



# High-Performance Pharma Brand Plans

SMART TOOL SERIES

## The 5 Pitfalls **to avoid**

## 1. Introduction

**Brand Plans are often inefficient and of little use due to insufficient brand teams' involvement, lack of market insights and of coordination across pharma companies' departments**

- Smart Pharma consultants have helped 35 pharma companies develop brand plans on more than 80 products belonging to 18 different therapeutic areas:

- |                     |                            |                             |
|---------------------|----------------------------|-----------------------------|
| 1. Allergy          | 7. Immunology              | 13. Oncology                |
| 2. Cardiology       | 8. Infectiology / Virology | 14. Pulmonology             |
| 3. Dermatology      | 9. Metabolism / Diabetes   | 15. Psychiatry              |
| 4. Gastroenterology | 10. Nephrology             | 16. Rare diseases (various) |
| 5. Gynecology       | 11. Neurology              | 17. Rheumatology            |
| 6. Hematology       | 12. Ophthalmology          | 18. Urology                 |

- From this experience, we have identified several common pitfalls that should be avoided to craft brand plans likely to optimize brand performance

*“At affiliate level, the Brand Planning process is often viewed as a window-dressing exercise”*

## 1. Introduction

**For each of these five pitfalls, we propose practical and easy-to-implement solutions so that pharma companies can transform useless brand plans into high-performance ones**

### Pitfall #1

Describing and not analyzing  
the market situation

### Pitfall #2

Carrying out a sub-optimal  
SWOT analysis

### Pitfall #3

Crafting an  
inconsistent strategy

### Pitfall #4

Selecting tactics which do  
not support the strategy

### Pitfall #5

Not integrating  
monitoring indicators

*“The purpose of Brand Plans is to allocate the right resources to reach the performance objective set, in an effective and efficient way”*

## 2. Pitfalls to avoid

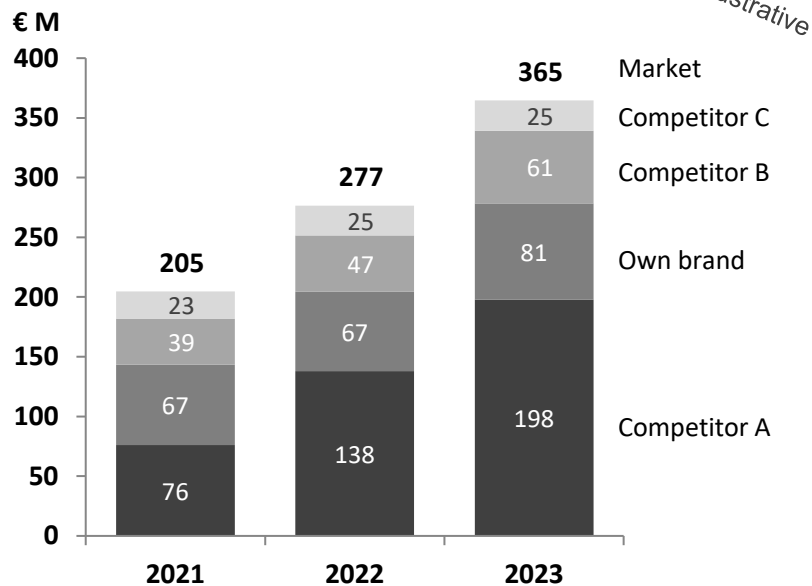
**Market situation is too often superficially analyzed and therefore poorly understood, preventing a proper identification of market opportunities and threats**

### Pitfall #1

Describing and not analyzing the market situation

What do we observe?

#### Market Definition / Structure / Dynamics



- The situation analysis section is most often just a description of the market facts with no or poor analyses
- Despite a large quantity of available data, the knowledge and the understanding of key market stakeholders are too often partial and not accurate
- The main reasons for these weaknesses in the brand planning process come from:
  - Affiliate brand teams considering it is just a constraint, imposed by the regional or global teams, having little, if any, value for them
  - Insufficient time spent to carry out in-depth analyses to enhance market insights (knowledge and understanding)

## 2. Pitfalls to avoid

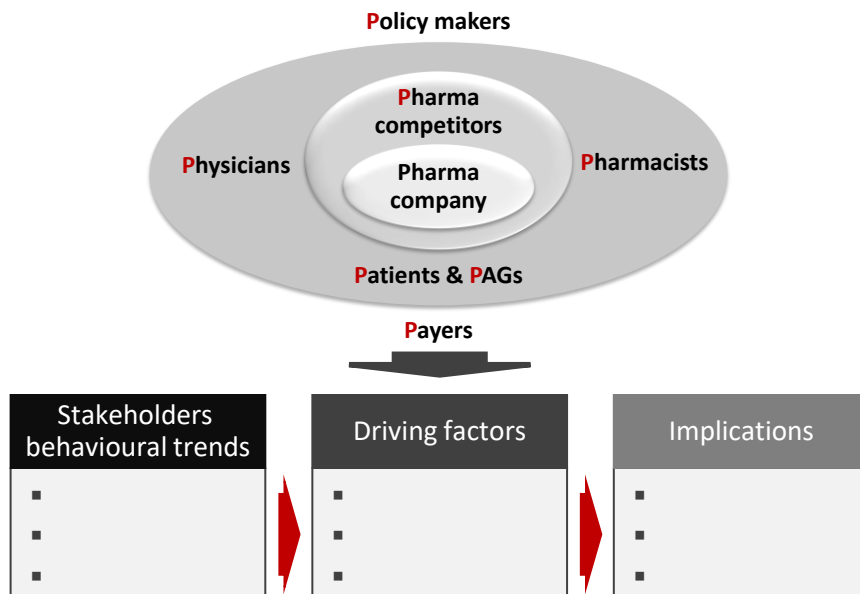
The situation analysis should focus on identifying and analyzing current and future key market events from which implications for the brand will be deducted

### Pitfall #1

### Describing and not analyzing the market situation

What do we recommend?

#### The 7 Ps – Market stakeholders' analysis



- A robust analysis of the market situation requires to identify key market features, by gathering precise and reliable information regarding:
  - Sales data trends (historical and forecasted data)
  - Opinion and behavioral trends of key stakeholders (policy makers, payers, physicians, pharmacists<sup>1</sup>, patients, patient advocacy groups (PAGs), pharma competitors)<sup>2</sup> who are likely to impact the market attractiveness and the competitive position
- Then, it is essential to understand the factors that drive stakeholders' opinion and behavior, and market attractiveness
- An in-depth market knowledge and understanding will enable to identify the major market opportunities and threats and to assess the brand strengths and weaknesses

Sources: Smart Pharma Consulting

<sup>1</sup> Retail and hospital pharmacists – <sup>2</sup> In certain therapeutic areas, other stakeholders such as nurses may be considered

## 2. Pitfalls to avoid

The SWOT analysis is rarely properly structured, preventing from deducting the most relevant key strategic drivers to optimize the brand performance

### Pitfall #2

### Carrying out a sub-optimal SWOT analysis

What do we observe?

#### Conventional SWOT analytical tool



- The SWOT analysis constitutes a structured summary of the situation analysis from which the key strategic drivers (also called: key business drivers, key strategic imperatives, strategic priorities, etc.) should be drawn
- However, the conventional SWOT framework is not well conceived, leading to misuses:
  - It is frequent to see a long list of items, not always relevant, and considered to be of equal importance
  - Opportunities are often confused with strengths, and threats with weaknesses
  - It is not rare for an item to be mixed-up with its cause, leading to wrong strategic decisions<sup>1</sup>
- The frequent inappropriate use of the SWOT framework has led detractors to rename it “*Silly Way Of Thinking*”

## 2. Pitfalls to avoid

The “Advanced SWOT” helps brand teams carry out a more specific and relevant assessment of the market situation and of the brand competitive position

### Pitfall #2

### Carrying out a sub-optimal SWOT analysis

What do we recommend?

#### Advanced SWOT analytical tool

Market Opportunities	RI <sup>1</sup>	Market Threats	RI
<ul style="list-style-type: none"> <li>▪ Authorities<sup>2</sup></li> <li>▪ Customers<sup>3</sup></li> <li>▪ Competitors</li> </ul>		<ul style="list-style-type: none"> <li>▪ Authorities</li> <li>▪ Customers</li> <li>▪ Competitors</li> </ul>	
Brand Strengths	RI	Brand Weaknesses	RI
<ul style="list-style-type: none"> <li>▪ Product (4 Ps<sup>4</sup>)</li> <li>▪ Services</li> <li>▪ Corporate reputation</li> </ul>		<ul style="list-style-type: none"> <li>▪ Product (4 Ps)</li> <li>▪ Services</li> <li>▪ Corporate reputation</li> </ul>	

- To facilitate the definition of the brand strategic drivers, it is recommended to use the “Advanced SWOT framework” which structures:
  - Market opportunities and threats into stakeholders’ opinions and behaviors
  - Brand strengths and weaknesses into the product, the associated services and the reputation of the marketing company
- It is also essential to prioritize the items listed in each of the four components of the SWOT framework by evaluating their RI (relative importance) by using, for instance, a five-point scale
- These proposed adjustments of the SWOT framework have shown to be very helpful to transform it into a practical tool

## 2. Pitfalls to avoid

**The brand strategy is too often crafted irrespective of the market reality and is not structured so that to foster the synergy of the supporting activities across departments**

### Pitfall #3

### Crafting an inconsistent strategy

What do we observe?

#### Strategic drivers

Strategic driver #1

Strategic driver #2

Strategic driver #3

- The strategic drivers, which are the priorities on which the company concentrates its resources and capabilities to achieve the performance objective set for its brand, should derive from the SWOT analysis
- The links between the situation analysis, summarized in a SWOT, and the selected strategic drivers, are not always clearly established and sometimes may even not exist
- In addition, if not properly put into perspective with the set objective, the selected strategic drivers may not be the most relevant ones and lead to a suboptimal brand performance
- When the activities corresponding to each strategic driver are not well-defined, across key different operational functions (i.e. market access, medical, marketing, sales), the quality of execution is in general poor



## 2. Pitfalls to avoid

The Brand Strategy Card has shown to be a useful tool to align the brand ambition, the strategic drivers and the corresponding tactics

### Pitfall #3

### Crafting an inconsistent strategy

What do we recommend?

#### The Brand Strategy Card



- The Brand Strategy Card shows the brand ambition, the strategic drivers selected to achieve that ambition and the key tactics to support the strategic drivers
- Thus, this one-page Brand Strategy Card helps to ensure the consistency between the three building blocks of the brand strategy: the ambition – the strategic drivers – the key tactics
- The trickiest part is to select the most relevant strategic drivers, as derived from the Advanced SWOT, which are...
- ... opportunities to seize, threats to fight again, strengths to capitalize on, and/or weaknesses to address
- The preferred strategic drivers are those which are the most likely to have an impact on the brand performance so that to achieve the set ambition for the brand

## 2. Pitfalls to avoid

**The tactics do not always support the strategic drivers and are too often limited to marketing and sales activities**

### Pitfall #4

Selecting tactics which do not support the strategy

What do we observe?

Table of key tactics

Tactic	Target	Timing	Responsible	Budget

- It is not rare to see, in brand plans, key tactics which do not formerly support the strategic drivers
- However, key tactics are the actions which are selected to support the strategy
- In other words, these actions are the operational expression of the strategic drivers
- Key tactics are too often described as a series of activities carried out by the marketing and sales departments...
- ... which are a renewal of past activities and for which objectives have not been clearly set and the impact formerly measured
- Being rarely based on the assessment of past experience, the process to prioritize these tactics is in general weak

## 2. Pitfalls to avoid

**Each tactic should be carefully selected to best support the strategic drivers to enhance the probability to achieve the brand ambition**

### Pitfall #4

Selecting tactics which do not support the strategy

What do we recommend?

Table of key tactics related to the strategic drivers

Strategic Driver		Department <sup>1</sup>			
Tactic	Target	Objective	Timing	Responsible	Budget

- Tactics should be carefully selected to best support each strategic driver
- These tactics may concern not only marketing and sales departments, but also market access and medical affairs departments
- If the medical affairs department is not supposed to promote brands, it can/should however contribute to optimize the use of the brands in the best interest of the patients, by generating and disseminating to healthcare professional relevant medical data
- It is important, for each tactic, to precise the target concerned, to set a precise objective, to plan it, to name a responsible and estimate a budget
- Before selecting a tactic, it may be needed to test the idea<sup>2</sup>

## 2. Pitfalls to avoid

**It is rare to see brand plans with integrated monitoring tools and associated monitoring process, which therefore prevents from measuring the efficacy and efficiency of the selected tactics**

Pitfall #5

Not integrating monitoring indicators

What do we observe?

### Monitoring indicators

Tactic	Target	Objective	Timing	Responsible	Budget	KEIs <sup>1</sup>	KPIs <sup>2</sup>

- A brand plan without indicators to measure the quality of execution and the – direct or indirect – impact of the selected tactics on the business is of little use
- Rare are the companies which integrate, in their brand plan, indicators to measure the quality of execution (Key Execution Indicators) and/or the impact (Key Performance Indicators) of tactics
- Without these indicators and the implementation of a monitoring process, it is impossible to evaluate the efficacy and efficiency of the tactics planned in the brand plan
- Thus, a brand plan with no systematic monitoring can be viewed as a window-dressing exercise

**“If you can’t measure it, you can’t manage it!” – Peter Drucker**



## 2. Pitfalls to avoid

**KEIs<sup>1</sup> and KPIs<sup>2</sup> are both essential, the first type of indicators measuring the quality of execution and the second one the degree of objective achievement**

Pitfall #5

Not integrating monitoring indicators

What do we recommend?

 <b>Monitoring indicators</b> 		
<b>Quantitative</b>		
<table border="1"> <tr> <td style="border: 1px solid green;"> <ul style="list-style-type: none"> <li>▪ % of customer target covered</li> <li>▪ Number of interactions with customers</li> <li>▪ Number of projects carried out</li> <li>▪ Level of resources allocated to customers</li> </ul> </td> <td style="border: 1px solid red;"> <ul style="list-style-type: none"> <li>▪ Number of new customers</li> <li>▪ Average # of prescriptions per customer</li> <li>▪ Sales dynamics</li> <li>▪ Return on investment</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>▪ % of customer target covered</li> <li>▪ Number of interactions with customers</li> <li>▪ Number of projects carried out</li> <li>▪ Level of resources allocated to customers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of new customers</li> <li>▪ Average # of prescriptions per customer</li> <li>▪ Sales dynamics</li> <li>▪ Return on investment</li> </ul>
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<b>Qualitative</b>		
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- All brand plans should include monitoring tools and a monitoring process related to each selected tactic
- We recommend to use:
  - **Key Execution Indicators (KEIs)** which measure the quality of execution of tactics
  - **Key Performance Indicators (KPIs)** which measure the business outcome of tactics
- By measuring carefully, the quality of execution and the impact of tactics, it is possible to adjust the brand plans (during the year or from the previous year) to make them more efficient and effective

**“KEIs check that you are on the right track and KPIs check that you arrive at destination”**

### 3. Key takeaways

*“High-Performance Pharma Brand Plans require method, rigor and pragmatism”*

#### Recommendations

- Design brand plans with the intent of helping allocating the right resources to **achieve brand performance ambition**, and not just as a formality to be reported at corporate level
- Adopt the 4Ws<sup>1</sup> (What? – Why? – so What? – What to do?) approach to improve the **relevance**, the **consistency** and the **robustness** of the brand plans
- Use the “Advanced SWOT” to facilitate the analysis of the **market situation** and of the brand **competitive position**, identifying **market opportunities** and **threats** and prioritizing brand **strengths** and **weaknesses**
- **Seek customer preference** rather than customer satisfaction by improving customers perception of the **brand attributes**, the **quality** of the proposed **services** and the **corporate reputation**
- Make the best use of the “Brand Strategy Card” to formalize clearly and precisely the **brand ambition**, the **strategic drivers** and the corresponding **key tactics**
- Define **Key Execution Indicators** and **Key Performance Indicators** to monitor respectively the **quality of execution** and the **impact** of tactics

## 4. Smart Pharma Service Offering

### Consulting Services

- Smart Pharma Consulting is well-known for its ability to help brand teams build robust brand plans
- To date, Smart Pharma consultants have helped 35 pharma companies develop strategic and tactical plans on more than 80 brands belonging to 18 different therapeutic areas
- Thus, we can bring our support to address the following issues:
  - Which market analyses should be carried out?
  - How to define market key success factors and the corresponding brand challenges with the help of the “Advanced SWOT”?
  - How to develop market and brand scenarios?
  - How to define the brand performance ambition?
  - How to craft a specific strategy to achieve the brand ambition?
  - How to support the strategy by tactical initiatives likely to reinforce the preference of stakeholders for the brand?
  - How to anticipate the impact of future investment options on the brand performance?
  - How to monitor the quality of execution and the impact of investment decisions?

### Training Program

#### Example of a One-Day Program<sup>1</sup>

- 8:30 Introduction to the program
- 8:40 Definitions, concepts, methods, tools related to Brand Plans
- 9:00 Module 1: Situation analysis  
Market definition and dynamics  
Stakeholders' opinion and behavioral analysis
- 10:30 Break
- 10:50 Advanced SWOT analysis
- 12:00 Module 2: Sales forecasting & ambition setting
- 13:00 Lunch
- 14:00 Module 3: Strategy crafting
- 15:00 Module 4: Tactics selection
- 16:00 Break
- 16:20 Module 4: Tactics monitoring
- 17:30 Conclusion and key takeaways
- 18:00 End of the program

#### Target Audience

- Collaborators involved in supporting the brands (e.g. from the medical, marketing, commercial, market research, strategic,... departments), whatever their level of responsibility and seniority

Consulting firm dedicated to the pharmaceutical sector operating  
in the complementary domains of strategy, management and organization

## The Smart Tool Series

- This series intends to provide practical tools and recommendations to enhance the efficacy and efficiency of the most important activities or processes in place within pharma companies
- Our tools and recommendations are based on both:
  - Our consulting experience in the pharma sector
  - Our research for innovative, pragmatic and useful solutions
- Each issue of this new series has been designed to be read in 15 to 20 minutes and not to exceed 20 pages

## High-Performance Pharma Brand Plans

### The 5 Pitfalls to avoid

- Brand Plans are often inefficient and of little use due to a weak building process, a lack of market insight and an insufficient involvement of brand teams
- We have identified 5 pitfalls and recommended solutions to address them to create High-Performance Pharma Brand Plans, enabling to boost effectively and efficiently brand performance

## Smart Pharma Consulting Editions



- Besides our consulting activities which take 85% of our time, we are strongly engaged in sharing our knowledge and thoughts through:
  - Our teaching activities in advanced masters (ESSEC B-school, Paris Faculty of Pharmacy)
  - Training activities for pharma executives
  - The publication of articles, booklets, books and expert reports
- Our publications can be downloaded from our [website](#):
  - 41 articles
  - 77 position papers covering the following topics:
    1. Market Insights
    2. Strategy
    3. Market Access
    4. Medical Affairs
    5. Marketing
    6. Sales Force Effectiveness
    7. Management & Trainings
- Our research activities in pharma business management and our consulting activities have shown to be highly synergistic
- We remain at your disposal to carry out consulting projects or training seminars to help you improve your operations

Best regards

Jean-Michel Peny