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FOR GLOBAL BUSINESS AND MARKETING LEADERS

Pharmaceutical Executive

What Type of



Brand Are You?

Stop the aimless soul searching. The path to brand success lies in understanding how best to position your drug.

BY VINCE PARRY

In the same way *American Idol* proved that there's a method for creating a pop star, there are also proven methods for creating brands.

Time and time again, *Idol* judges reward contestants who exhibit a common set of characteristics: good looks, great vocal range, versatility across genres, and stage presence. Similarly, brand teams determine their strategies by following trails blazed by other brands. Executives might ask, "What characterizes billion-dollar brands?" or "What has defined leading cardiovascular brands?" Then, they try to recreate that success by basing their decisions on what has worked in the past. »



For the aspiring starlet as well as the aspiring brand, this model often works on at least one level—short-term success with a mass audience. But pharmaceutical companies, more than ever, must create brands that maximize their revenues with long-term successes, and with ever-more specialized drugs. For this, the *American Idol* model falls short. Instead, marketers should look to cultivate their brands more like the great artists of our time—Bob Dylan, Michael Stipe of R.E.M., or the bluesy artist Tom Waits—who exhibit uniqueness and the agility to evolve.

What can we learn from artists who have followed their own paths? Brands must evolve. Marketers need a model that can capture originality prospectively, yet provide the flexibility that allows brands to change while still remaining true to their long-term objectives. In this article, we set forth several archetypes for branding based on characteristics and behaviors of the brand, and the market dynamics surrounding it at a particular moment in time.

However, as brands grow and develop, gain additional indications, and create and lose market share, their teams will need to evaluate and adapt their behavior. In this way, the archetypes, when taken together, also provide an understanding of under what circumstances a brand needs to change course. In that way, companies and their agencies should not be asking, "What qualities make up a leadership brand?" but rather, "What are the different and unique ways that brands grow up to be leaders?"

It is important to note that there is no right or wrong answer. This prospective archotyping system is meant to put a brand team through a disciplined examination of its product, in a consensus-building workshop format. No single category is more or less desirable than the others—each contains brand examples that have been highly successful.

To best illustrate this process, let's hypothesize about a fictional brand called Karalyn, which is set to launch in the next 18 to 24 months. It's a once-monthly injectable therapy that works to modify

the immune system, and its first indication will be for reversing the underlying conditions of gout. Additionally, it is being studied as both a stand-alone and add-on treatment for rheumatoid arthritis (RA), multiple sclerosis (MS), and psoriasis.

These indications will each come 12 to 18 months apart from one another over the next several years.

Which brand category—at this moment in time—would best set Karalyn on a course for brand success?

[BRAND CATEGORY I]

Creation Brand

This brand creates a need in customers' minds, and positions itself as the solution.

Gout is a poorly understood and poorly managed disease. Its etiology is not well known, and patients manage the symptoms, instead of the condition, with pain relievers. They don't see gout as a serious enough problem to worry about long-term treatment. In this context, one could debate that Karalyn is a Creation Brand. If so, the brand team must focus on creating a greater need in customers' minds about the relationship between gout and arthritis, and the medical consequences of non-chronic treatment.

Creation Brands, such as Mevacor (lovastatin), Zantac (ranitidine), and even Gatorade, have become successful by identifying and promoting a completely new customer need, and positioning themselves to meet it. For Mevacor, Merck refocused coronary disease management on the long-term regulation of LDL cholesterol. GlaxoSmithKline recast heartburn as a chronic, erosive condition called Gastro Esophageal Reflux Disorder (GERD), an indication Zantac had secured. And marketers for Gatorade redefined the rehydration market from mere fluid replacement to electrolyte replenishment—and educated consumers about its role in reaching peak physical performance during exercise.

If Karalyn sees itself as a Creation Brand, then it should:

PIONEER A NEW WAY TO THINK

ABOUT THE DISEASE Karalyn marketers, and other Creation Brand teams, should focus on establishing an understanding of the disease, and drive the perception of it throughout the medical and patient community.

BE A SOURCE OF CLARITY Make your audience feel smarter and more self-assured by educating them on the specifics—and the science—of the drug. In addition, brand teams should communicate in such a way that audiences can self-identify themselves as patients, and understand whether they are appropriate candidates for treatment.

TIE EQUITY TO AN EMOTIONAL OR PRACTICAL BENEFIT Focus the Creation Brand's strategy on the problems

it solves or the feelings it creates with customers—be they physicians or patients. Frame the product's features in the service of these customer solutions and feelings.

FILL THE HOLE All successful Creation Brands tap into a latent dissatisfaction with current therapies or management of a condition. By identifying and naming this dissatisfaction, that breakthrough in understanding is created and associated with the brand.

CHANGE THE DISCOURSE Don't just make an initial impact; create an unstoppable momentum for change. It's not just about introducing a new brand, but also introducing an entirely new way of viewing and living with a condition.

Vince Parry is president of Y Brand and chief branding officer for inVentiv Communications. He can be reached at vparry@ybrand.com

[BRAND CATEGORY 2]

Evolution Brand

This brand has an inherent attribute enabling it to perform better than competing brands on an established set of expectations.

What about down the road, another team might ask, when Karalyn has an opportunity to make a great impact on RA? Since gout is just another form of arthritis, Karalyn's best first move may be to behave like an Evolution Brand, where it would demonstrate significant improvement in a well-established category.

Lipitor (atorvastatin), Celexa (citalopram), and Rollerblade have become successful Evolution Brands by developing messaging based on how they represent significant enhancements over traditional therapies. For example, the established expectation in cholesterol management is "the lower, the better." However, Lipitor recalibrated the existing measure of success by providing significantly better cholesterol lowering across the board. Celexa set a new standard for treatment of depression as a selective serotonin re-uptake inhibitor (SSRI) by offering patients less side effects. And, Rollerblade represented an evolutionary advancement over the established pastime of traditional roller skating.

If Karalyn sees itself as an Evolution Brand, then it should:

DEFINE A UNIQUE DIFFERENCE Evolution Brands should use specific indications as a springboard to put forth better management of a condition. For example, rather than build the category for gout, build on the key metric that affects arthritis, using gout as a first example.

BE A SOURCE OF AUTHORITY Build audience confidence through assertive claims, which are already widely validated by customers, about the brand's leadership in a category.

TIE EQUITY TO A FUNCTIONAL OR PRACTICAL BENEFIT Focus your strategy on the key functional difference of

the drug, and how it enhances patients' lives in practical ways they can understand and relate to.

BE CONSISTENT Maintain a bold, continuous presence in all venues. An Evolution Brand is the new king of an established kingdom. Customers look to that type of brand to be widely accessible and reliable.

PLAY THE BALL, NOT THE COMPETITION Brand teams should run with their product's evolutionary advantage—focus on the product, not what competitors are saying. By worrying about the competition, companies risk losing focus on their leadership role.

Creation Brands

Gatorade can be considered a Creation Brand because it meets a need in customers' minds that it helped to establish. Just think: Before Gatorade, had you ever heard of replenishing your electrolytes?



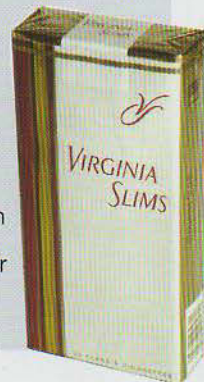
Evolution Brands

Evolution Brands can successfully communicate that they represent significant enhancements over traditional and previously available therapies. Lipitor, for example, recalibrated the existing measure of success by providing significantly better cholesterol lowering across the board.



Opportunistic Brands

A full appreciation of a brand's characteristics and how they match up with competitors allows brand teams to better exploit opportunities. That happened with Virginia Slims, which used targeting and segmentation to turn a me-too cigarette into a successful "for women only" brand.



[BRAND CATEGORY 3]

Opportunistic Brand

This brand has similar attributes to existing brands and goes after unique segments.

Another team may point out that Karalyn is not going to be the only player in either the gout or RA markets. Existing therapies and neck-and-neck new product introductions will present some competition, and in some ways, an advantage over Karalyn. Seen this way, Karalyn may fall into the category of an Opportunistic Brand.

Other brands in this category include Effexor, Darvocet, and Virginia Slims.

Those marketers have attained success by defining a unique opportunity: They've aimed carefully against the competition, sacrificed what they could not own, and segmented in different media venues and/or with specific customer segments.

Effexor—a non-SSRI antidepressant in a market dominated by SSRI science—initially carved out a patient pool that was poorly controlled on SSRIs, and established those patients as its base. Darvocet, a potent controlled pain reliever with a low addiction potential, took advantage of the oral morphine controversy to position itself as a safer intermediary step between addictive substances and OTC pain relief. Virginia Slims, a me-too cigarette in a very crowded market, sacrificed targeting the male audience to own a greater share of the female smoking market.

If Karalyn sees itself as an Opportunistic Brand, then it should:

DEFINE A VIABLE NICHE Target patients who are poorly controlled on current therapies, or set out to target only rheumatologists, for example, as “the experts’ choice.”

BE A SOURCE OF DEPENDABILITY Build advocacy with core believers and over-service your base. Opportunistic Brands secure a strong position in the market by owning a large part of a smaller opportunity.

TIE EQUITY TO A PRACTICAL OR EMOTIONAL BENEFIT Since your brand isn't innately exciting, your strategy must be grounded in resolving a customer issue or delivering a timely solution.

EXPLORE CONTINGENCIES Be prepared with a plan B and C. If, say, a competitor is removed from the market due to safety reasons, an Opportunistic Brand has already played out this scenario and is ready to fill the gap.

BE FLEXIBLE Don't be afraid to anticipate the need for repositioning. Staying the course with a position that circumstances have rendered ineffective is a guarantee of failure. Opportunistic Brands are highly prepared to change shape in a timely manner.

[BRAND CATEGORY 4]

Franchise Brand

This brand is a product or service with applications to distinctly different audiences for a variety of uses.

Another team might point out that there's a bigger, more long-term opportunity for Karalyn: It is a “miracle drug,” one of those rare entities that can solve a whole host of medical problems—gout, RA, MS, and psoriasis.

Other Franchise Brands, such as Rituxan (rituximab) and Virgin, have pinned their brand strategy on defining the product's broad scope, taking into account all audiences and applications beyond just the first.

Rituxan's first indication was for non-Hodgkin's lymphoma (a B-cell mediated disease). Even though it was quite successful, the brand team felt it wise to consider the long-term opportunity for future indications in RA, MS, and lupus—distinctly different therapies promoted to distinctly different audiences. Equity research studies demonstrate that a significant “halo” exists, which imbues the brand with greater optimism and excitement for all B-cell mediated conditions. Similarly, Richard Branson's legendary franchise brand, Virgin, owns the idea of “customer champion” (which they refer to internally as the Virgin spirit), and has managed to imbue this quality across a diverse range of products, from airlines to travel agencies to music, video, and mobile phones.

If Karalyn sees itself as a Franchise Brand, then it should:

BUILD OWNERSHIP OF A CENTRAL BRAND VALUE THAT UNITES INTEREST AMONG INITIAL AND FUTURE CUSTOMER TARGETS Invite all present and future customers to participate in branding research. Don't settle for a strategy that appeals only to your launch customers; reach out to embrace all.

BE A SOURCE OF INNOVATION Empower your audience by creating a bandwagon effect. Excitement and anticipation among future customers can be developed early by highlighting the success achieved with present indications.

TIE EQUITY TO A UNIVERSAL BENEFIT Focus your strategy on how it addresses a need common to all audiences—let messaging deal with individual applications.

ESTABLISH A SYNERGISTIC HIERARCHY OF VALUES Map out how individual-application values (which may be unique to a given situation) feed into and draw from the franchise values.

BE VIGILANT Never sacrifice franchise equity to the immediate appeal of tangential individual-application messages and tactics.

Despite Rituxan's initial success, the brand team considered the long-term opportunity for future indications. Equity research studies demonstrate that a significant “halo” exists around the brand, which is bolstered by greater optimism and excitement for all B-cell mediated conditions.



[BRAND CATEGORY 5]

Turbo Brand

This brand finds its greatest purpose in how it enhances other brands or applications.

One final perspective comes from another team, which raises the issue that Karalyn is being studied as an add-on therapy in several indications, and is likely to be administered concomitantly with pain relievers for both gout and RA. Rather than be inwardly focused on its own attributes, Karalyn's brand team might be better off seizing the category of the Turbo Brand to demonstrate how the drug enhances the overall management of chronic conditions.

Brands such as Gemzar (gemcitabine) and NutraSweet are Turbo Brands because they have been most successful when used with other products. Gemzar, a chemotherapeutic agent indicated for pancreatic, breast, and non-small cell lung cancers, is an effective and well-tolerated therapy. However, it finds its best destiny as the key ingredient that makes an oncology drug cocktail stronger and better. More famously, NutraSweet is the unique enhancer for a variety of foods and drinks in pre-packaged form; but it also does its turbo magic if added in package form (Equal) as the customer desires.

If Karalyn sees itself as a Turbo Brand, then it should:

DEFINE A CONTEXT Demonstrate how it plays a vital role in enhancing existing applications. Teams should promote how a brand enhances an accepted regimen or show how it affects an existing treatment algorithm. The context should be the driving subject of messaging platforms.

BROKER UNITY AMONG KEY CONSTITUENTS Make your audience feel optimistic and reassure them by making the community of customers partners in how you enhance their success.

ACTIVATE THE COMMUNITY ON YOUR BEHALF Solicit endorsement and advocacy from third parties and disease-treatment groups—it builds a collective momentum for your brand's success.

HOST THE PARTY Never lose sight of the fact that your brand's success depends upon the success of all involved—generosity, subsidy, and humility will maintain customer loyalty. Avoid staging events or initiatives alone; invite your partners to participate in various aspects of research and outreach.

Turbo Brands

Some drugs' efficacy can be enhanced by making it part of a drug cocktail. Marketers of Turbo Brands should position them in such a way that shows how they enhance the overall success of another product. **NutraSweet** is just one example of a successful Turbo Brand.



Gaining Consensus

There's no right or wrong answer to this branding exercise. Rather, the value of it is to build consensus so the team agrees how best to proceed. Key factors that help to guide these decisions are proximity of competitors entering the market; the company's size, resources, and culture; and other brands in the portfolio or pipeline.

For example, let's say a small company with limited resources is launching Karalyn. The brand team may want to avoid the costly—but often lucrative—investment of building an unknown disease category as a Creation Brand, and opt to be an Evolution Brand for arthritis. In this case, the team's rationale would be to focus resources on brand, not category, building. Or, say Karalyn has a close competitor from Big Pharma that is neck-and-neck in pursuing the RA indication. Karalyn must weight its true advantage against the competition: Is it a significant improvement over both existing and new competitors to warrant an Evolutionary Brand approach? Or is it similar enough to justify creating an Opportunistic Brand and select a specific sub-segment or media venue to attempt to outflank the rival giant?

It's important to recognize that this prospective archotyping system is a tool that helps provide near-term action in the context of long-term aspirations. It is not only possible, but also likely, that brands that begin in one diagnostic category may end up moving to another. For example, Karalyn may focus on being a Creation Brand, and then years later—after competition enters the market—opt to behave like an Opportunistic Brand.

When is the right time to re-evaluate the brand category? Unlike the *American Idol* model, there is no single prescribed answer. However, marketers should revisit an archotyping workshop in response to significant changes in the market, such as a current market failure or removal, a new competitor or indication, or even cultural shifts in society. The benefit of such a system creates a definitive and defensible action plan for a brand, yet anticipates that the plan must change. Thus, understanding the archetypes of brands, and how they relate with one another, emphasizes the importance of agile brand marketing over adherence to a rigid benchmarking model. ■

Franchise Brands

Today, the industry is witnessing an increase in the number of platform drugs—also called Franchise Brands. Here, pharma marketers can take a lesson from **Virgin**, which has extended the "halo" of its brand from one product to another.

