

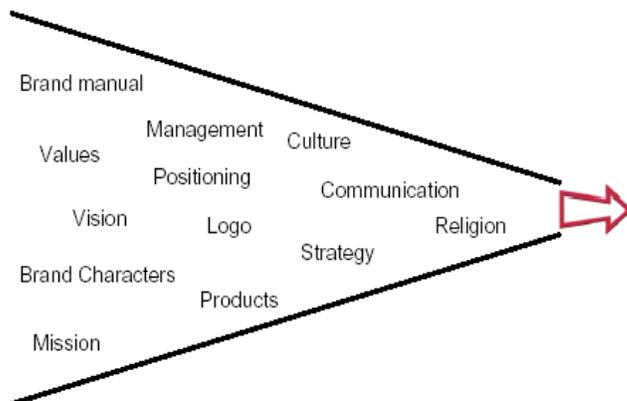
## Reprint

### Branding as a Management Tool in Pharma

By Neville Dickson

The move from a product-based economy to a “new value” economy requires a relentless focus on the corporate brand as well as the product explained Jesper Kunde, at EyeforPharma’s “Successful Product Branding in Pharma” conference in London, UK on 23 March 2004.

Business guru Tom Peters says that “Kunde...is more in touch with what it will take to create an energetic, encompassing, exciting, provocative, profitable and sustainable value position in the ‘new’ economy than anyone practicing today”.



### Pharma is a Long Way Behind FMCG

In a world crowded with many similar competing consumer goods, the most successful companies have been those who control the marketing, sales AND distribution systems.

The Fast Moving Consumer Goods (FMCG) industry has long since learned that it needs to talk directly to the customers to communicate their brand values and win mind share.

The pharma industry, however, lags FMCG in direct-to-consumer marketing expertise and effort. This may be because pharma is uniquely handicapped by government regulation, complex reimbursement systems and numerous inter-

mediaries, including physicians and managed care organizations.

Pharmaceutical companies typically follow an invention-and-push, one-product-one-brand model, rather than creating a branding-based pull system. This entails a huge spend in selling, which might well be more effectively allocated to branding and creating demand.

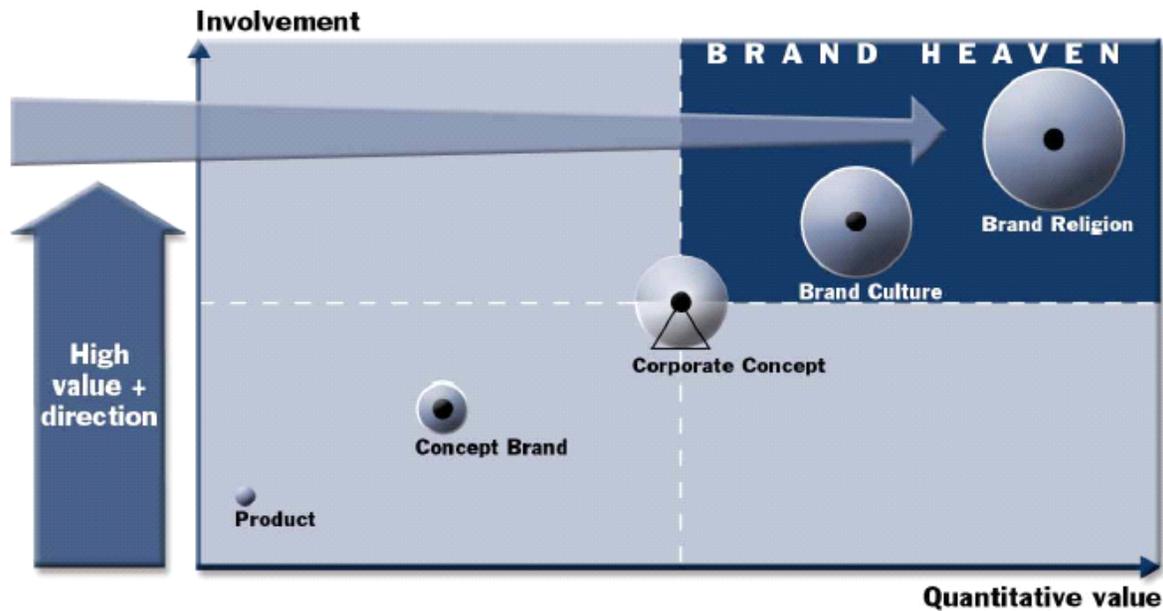
We all like to think we have fantastic, innovative, new products. Sales reps are trained to tell that to the doctors, but sometimes not even the reps believe it. Lets face it; blockbusters really are few and far between. For every new, first to market drug, there are several later entrants in the class. Not really new. Not really innovative. Not highly differentiated. Just like ordinary companies, pharmacos have to painstakingly build a position. That’s what branding is all about.

### Use Branding to Give the Company Direction

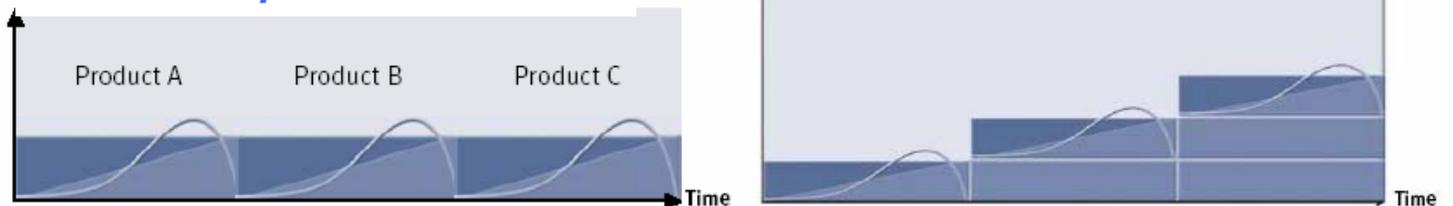
Beyond the brand name, a myriad of activities contribute to creating a strong and unique value position in the customer’s mind. The brand should drive the company’s growth ambitions. “Branding gives the company a direction” says Kunde. You must be prepared to organize your entire company into a focused system that supports and exudes the essence of who you are and why that matters to the world.

Pioneering psychologist Alfred Adler’s theory of personality can be applied to companies. The strong personality/brand is characterized by a high degree of balance between three factors: how the company perceives itself (internal culture), how it would like to be perceived (management’s visions), and the way in which the surrounding world perceives the company (market position).

*Continues on next page...*



*Today in the pharmaceutical industry, products are launched and die without utilizing the value built-up!*



### It Takes UNIQUE VALUE and DIRECTION to Succeed

Strong brands are born when value is added to a product and consumers get involved with it. The underlying product's importance is a constant (as shown by the black core in the Figure, next page), but it is what surrounds it that actually differentiates brands. Emotional values are already more important than product properties for a concept brand. It takes a consistent corporate concept to reach high levels of involvement, which connect the brand and the company, ultimately creating a brand culture where brands are so powerful that they become synonymous with the function they perform (e.g., Frigidaire/refrigerator, Hoover/vacuum cleaner, Aspirin/aspirin). Brand religion is the ultimate position attained by brands that become a must, a belief system to their consumers (e.g., Harley Davidson).

### Products Die, Companies Endure

Of course, products have a lifecycle. But too often, a company is only as good as its last blockbuster. Hence a strong corporate brand can be far more

valuable than any one product. The corporate brand can be used to carry value forward from one product to another, giving new products a head start in the minds of prescribers.

The company becomes the sum of its products, augmented by relevant corporate branding.

Bad news. Pharma companies are disadvantaged from the corporate branding perspective, too. In our market, it's hard to differentiate and a quick look at the mission statements of the market leaders confirms this: they are all very similar with no clear differentiation or market positioning. What does the individual pharmaceutical company stand for? What do they contribute to the world? How do they differentiate from one another? How do they compete?

Compare this to the simple efficacy of Nike - JUST DO IT - Nike is all about winning. Wouldn't we all like to do that? Or BMW - "The ultimate driving machine" Don't we all want one of those?

Clearly there's a whole paradigm waiting to be reinvented here.

Pharma Marketing News

---

**Contributing Author**

---

We thank the following writers for contributing articles for this issue.

- **Neville Dickson**, Medical Opinion International, +33 4 50 39 41 63, [Nevilledickson@aol.com](mailto:Nevilledickson@aol.com)

---

**Experts Consulted and/or Cited In Articles**

---

The following experts were mentioned or consulted in the preparation of articles for this issue.

- **Jesper Kunde**, [www.kunde.co.uk](http://www.kunde.co.uk)

---

**Pharma Marketing News**


---

*Pharma Marketing News*—the First Forum for Pharmaceutical Marketing Experts—is published monthly by **VirSci Corporation** except for August. It is distributed electronically by email and the Web to members of the Pharma Marketing Network ([www.pharmamarketing.com](http://www.pharmamarketing.com)).

VirSci Corporation specializes in pharmaceutical marketing intelligence and best practices, development of sponsored newsletters and other educational programs, and consulting in privacy and HIPAA. Our goal is to help our clients gain access to *their* clients and do business via the Internet more effectively, with greater return on

**Publisher & Executive Editor**

**John Mack**  
VirSci Corporation

<mailto:editor@pharmamarketingnews.com>

Company

**Mark Schmukler**  
Managing Partner, Sagefrog Marketing Group, LLC

**Harry Sweeney**  
Chairman, CEO, Dorland Global Health  
Communications

**Richard Vanderveer, PhD**  
Chairman & CEO, V2

---

**Subscribe to Pharma Marketing News**


---

*Pharma Marketing News* (PMN) is the FREE monthly e-newsletter of the **Pharma Marketing Network**. Highlights are delivered to subscribers by e-mail. The full pdf version is available at [www.pharmamarketingnews.com](http://www.pharmamarketingnews.com). You also have the option to participate in 2-way, peer-to-peer e-mail discussions with your pharmaceutical marketing colleagues through the **PHARMA-MKTING list**. By subscribing to PMN, you agree to receive e-mail messages through this service as well as newsletter highlights. We do not sell or share your personal information with third parties.

[CLICK HERE TO SUBSCRIBE ONLINE!](#)

RED=REQUIRED INFORMATION

FIRST NAME: \_\_\_\_\_ LAST NAME: \_\_\_\_\_

JOB TITLE: \_\_\_\_\_ COMPANY: \_\_\_\_\_

COUNTRY: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

E-MAIL FORMAT PREFERENCE: \_\_\_ HTML \_\_\_ TEXT \_\_\_ NONE

I also wish to join the **PHARMA-MKTING list** to participate in 2-way peer-to-peer discussions.

SUBSCRIPTION OPTION: \_\_\_ FULL DISCUSSION \_\_\_ "LURK & LEARN" (DIGEST MODE)

BLACK=OPTIONAL INFORMATION (For our internal use only. We don't sell or rent mailing lists/labels)

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE/PROV: \_\_\_\_\_ POSTAL CODE: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

Mail or fax to: VirSci, PO Box 760, Newtown, PA 18940, 215-504-5739 (Fax)

---