consumer marketing

Exxon Gasoline



This case study illustrates:

- The importance of understanding and reacting to change in the market place

ExxonMobil Gasoline: The Situation



- The Gulf War in the early '90s drove up gasoline prices in the US and new low-price brands appeared, radically changing what had been a "cosy" market
- The challenge for the major brands was to differentiate themselves from their low-cost competitors in what was essentially a commodity product



ExxonMobil Gasoline



- What options existed for ExxonMobil to drive differentiation from low-cost competitors?



ExxonMobil Gasoline: In Reality

- The Mobil Corporation (now ExxonMobil) conducted extensive research and identified five distinct consumer groups, all roughly the same size
- Of these five groups, three represented 59% of the population but accounted for 74% of the potential profitability
- Through understanding consumer motivations, Mobil were able to target the needs of these groups with the 'Friendly Serve' marketing campaign
- This provided clean restrooms, cappuccino in their convenience stores, a friendly young person to assist customers and, more recently, a Speedpass payment system
- Stations that implemented the Friendly Serve programme charged \$0.02c per gallon more yet saw sales increase by 20-25%
- In addition, consumer perceptions of Mobil as the friendly, fast, clean service station rose markedly

Lamictal



This case illustrates:

- Effective market segmentation
- Re-positioning a brand to drive competitive advantage
- The use of a single-minded proposition integrated across all elements of the promotional mix

Lamictal

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- Effective market segmentation
- Re-positioning a brand to drive competitive advantage
- The use of a single-minded proposition integrated across all elements of the promotional mix

Lamictal : The Situation

- Anti-convulsant market in UK static and dominated by two, off-patent brands, both of which have significant side effect profile particularly for women.
- Anti-epilepsy treatment usually initiated by a neurologist who tended to be relatively conservative and slow to embrace the “new” therapies.
- Neurologists comfortable with, and satisfied by, the two familiar therapies
- Customers chose treatment based on seizure type of patient taking little else into consideration.
- Treatment goals were almost exclusively seizure control.
- Patients tend to stay on first medicine prescribed → minimal switch
- Lamictal: 10 year old anticonvulsants offering fewer negative side effects particularly for women and suitable for wide range of seizure types but had failed to gain significant share (7% at 10 years)

Lamictal: Key Issues

- What were the key issues that The Lamictal Marketers faced?
- How might Lamictal be re-positioned to address these issues?



Lamictal: In Reality

- Gender was used as basis for new segmentation
- A new women's segment was established via a high profile campaign which highlighted the specific issues of treating women with epilepsy
- Lamictal claimed ownership of the women's segment and was clearly positioned for *women* with epilepsy needing treatment for first time
- This new unmet need together with strong positioning of the brand provided a compelling reason to prescribe for this patient population
- Overall, Lamictal share of new patient opportunities grew for both males and females but female new opportunities grew at double the rate
- The dynamic of the epilepsy market was changed for the first time in 30 years

Avodart: Brand Image Re-evaluation

This case study illustrates:

- The need for, and value of, marketing communications to talk the language of the customer
- Deep customer understanding is required to ensure that marketing communications resonate with the prescriber

Source : Pharmaceutical Marketing

Avodart: The Situation

- Avodart was launched for BPH against the market leader, Proscar in 2003
- “Dual inhibition of DHT production” differentiated Avodart from the leader and claimed to result in better control of symptoms and less chance of long term complications i.e. Surgery.
- This differentiator was subtle and not well understood by prescribers
- Initial advertising imagery at launch aimed to communicate that Avodart
 - Prevents future problems because of the unique dual inhibition (lighthouse preventing ships crashing on the rocks)
 - Provides the guiding light for physicians treating this condition
- Advert failed to resonate with prescribers who found it difficult to elicit the key message from the execution

Avodart: In Reality

- Customer insight was gained from innovative market research into the patient / doctor interaction
- Research revealed that the vocabulary used when discussing BPH was distinct and almost light-hearted; “plumbing”, “engine” “waterworks”, “re-conditioning”
- New advertising imagery was developed to reflect this insight
- Although the brand positioning and key messages remained unaltered, the new advertising was less ethereal, more direct and echoed the patient’s own vocabulary
- The new image resonated strongly with the physicians who were able to readily recall their BPH patients.
- Brand awareness and usage increased and increase could be tracked back to image change



Launch of Seretide/Advair

This case study illustrates:

- Example of an effective launch in a complex situation
- The creation of a strong brand identity from the combination of two existing molecules each with their own brand image
- Use of customer insight to drive a strong emotional dimension to branding

Source : PMEA 2002

Launch of Seretide/Advair 1: The Situation

- Seretide/Advair is the leading product in the GSK portfolio, selling £725 million in the second quarter of this year and showing strong growth across all regions
- Seretide is deemed one of the most successful pharma launches of all time in terms of Rx volume over time
- Seretide is a combination of two existing molecules which had been marketed for asthma as “Serevent” and “Flixotide”
- Serevent and Flixotide, successful brands in their own right, were predominantly used in severe asthma
- To be successful, Seretide needed to be strongly positioned for mild / moderate which represented the biggest patient opportunity but was also a cost sensitive segment
- Additionally, the aspiration was to drive growth of Seretide without significant cannibalisation of the older brands, Flixotide and Serevent

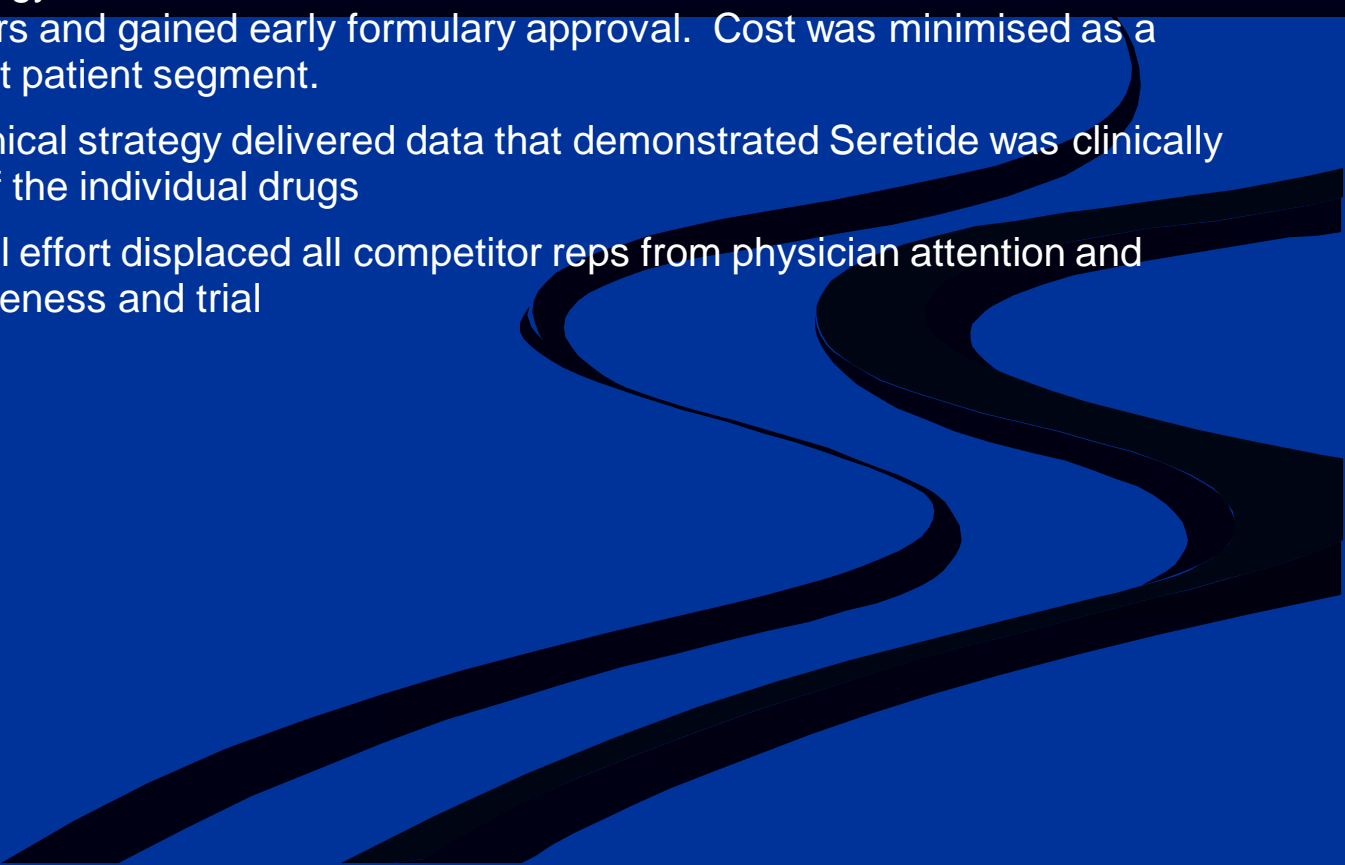
Launch of Seretide / Advair 1

- When planning the launch of Seretide, what were some of the key challenges faced?



Launch of Seretide / Advair: In Reality 1

Critical Success Factors

- A bold pricing strategy meant that Seretide/Advair was considered excellent value for money by the payers and gained early formulary approval. Cost was minimised as a barrier for the target patient segment.
 - A well executed clinical strategy delivered data that demonstrated Seretide was clinically superior to either of the individual drugs
 - Intense promotional effort displaced all competitor reps from physician attention and ensured rapid awareness and trial
- 


Launch of Seretide / Advair: In Reality 2

- Post-launch, real life patient benefits surpassed physician expectations purely based on trial data
- This insight led to a fundamental review of the brand proposition and a determination to challenge physician's satisfaction levels of current asthma treatments
- A strong emotional dimension to the brand was developed and the brand essence of "liberation" reflected how patients were reporting they felt after taking Seretide

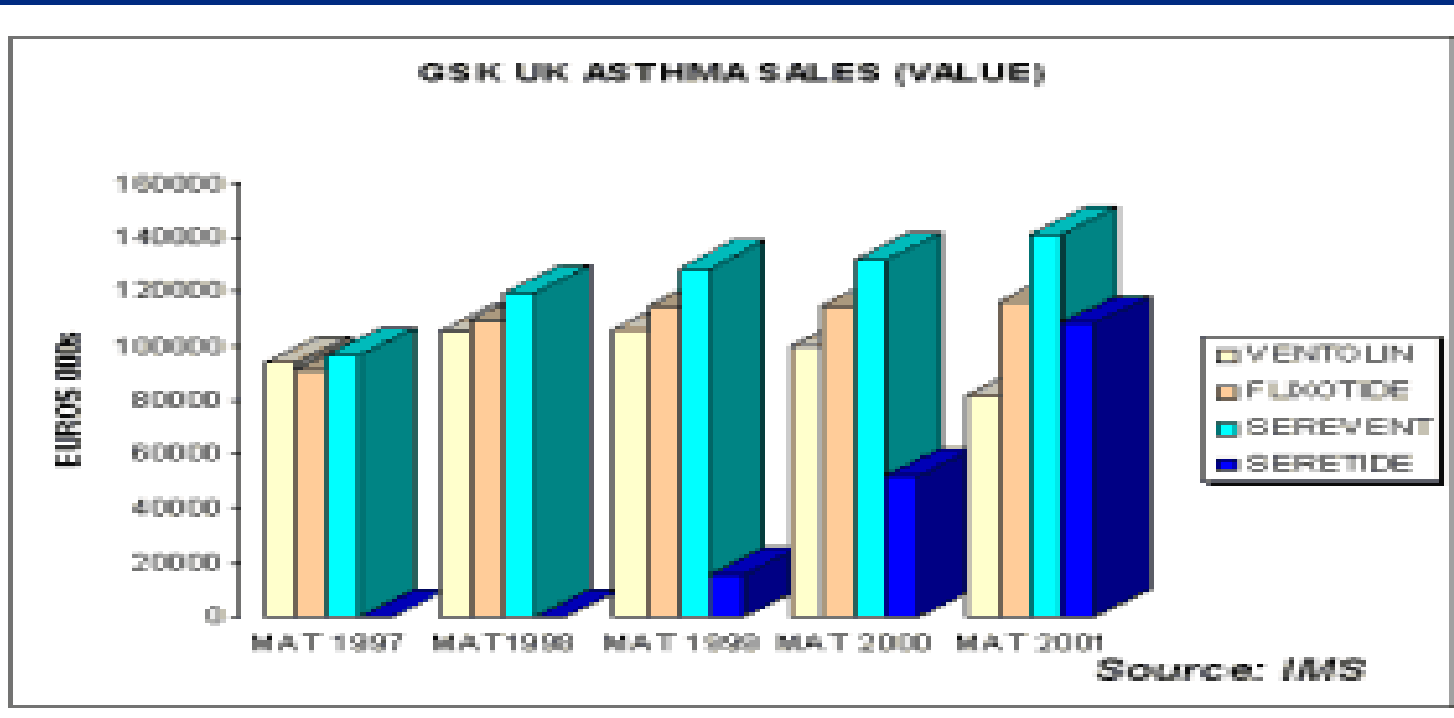


Launch of Seretide / Advair: In Reality 3

The key messages were crystallised into a

- Product promise: “Seretide offers greater control that patients can feel”
 - A Precise Positioning: “ Seretide is better than increasing the dose of inhaled steroids”
 - And a credible value proposition: “ great value at £ / \$ per month”
- 

Launch of Seretide / Advair



Seretide sales **exceeded expectations** with sales at 7 months comparable to Lipitor and Losec in their launch phase.

Sales of Flixotide and Serevent were **maintained**

Resource Material

www.pmlive.co.uk

www.abpi.org.uk

