

## INDUSTRY FORUM

## Positioning Matters – Research Using Market Insights

***Positioning Research is a key component of pharmaceutical brand development, but where does it fit and what are the component research stages?***



Across the Pharma industry it is clear that ‘positioning’ means different things to different people. It is important that the process of positioning be clearly delineated from branding and messaging, since they are often confused. Instead the relationships and differences between these linked components need to be understood depending on the specific brand situation.

### Positioning

**Definition:** “The act of designing the company's offering and image so that they occupy a meaningful and distinct competitive positioning in the target customers mind” (Kotler, P, 1984)

**Purpose:** Defines the territory the product is intended to occupy in the market place relative to other products

**Elements:** Target market (for whom), differentiating benefits (when and why use). The ‘positioning’ is often encapsulated in a statement (aspiration)

### Branding

**Definition:** “The enterprise of creating added value in the minds of consumers, that is, building perceived values beyond the observable physical value of the product” (Supphellen, M, 2000)

**Purpose:** Creates strong, unique favorable brand associations—to establish functional and emotional benefits in the customer's mind

**Elements:** Image, personality, proposition, essence, relationships (many alternative elements exist, depending on individual company preference).

So, is there such a thing as ‘positioning research’? We believe there is, even though positioning is already taking place during the process of market understanding and product shaping, where we learn about possible target segments, key value drivers, and how our brand could stack up versus the competition. All these aspects are crucial inputs into the brand development process, therefore any positioning research should not be viewed as a ‘one-off’ exercise. Instead ‘positioning research’ is an approach which provides structure to previous understandings so that they can be shared with a customer audience, to uncover and create the best positioning. Three typical steps in positioning research are summarised below.

### 1. Positioning Generation – A Creative Process

Before embarking on any positioning research, the pros and cons of a company-driven versus customer-

driven positioning approach should be considered. Both approaches have their merits, and sometimes a hybrid approach is taken to get the best of both worlds. Below we compare and contrast these approaches.

Positioning generation should be a creative process and not concern itself too much with evaluation. This is especially the case for company-driven positioning generation.

### Company-Driven Positioning Through Brainstorming

Often this involves creative workshops, in which the team is stimulated to brainstorm a variety of components for the brand such as alternative descriptions of target audience, or ways of describing the compelling benefit. Typically this is done using the company's positioning format, usually including target audience,

### Company-Driven Positioning Generation is Favored When

There is a thorough understanding of the marketplace

The company feels comfortable with a range of different positioning options generated

A product is expected to create a different paradigm/overhaul current thinking (where research respondents may be less informed and may struggle to understand ideas or generate concepts)

A new mechanism of action needs explaining

The brand team has strongly established ideas (it is worthwhile including them in a first evaluation, as a customer 'reality check')

### Customer-Driven Positioning Generation is Favored When

There are gaps in knowledge, which need answering before defining viable positioning alternatives

The company can only generate limited positioning alternatives

A product is operating in an existing paradigm

The brand team is actively looking for 'novel ideas'

key benefits, compelling benefit, competitive framework, and key reasons to believe. Brainstorming comprises an 'uninhibited' generation stage, followed by structuring and scaling down of materials into a more usable framework, but in a 'non-evaluative' setting. The goal is to produce 4 or 5 alternative positioning platforms for further testing. While this can be achieved within one workshop, an interactive forum can be set up which allows the team to continue the debate.

### Customer-Driven Positioning Generation

With this option, the creative brainstorming process is mimicked as much as possible, in workshop-style (mini) groups, sometimes comprising different specialties/stakeholders for optimal cross-fertilization. These groups may only be required in a small number of countries. An important prerequisite is good scene-setting and a future orientation, through a variety

#### Do's and Don'ts for Positioning Refinement


- When introducing new concepts that may defy current thinking, it is essential to warm up the audience and lead them to a 'future' environment, otherwise novel concepts may be dismissed because of their lack of credibility. Having said that, it is also important to gauge the credibility gap between the current paradigm and the context in which the new brand will be operating
- Avoid any marketing or advertising speak when introducing positionings with customers, both in the questions asked and in the materials supplied: avoid words like 'optimal', 'superior' where possible. Avoid asking questions such as 'which positioning is most compelling to you?' or '... is most differentiating?' — since these words are not part of a physician's natural language
- Watch out for too much repetition among elements of the positioning. For instance six positionings which all have the same target audience or the same reasons to believe may not be very productive because respondents move into 'word-smithing' mode and comment on wording rather than meaning

of warm-up exercises. Again, it is important not to fall into the trap of too-early evaluation.

### 2. Positioning Refinement – What Are We Testing?

Once a series of alternative positioning platforms is generated, qualitative research can be conducted with target customers (usually one-on-one) to understand what each platform conveys, how compelling and differentiating they are, and what they evoke in a customer's mind. Unlike the generation process, this phase needs to be researched in all relevant countries. The focus should be on understanding and 'getting a feel' for the different positionings rather than prioritizing. While ratings may be used, they should only form a stimulus for discussion (for example, we can encourage the respondent to explain why a higher score was given for one positioning versus another) and would not be reported back in any quantitative way. We should be able to analyze each positioning and recommend which positionings to take forward for more quantitative testing, and more importantly, the reasons why.

### 3. Positioning Selection – Quantitative Testing of Viable Alternatives

The final research stage involves a test of 2-3 alternative viable positionings in a quantitative setting, using ratings and rankings. The analysis needs to go beyond an evaluation of the overall positionings, to include an assessment of the individual elements, and to derive and fully understand reasons why some have more impact than others. Many combinations of potential positioning elements can contribute to a market positioning. Measuring interactions between these elements is critical in building effective positioning strategies and required individual messages. An approach for more effective modeling of interactions has been discussed previously (*PBIRG Perspectives*, Vol 9, Issue 1, Spring 2007, pages 9-10). 

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