

TEN RULES OF PRODUCT POSITIONING

Almost three out of four newly introduced pharma products adopt the same brand positioning as an established competitor. And many firms inject so many concepts into their positioning statements that they become impossible to work with — just two of the common positioning goofs keeping InterMind's **Bill Robertson** up at night.

Positioning a pharmaceutical product is one of the most critical yet difficult challenges facing the marketing professional. Positioning opportunities occur throughout a brand's life cycle, well beyond the initial launch phase, so most product managers are faced with either developing or revamping a product's position at some point in their marketing careers. Whether it's the result of an under-performing product or a shift in the market, the positioning challenge remains a significant hurdle that must be overcome to achieve overall marketing success.

Optimal positioning is the cornerstone on which persuasive messaging is developed and, as such, is the springboard for your entire communications strategy. It also creates the product differentiation factors used to generate solid market segmentation. Indeed, good positioning provides the what, the how and the who of your total communications platform and allows your internal and external marketing communications teams to develop the most meaningful and persuasive copy, creative and related tactics for your brand. (See Figure 1.)

Experience has shown that the process of developing a compelling positioning takes a combination of a disciplined, proven process coupled with functional creativity. Following some of the basic tips below can enhance your positioning development process and help you avoid common and costly positioning errors.

RULE #1. Establish a definition of positioning

Positioning is so intrinsic to the marketing discipline that we often neglect thinking about the activity in its most basic form — its definition. How we define an activity in large part influences how we perform it, and a previously agreed-upon definition establishes a commonality of action for the extended marketing team. Specific, usable definitions, however, are few and far between. The dictionary doesn't help much, and frankly neither do most marketing textbooks. Even Al Reis and Jack Trout, developers of the concept of positioning itself, described the activity rather than defined it. I use the following definition that expands upon their thinking:

"Positioning is the action by which we create in the mind of our target audience a perception regarding our product that positively differentiates it from its competition."

A common positioning definition assures that team communication goals and objectives start off in the same direction. You don't have to use the above definition, but make sure you establish and communicate one for your own marketing group.

RULE #2. Keep it simple

Positioning at its very best represents a simple, single perceptual unit. One can easily understand and accept positioning that's embodied in a single word because the positioning is obviously a single concept. In what has to be the quintessential positioning example, Volvo has demonstrated that its own persuasive, enduring positioning can be stated in a single word: safety. Others have

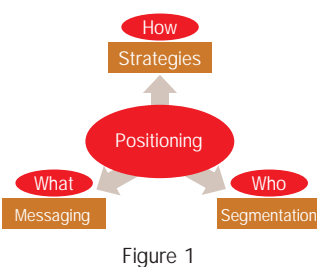


FIGURE 1: Solid product positioning provides the what, the how and the who of your communications platform, and allows your internal and external marketing teams to develop meaningful and persuasive brand messages.

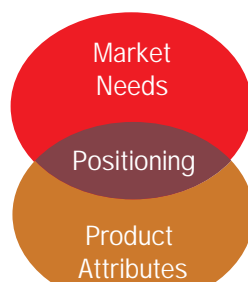


FIGURE 2: Represented by a Venn diagram, a product's positioning exists in the area of overlap between the attributes of a brand and the needs of its target audience.

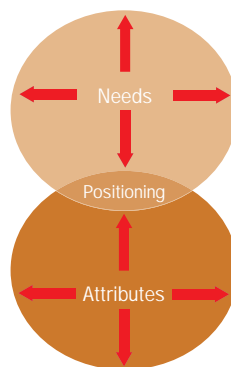


FIGURE 3: The more you are able to work with your science team to uncover all of the brand's attributes — and the more your market research can dig into the deep-seated needs of the audience — the more specific the positioning area becomes.

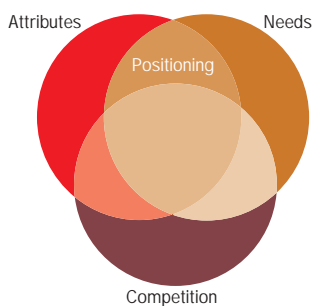


FIGURE 4: An additional, exclusionary element also must be considered in your product's positioning diagram — the area in which your competition already resides.

succeeded as well — Charmin equals softness; Ivory soap equals purity; Coke equals the real thing (OK, that's three words, but you get the idea). These are simple, singular concepts, well understood and remembered for that very reason.

Clearly, one of the difficulties involved in articulating your positioning in a simple manner is that concepts are often difficult to translate into words because language is an imperfect way of communicating perceptions. Most of the time one word won't suffice, but that shouldn't be an invitation for adding complexity. The more complex we make our basic positioning, the harder it is to understand and recall. To be practical, it's also harder for your agency to generate persuasive supportive copy and graphics.

Many marketers fail when it comes to simplicity by injecting multiple concepts into their positioning statement until they've manufactured a multi-dimensional hodgepodge that isn't positioning at all, but rather the intended promotional copy. I once read a positioning statement that went, "Product X, the most active product in its class, is the cornerstone of treatment in [disease state] with unmatched efficacy and tolerability, both alone and in combination with other agents, in both advanced and early stage disease." That's a total of eight different concepts. It's hard to remember and virtually impossible to represent creatively.

One more admonition. Research indicates that physicians believe there's an inverse correlation between safety and efficacy (i.e. that the most effective drugs carry the highest risks). Consequently, these two concepts should not appear in the same positioning statement — even if you've taken the all-too-common route of sticking the disclaiming "a balance of" between the two words.

RULE #3. Make it unique

I once read a statement indicating that 70 percent of newly introduced pharmaceutical products had the same positioning as one of their established competitors. Mimicking the positioning of an existing competitor can lead to a quick product demise unless you have a markedly superior molecule and very deep pockets. If your competition already owns the positioning to which you aspire, think long and hard about trying to wrest it from them.

There is always an alternative option other than mimicry. You may have to initially sacrifice a portion of the market opportunity by creating a niche, but it's worthwhile in the long run. The acid reflux category is a good example of differentiation among competitors. (See sidebar on the following page.)

RULE #4. Excavate product benefits and market needs

In its most basic articulation, the identification of a product's positioning can be represented by a Venn diagram and exists in the area of overlap between the attributes of the product and the needs of the target audience. (See Figure 2.)

The problem is that this overlap generally covers a lot of space. It's necessary, therefore, to do an in-depth exploration of your product attributes (its features), articulated as the most basic patient or physician benefits derived from those features. Additionally, your target audience's needs must be identified and articulated at their

most fundamental level using reliable quantitative as well as qualitative research. The more you are able to work with your science team to uncover all of the viable attributes of the brand and the further your market research can dig into the deep-seated, unfulfilled needs of the market, the more specific the positioning crossover area becomes. (See Figure 3.)

And while we're using this visual analogy, one additional element in the positioning development should be mentioned. It's important to exclude the area in which your established competition already resides. (See Figure 4.)

RULE #5. Construct a credible position

In developing your positioning, be careful not to promise too much. Brand positioning should move the target audience's perception of your product toward the ideal. However, it's critical that the documented attributes of the product move the perception in this positive direction rather than toward unsubstantiated hyperbole. There is a limit to how far you can move a product perception before having your brand's credibility suffer, especially with today's pragmatic physician audiences.

I can't tell you how often I see a "drug of choice" position assigned to drugs that are not and never will be a physician's drug of choice. "Drug of choice" is a medical rather than a marketing term, and few products — even market leaders — are viewed as the only product to be universally prescribed for a specific disease state.

While our goal is to enhance the target's perception of the brand, the amount of resources necessary to misdirect an audience can be overwhelming — even without considering the impropriety intrinsic in such misdirection. In dealing with positioning, our reach should exceed our grasp, but not so far as to be an impossible star.

RULE #6. Ensure strong support by starting early

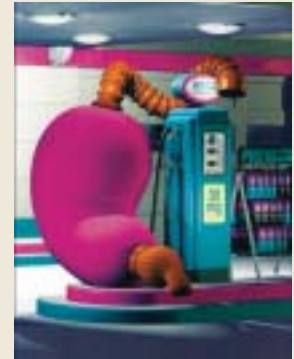
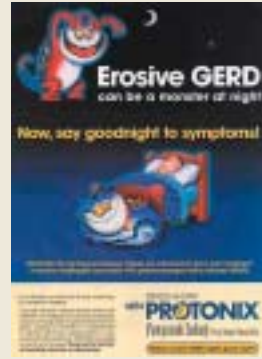
Physicians — not to mention the FDA — will demand simple clinical proof for any claim you make. Since your claim structure and messaging should be derived from the positioning, it stands to reason that the positioning will have to stand the same level of scientific scrutiny.

One of the best ways to ensure adequate labeling support for your product is to generate the product's positioning as early as possible in the development process. Positioning that begins at the submission of a new drug application (NDA) is far too late. Ideally, your positioning should start about two-thirds of the way through Phase II — a time when the product's attributes should be obvious. Quantitative positioning testing should be initiated at that time, when it's still early enough to produce additional direction and verbiage for the potential claims in the NDA. This will also allow your medical education team, which should begin far in advance of your product promotion, to utilize the intended positioning and thereby provide better communication synergy.

RULE #7. Follow the market dynamics

Don't be afraid to adjust the positioning of established brands according to the current market dynamics. The pharmaceutical

Differentiation in practice: acid reflux products



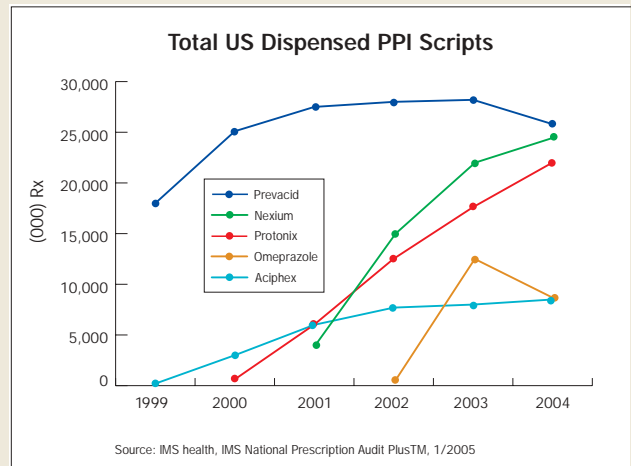
Today's \$12.5 billion proton pump inhibitor (PPI) category, though obviously robust, is far from differentiated in physicians' minds. It's natural for the market innovator to opt for an efficacy position, and AstraZeneca's Nexium has successfully adopted the potency/efficacy positioning of its predecessor, Prilosec.

The second to market, TAP Pharmaceuticals' Prevacid, has finally settled on a general efficacy positioning after evolving through safety, convenience and dosage superiority. Having briefly capitalized on the Prilosec-to-Nexium transition, Prevacid's current share is declining, and one of the main reasons is a lack of differentiation. Wyeth's Protonix, while continuing an aggressive pricing strategy, has opted for nocturnal efficacy positioning and has been relatively successful using this subset of efficacy. And AcipHex from Eisai, while launching with a potentially differentiating speed-of-onset position, has chosen to rejoin the pack with a general position of second-hand efficacy.

Prevacid, AcipHex and (to a lesser extent) Protonix will continue to lose this positioning battle because physicians will never perceive them to be as effective as Nexium. Indeed, AstraZeneca has more to protect and commensurately deeper pockets. Nexium is also, molecularly, double-strength Prilosec, so the other PPIs will find it difficult to prove that they are more potent or efficacious. Recent prescription data only proves the observation.

However, there are always alternatives to copying the competitor's positioning. If your competitor has already established an effi-

cacy position and your product attributes lean in the direction of effectiveness, consider some subset of efficacy, such as the duration of action or the speed of onset, as Protonix continues to do and AcipHex did initially. Likewise, safety positions can be countered with subsets such as lower drug interactions or better safety in an alternate patient population such as the elderly. There's always an option other than mimicry. You may have to initially sacrifice a portion of the market by creating a niche, but it's worthwhile in the long run.



marketplace is a continually evolving environment, and your positioning should be re-examined in relation to new conditions. These can be changes in the general market, the competition or the brand itself. If, for example, your therapeutic category experiences a sudden upheaval, such as the hormone therapy market after the release of the Women's Health Initiative report, it's certainly time to re-examine your positioning. If you're managing a proton pump inhibitor and a new, heavy-hitting competitor like Nexium is released, it's time to re-examine your positioning. If your product development people come up with a new dosage form for your brand, like Protonix IV, it's time to re-examine your positioning. And please note that re-examination does not neces-

sarily mean change — it just means that the positioning should be retested and verified within its new environment.

The word "positioning" is a gerund — a word implying action. Positioning as such should be a fluid, adjustment-driven activity that drives your target's perception from its current position to one that is hopefully more positive and prescription-generating. If your product is faster, the challenge is to generate that perception in your target audience and then move it along a continuum until it becomes a mark of positive differentiation between your brand and the competition.

Alternatively, or additionally, you can increase the importance of onset of action to your audience, thereby increasing the percep-

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tional axis and further separating your product from the pack. AcipHex, for example, established a faster onset position early in its introduction, but then failed to make faster onset an important advantage for the physician.

Examine your product's positioning and its market environment frequently and adjust it accordingly.

RULE #8. Make positioning visible in all communications

Many of my clients are reluctant to reveal their product positioning at first, citing some form of confidentiality. However, with the exception of pre-launch products, your positioning shouldn't be a secret to anyone. In fact, it should be obvious to anyone interested enough to take a look at any of your communications. Make certain that your extended communications teams are intimately aware of the positioning for the brand, as well as the full rationale behind its development. Understanding the positioning and how it was developed will help your team better handle this complex job of translating a perception into concrete graphics, copy and tactical support.

Finally, the positioning statement itself should be drafted with a great deal of care and forethought because it will be the vehicle that communicates to the extended team the essential perception of the brand. Therefore, be careful of abbreviating your positioning statement. I recently worked with a client whose intended positioning was consistent blood levels. "Consistent blood levels" became simply "consistent" in in-house communications and subsequently to vendors and the sales force. Message recall began to replay the single word, "consistent," with little or no understanding on the part of the physicians as to the original meaning.

Examine every piece of communication that you generate and ask if some objective outsider could deduce your positioning from it. If not, something's wrong.

RULE #9. Quantitatively test alternative positioning options

The ultimate test of any product's positioning is how well it generates prescriptions, and the best methodology to evaluate this relationship is a quantitative testing protocol. When developing your protocol, make sure that you are testing distinctly different positioning options rather than refinements of the same positioning. Testing three or four ways of articulating a "potency" positioning, for example, is actually copy refinement, not position testing. Explore novel ways of articulating your product's attributes in your testing, such as an "ED product for couples" or an "antihistamine for pet owners." You'll be surprised at the quantitative results associated with unexplored niches.

Additionally, avoid iterative testing situations in which you refine the positioning with each subsequent round of testing. This type of protocol only validates the opinion of the last test subject you ask for input and doesn't generate actionable, reproducible, quantitative results. And once again, test early and repeatedly throughout a product's life cycle.

RULE #10. Do not test the positioning statement itself

The most common problem I encounter in positioning development is situations in which a brand's positioning statement is tested with physicians. The positioning statement is meant to be a concise, straightforward articulation of the intended positioning approach. It is generated for the extended communications team. It is not meant to persuade physicians.

Physicians will always gravitate toward increased levels of information about a product because they are more comfortable prescribing a product that they know more about. Therefore, in any testing procedure, physicians will be preferentially attracted to a longer, more inclusive positioning statement. In addition, a simpler, more focused positioning statement may not test well with data-driven physicians.

In iterative testing situations, positioning statements generally become longer at each test iteration, thereby sacrificing any attempt at simplicity. Find an alternative to testing the positioning statement itself that will provide you with the information you are seeking. A standardized, promotional surrogate is vital in preventing cluttered and unfocused product positioning.

Positioning is the forgotten stepchild of marketing. The industry just doesn't pay enough attention to the subject matter, even though we give lip service to the fact that it's one of the most important responsibilities of the marketing manager. Amazon.com, arguably the leading retailer of business-related literature, lists only 20 books about market positioning in its entire inventory, and three of them are by Reis and Trout themselves. In contrast, it carries over 132 books on branding (and even offers 94 on basket weaving).

Positioning a brand is a long-term commitment. Developing a new product's positioning or changing the positioning of an established brand can entail a timeframe that many product managers are unwilling to consider due to rapid position turnover. But your brand's continuing positioning is too important a legacy to neglect just because you won't be there to see its fruition.

One final suggestion. Review your brand's positioning statement with a more objective viewpoint. Does it communicate a simple, positive perception of your brand? Is it generating optimal differentiation for your brand? Is the positioning clearly and simply articulated? Is it disseminated to all appropriate team members? And have you tested it lately to see if it could be better?

If you've answered "no" to any of these questions, look toward making a change. ■

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