



Summer 2010

Identifying Global Targets: Getting It Right the First Time in an Evolving Marketplace

By Katherine Binns

All too often, pharmaceutical marketers have a haphazard process for predicting targets. The result can be sub-optimal positioning strategies for new products and/or weak messages and other brand identity elements for in-line products. In an era of tighter regulatory approvals, shorter brand life cycles and fewer launch opportunities, it is critical for marketing, marketing research and other commercial functions to get it right the first time.

How “Macro” Trends Impact Targeting Strategies

In this article we will define *targeting* as the process of identifying, prioritizing, and communicating a differentiated proposition that will “bend supply to the will of demand.” In other words, targeting identifies the groups that will shape and champion your brand story throughout its lifecycle.



To correctly identify global targets, we need to understand a number of macro-level trends across global health systems – including, but not limited to

- Increased regulation and scrutiny of bio-pharmaceutical manufacturers;
- Evidence-based coverage and reimbursement decisions;
- Pay-for-performance schemes to incentivize adherence to medical best practices;
- Cost shifting to consumers;
- An increased focus on wellness and prevention; and
- The ongoing evolution of information access to all players in the system, including consumers and health care professionals.

In the wake of these changes, the focus on alternate channels will continue, and an emphasis on targeting strategies will be accelerated. Pharmaceutical and biotech companies must define their targets within the context of understanding the intentions of payers, and consumers as payers; and *how these dynamics impact prescribers’ treatment decisions and patient-physician interactions.*

Research in support of targeting strategies must reflect the increasing

complexity of the decisions faced by market participants. It must frame consumers' and health care professionals' needs and behaviors *in a broader context* than once-off disease management – for example, information consumption, economic decision making and managing multiple chronic medical conditions.

These trends have significant implications when considering how to best conduct marketing research to support global positioning and targeting for new products. And we see a number of key strategic considerations that apply in global targeting more than elsewhere.

An Interlocking Process to Drive Success

Research needs to be part of an *interlocking process* that systematically informs targeting and positioning; getting this right the first time is more than a priority – it's a necessity. Effective process management assures that research can be linked to actions, with more favorable results.

Interlocking Marketing and Marketing Research Processes



Targeting is the first step to developing your brand story (i.e. positioning); once targets have been identified, the building blocks of viable positionings should be evident. The elements of a solid positioning include:

- Target audience;
- Benefits;
- Competitive set;
- Proof points (i.e., “supports”); and
- Brand personality.

Effective segmentation provides a lens through which all subsequent decisions that guide positioning for the brand are filtered. Among other things, it

- Identifies target segments;
- Determines the competitive set;
- Defines differentiated core benefit for targets;
- Identifies positioning and messaging opportunities for further testing; and
- Prioritizes market potential on a geographic basis.

When segmentations succeed, they usually do so because of disciplined process management, not just good research design and analysis. This requires a start-to-finish collaboration with a multidisciplinary team and a research partner who will help you manage this process. ([Read more about some specific KN techniques for bringing segmentations to life in Joanne French’s article in this A:I/R.](#)) Our “guideposts” provide a framework to ensure a successful outcome when using research to guide targeting and positioning.

Guidepost: Segmentation Can Yield More Precise Global Guidance

While we might think that total-market perspectives are the best way of developing a global plan, segmentation can provide a more insightful approach. With segmentation, we can inform such strategic questions as:

- Which global markets are most promising for product uptake across high opportunity targets?
- Which markets provide the greatest potential source of business along the continuum of the product’s life cycle?
- How will the competitive landscape differ across global markets?

In preparing for global segmentation research, there are a number of factors that must be considered before embarking on the research itself.

- How should we define the potential source of business on a geographic basis? Is it best to use an epidemiological lens (i.e., how many target patients are there in a particular market) or a financial lens (i.e., how much sales volume does a particular market deliver for this therapeutic class)?
- Which markets can act as proxies for a broader basket (i.e., countries with access and coverage dynamics, disease prevalence, etc., that closely mirror one another)?
- What roles will emerging markets play in the potential opportunity for this product?

- How should we define the target audience in a particular market (i.e., what types for prescribers are most likely to drive volume)?

In the Fall A:I/R, we will look at how targets can vary from region to region, and how we can identify synergies that lead to unified positionings.

This paper was originally presented at ESOMAR's Global Healthcare 2010 conference and is reprinted with permission.

Katherine Binns is Senior Vice President, Health Care, at Knowledge Networks.