Excelling in brand performance

In an age of slowing pipeline output, shorter product lifecycles and increasing genericisation of profitable blockbusters, extracting the best return from every marketed brand is essential for long-term success. As the market continues to grow in complexity, and barriers to selling increase, finding ways to augment share of mind with more targeted messaging is top of the marketing agenda. Nigel Burrows and Keith Widdowson of IMS Health explain how novel approaches, based on real-world dynamics, can optimize brand performance management and lead to more informed investment decisions.

The cost of a successful launch from R&D to market entry now tips US$1.7 billion and with only one in six products achieving 12 per cent or more ROI, the imperative for pharma to maximize the value of its investment in marketing and promotion has never been greater.

Increasingly, companies must look to in-line brands to improve their overall performance. The slowdown in R&D pipeline output and genericisation of profitable blockbusters is driving a far greater focus on generating the best return from every marketed brand that is still patent-protected. At the same time, the combined impact of the new drugs emerging from maturing biotechnology and growing need to demonstrate product value is throwing more emphasis on specialists and specific patient groups.

Furthermore, creating higher value from investment in an age of slowing pipeline output, shorter product lifecycles and increasing genericisation of profitable blockbusters is driving a far greater focus on generating the best return from every marketed brand that is still patent-protected. At the same time, the combined impact of the new drugs emerging from maturing biotechnology and growing need to demonstrate product value is throwing more emphasis on specialists and specific patient groups.

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Keith Widdowson is Senior Principal, Performance Management, IMS Consulting. He draws on more than 20 years senior level pharmaceutical marketing and global branding experience to help clients understand the practical and strategic issues around product performance and appropriate measures of success. With a background spanning both marketing affiliates and global brand teams, Keith has first-hand, in-depth knowledge of developing and sustaining strong global brands.

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must be achieved against a background of shorter product lifecycles, cuts in promotional expenditure, reductions in sales force size and higher barriers to the selling effort. Growing market complexity, increased regulation, stricter prescribing parameters and difficulties in gaining access to physicians are all playing their role. The traditional approach of saturating the market with medical representatives and promotional spend is no longer valid – increased sales and marketing effectiveness is the new mantra.

NOVEL APPROACHES

Ditching erstwhile sacred principles and finding new ways to ensure that brand and sales teams remain on message and on target is therefore top of the agenda. Fortunately, novel approaches now exist that enable brand managers to make the right decisions around brand promotion and achieve their critical goal of gaining more value for less investment. By optimizing brand performance management, more informed investment and operational decisions can be made – on the basis of actual brand growth potential as opposed to incrementally modifying the previous year’s budget.

These approaches will help companies address important changes in the structure of the pharmaceutical market, such as new demographic realities and the concomitant shift in emphasis from primary care to specialist physicians. Greater longevity is increasing the significance of degenerative and chronic diseases, while the new types of therapy for these diseases are being subject to more selective reimbursement by health systems. Moreover they often need to be delivered in a specialist setting.

The precariousness of brand investment means that in an environment where doctors are pressured to be cautious in switching and initiating therapies, product differentiation and winning a share of their minds have become the core components of competitive strategy.

FOCUSING ON REAL-WORLD MARKET DYNAMICS

In the new environment, market research based on random GP sampling is no longer an accurate indicator
of brand performance. Moving beyond randomised market research we can now utilise real-world market dynamics – actively prescribing physicians. By focusing on these real-world prescribers, we can leverage sales force targeting capability to allow us to more accurately map and model brand performance. Too often, results are diluted by findings from doctors who will never prescribe the product. Indeed, there is even evidence to suggest that a disproportionate percentage of respondents are of low value just because of their availability to be included in surveys.

**DIFFERENTIATING THE BRAND**
There are two key steps in a pharmaceutical brand differentiation strategy:
1. Determine the real prescriber
2. Rank the prescriber’s product selection criteria

Unfortunately, the traditional approach mitigates against true product differentiation because it fails to focus on the actual prescribers. Estimates suggest that over 30 per cent of physicians fall into the low value prescribing category where no sales calls are made. Cross-matching brand performance across the whole physician universe is thus leading to a false sense of security and distorted results.

Sales force effectiveness strategists typically use a two-by-two matrix (see figure below) to broadly capture and segment the value of prescribers. This assigns these doctors to quadrants, according to their current level of market share in terms of prescribing value, and their potential to become higher prescribers. The focus of investment is typically on those who have a high potential prescribing value but a relatively small current market share, designated to the upper left ‘invest’ box. The objective is to move these doctors to the optimum ‘defend and grow’ upper right portion of the matrix.

Companies must be realistic about the economic attractiveness of each physician segment as well as their ability to influence prescribers. We can go as far as to conclude that in the low prescribing, low potential segment there is no longer any need to measure the no-call, no investment segment in the bottom left hand box.

Within the ‘invest’ portion of high potential doctors, there are three key high-priority sub-groups:

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“Novel approaches now exist that enable brand managers to make the right decisions for promoting their brands and achieve the crucial goal of gaining higher value for less investment”

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![Traditional customer strategy matrix](image)
1. Non-responders
This group may dislike the rep or the company, or make a point of always prescribing competitor brands. Analyzing their product perceptions and, more importantly, the drivers of their product choice using a mapping and modelling approach can highlight which product elements should be emphasized to bring this group closer to the prescribing of a specific brand. This process identifies the value proposition that will appeal to these doctors, provides a clear definition of their current preferred drug, and indicates which elements of the company’s brand must be changed or amended to steer it towards becoming the drug of choice.

2. Floaters
This segment is potentially the most exciting, but unless the marketing company can differentiate its value proposition, doctors in this group are not likely to be regular users. Profiling patients to better understand the attributes that trigger a doctor’s decision to switch from brand to brand, is therefore critical.

3. Jumpers
These physicians are leaning towards becoming regular prescribers and it is imperative to find ways to reach them ahead of the competition.

WINNING SHARE OF MIND
The new targeted approach facilitates the use of additional sophisticated research tools. Once a strategically relevant universe of doctors has been selected, a mapping and modelling approach can help us fully understand and shape brand performance. Mapping and modelling reveals the characteristics of the leading brand and maps other brands against this ideal, positioning them alongside the key factors that drive prescribing. It also facilitates the construction of a winning, differentiated message. When combined with patient segmentation, this understanding will enable companies to implement informed strategies to differentiate their products successfully.

“Mapping and modelling reveals the characteristics of the leading brand and maps other brands against this ideal, positioning them alongside the key factors that drive prescribing.”

Positioning: Comparing brand profiles

Compared to current brands, how well will it compete?

Source: IMS Health
positioning in the marketplace is essential for differentiation strategy, and that one of the key sources of a product's uniqueness is making actual product use consistent with intended use. In the pharmaceutical arena, we can now apply this successfully to specific sets of patient groups. Using product differentiation to win share of doctors' minds is particularly apt where there are 'discretionary' or 'dynamic' prescribing decisions to be made, such as whether to initiate prescribing, switch to a different product, or add an additional therapy.

Improving their understanding of discrete patient groups makes increasing sense for pharmaceutical companies.

\[\text{Patient profiles: What attributes does Brand X need to improve?}\]

<table>
<thead>
<tr>
<th>HYPERTENSION PATIENTS WITH DIABETES</th>
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<tbody>
<tr>
<td><strong>Efficacy</strong> 15.1%</td>
</tr>
<tr>
<td><strong>Organ Protection</strong> 43.2%</td>
</tr>
<tr>
<td><strong>Manageability</strong> 41.8%</td>
</tr>
</tbody>
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**KEY PHYSICIAN DRIVERS**

To drive Brand X towards the gold standard for patients with HT and diabetes, focus your differential advantage on:
- Organ protection
- Manageability

Phase III development spending is already targeted at selected patient groups for commercial (including pricing and reimbursement) and clinical reasons. Patient segmentation should start with three key steps:
1. Defining patients into distinct clusters that share the same drivers and behaviour. This is necessary to determine whether it is worthwhile to focus on specific market segments.
2. Sizing the market segments, including establishing the size of the dynamic portions of the market.
3. Understanding the value proposition of the company’s brand and its competing brands. This will help to pinpoint segments where the company’s brand can win share of

**CASE STUDY: OPTIMIZING BRAND PERFORMANCE MANAGEMENT WITH PATIENT SEGMENTATION**

IMS was asked by a client for help in enhancing the performance of its ‘All brand’ antihypertensive. The team began by reviewing the major market parameters to capture key aspects of brand strategy and tactical execution. Firstly they established the general drivers of the hypertension market, then analyzed the dynamic market capture rate (ie, share of prescriptions written by physicians in the new, switch, or add-in patients) for the brand’s leading competitors. This allowed them to determine the optimal market entry strategy. They were able to accurately measure physician adoption of the leading competitor and its competing brands, and gained a verbatim explanation from physicians as to why they were prescribing the leading brand and its competitors.

Overlaying these qualitative findings, IMS consultants used mapping and modelling techniques to develop an optimal brand strategy, by considering the current positioning of the leading brand, establishing the key drivers behind physicians’ choice of brand, and producing patient profiles for hypertension. In the UK alone, a total of 19 patient profiles were defined, and frequency of occurrence was established for each profile for both GPs and specialists.

The team examined key patient groups in detail and analyzed numbers of dynamic decisions. In just one group – patients with hypertension and diabetes – it was apparent that the client’s new ‘All brand’ was winning in terms of dynamic decisions, gaining over twice the number of the leading ‘All competitor’.

A ‘gold standard’ brand was defined based on the key criteria of efficacy, organ protection, manageability, cost-benefit, status, experience and promotional pressure. To further improve brand differentiation in the segment of hypertensive patients with diabetes, the team established a need for the company to increase its focus on the product’s superior organ protection and manageability attributes.
It is essential to understand the number and frequency of patients, ie, the proportion for which there is a discretionary decision, and which patients fall into the individual categories within that group. It is equally important to find out how the brand is used within the prescriber value matrix and how it is perceived within each market segment, such as whether it is perceived as a me-too brand.

**KEY PERFORMANCE INDICATORS DRIVING SALES AND PRESCRIPTION GROWTH**

Underlying drivers of brand performance are identified in the form of key performance indicators (KPIs), which can be accurately linked to sales and prescription growth within the selected market. Seven KPIs are recommended:

1. **Competitive detailing.** How well a product’s differentiation strategy is succeeding can be determined by analyzing the proportion of physicians that recall specific information about a brand from a rep during a group or face-to-face meeting, symposium or seminar within the previous six months.

2. **Message recall.** This indicator reveals the qualitative element of detailing and whether physicians recall the messages that should trigger them to try the brand in the situations and for the patients determined by the marketing company.

3. **Effective adoption.** To determine whether a brand has been adopted effectively, physician knowledge, attitude and prescribing behaviour need to be closely examined. The main barriers to effective adoption are insufficient promotional activity, incorrect positioning and inadequate understanding of the overall market structure.

4. **Market performance in dynamic markets.** The total ability of a therapeutic class, brand or company to influence physicians’ dynamic decision making, ie, capture market shares in new, switch and supplementary markets needs to be analyzed and measured. This will reveal not just current performance, but will also give a strong indication of the likely future performance of the brand. Dynamic share is a strong predictor of future brand performance.

5. **Duration of treatment.** The length of time that patients are treated with their initial drug therapy before doctors switch to a different brand, or add a supplementary brand is analyzed to allow identification of the trigger point for initiating use of the company’s brand.

6. **Rationales for brand choice.** Physicians’ own reasons for selecting a new brand or switching between brands are determined and analyzed. Rationales illustrate whether or not physicians prescribe a brand to the right patient, in the right situation and for the right reason.

7. **Effective detailing.** Whether or not detailing is effective can be determined by measuring the difference or marginal effect detailing has achieved in terms of physician adoption and market performance.
of a brand. This can be measured among both those physicians who recall detailing and those who do not during a given period of time.

**FROM PERFORMANCE MONITORING TO PERFORMANCE MANAGEMENT**

A greater focus on regional and global brand management is widely accepted as a means of accelerating speed to market and optimizing brand performance. The new marketing environment signals a wake-up call for brand teams thrust into the spotlight by changing investment priorities. A proactive approach to helping them manage their business is required but at the same time, brand managers must become more self-critical in the search for improved brand performance. This means using more accurate and dynamic research tools.

To better manage brand performance, it is essential to move away from traditional market research that monitors past activity, asks the same questions and invariably gains the same results each time. A more forward-looking approach will fully optimize decision making at the country level and bring about an evolution from merely performance monitoring to actual performance management. In this environment, companies will need to track and manage the performance of brands better than ever before.

Brand teams will also need to understand the new dynamics driving patient and physician decision making and find ways to reach new audiences with better messages. For this to be successful, it will be essential to focus research on those prescribers who have true market potential so that brand strategy is not misaligned.

While retaining the focus on the high value prescriber universe, we can use uniform metrics across pharmaceutical markets over time to allow accurate measurement and benchmarking of brand performance against key competitors. This strategy also facilitates a seamless interface between the sales and marketing functions.

The new approach will allow companies to leverage the intangible assets of their brands in a unique way. Its strength is that the information reflects what the doctor is actually thinking rather than a purely data-driven analysis that monitors prescribing behaviour.

Seven key performance indicators provide a comprehensive understanding of the market place

<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>Description</th>
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<tbody>
<tr>
<td>Competitive detailing</td>
<td>Key Performance Indicator 1: (Radar Detailing Recall Rate&lt;sup&gt;TM&lt;/sup&gt;)</td>
</tr>
<tr>
<td>Message recall</td>
<td>Key Performance Indicator 2: (Top of mind recall of detail message)</td>
</tr>
<tr>
<td>Effective adoption</td>
<td>Key Performance Indicator 3: (Radar Adoption Rate&lt;sup&gt;TM&lt;/sup&gt;)</td>
</tr>
<tr>
<td>Market performance</td>
<td>Key Performance Indicator 4: (Dynamic Capture Rate&lt;sup&gt;®&lt;/sup&gt;)</td>
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<tr>
<td>Duration of treatment</td>
<td>Key Performance Indicator 5</td>
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<tr>
<td>Rationales for brand choice</td>
<td>Key Performance Indicator 6</td>
</tr>
<tr>
<td>Effective detailing</td>
<td>Key Performance Indicator 7: (Radar Detailing Productivity)</td>
</tr>
</tbody>
</table>

“It is essential to move away from traditional market research that monitors past activity, towards a forward-looking approach”

Source: IMS Health
ABOUT IMS MEDICAL RADAR AND IMS PI TRE

IMS Medical Radar has been a division of IMS since 2003 and is headquartered in London. Specialising in pharmaceutical marketing, with 30 years experience in all therapeutic areas, it has been involved in more than 500 brand launches, offering strategic consultancy based on solid information, utilising consistent, standardised and validated marketing models, which provide transparency, understanding, benchmarking and prediction of market dynamics.

Data is collected from GPs and specialists in the form of in-depth semi-structured telephone interviews using advanced CATI technology. Interviews are conducted entirely by in-house native-speaking interviewers.

IMS PiTRE was acquired by IMS in 2004 and has maintained its base in Milan whilst being incorporated into IMS Consulting. Founded in 1978 and specialising in pharmaceutical market research, its models have been validated over the 30 years of its existence in most therapeutic areas and in a wide range of geographies. The consultancy provided is based on clear and valid interpretative models, supplementing those of IMS Medical Radar and providing an even stronger basis to help companies find the most appropriate positioning and implementation platform for their brand or brand portfolio.

Data is collected using a variety of techniques, from web-based to face-to-face interviews and interpreted using multivariate techniques specifically adapted to the peculiarities of the pharmaceutical market.

To learn more about the way IMS can help you maximize the value of your brand, please contact Nigel Burrows at Nburrows@it.imshealth.com or Keith Widdowson at Kwiddowson@uk.imshealth.com

How can you maximize the value of your brand?

**ASK IMS.** We have a point of view. And the expertise to position your brand – informed by over 500 mapping and modelling projects. Our consultants identify the key patient segments. Then monitor with validated and unrivalled key performance indicators – driven by future ‘lead indicators’. We use standardised methodologies and interpretative skills to provide comparisons across countries and over time. We only research the dynamic part of the market – higher prescribers. So you can optimize brand performance and maximize the value of your molecule.

Only IMS has the information... analytics... and the consulting expertise to master the market.

**CONTACT US AT** netinfo@uk.imshealth.com

www.imshealth.com/ask

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