

# DISPATCHES™

Insights On Brand Development From The Marketing Front

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## THE MARKETING (OBJECTIVE) MIX

Our longtime colleague, Dave Roche, sometimes relates the true story of his consulting work some years ago—with a leading drug company’s marketing team. The story begins before the launch of that prescription medication, which was developed specifically to replace an earlier drug brand (in the same class) that was about to go off patent. If you follow the lifecycle curve of most leading drug brands, you know that their curves are considerably shorter than those of leading consumer brands. You may also have noticed that the smarter drug companies consciously plan the development of a subsequent, “follow-on” brand in the same class in order to maintain their leadership position in that class. For example, AstraZeneca is often recognized for their seamless introduction of the brand Nexium as the next “purple pill” to follow-on from Prilosec, when it went over-the-counter, in the proton pump inhibitor drug class.

The gist of Dave’s story has to do with the Communication Brief that the new, follow-on drug would use in the development of its launch professional and DTC (direct-to-consumer) messaging. More specifically, it has to do with the actual *behavior* that the brand’s marketers wanted the messaging to incite—in more classical marketing terms, what specific *marketing objective* the brand team expected the messaging to accomplish. It seems that everyone rather quickly agreed that the behavior the messaging simply **had** to incite was to maintain—with the new drug—the high level of prescription writing (for doctors) and of drug consumption (for patients) that the soon-to-go-off-patent drug already enjoyed. You might simply call this marketing objective the maintenance of a certain *frequency of use*.

Crafting messaging against this singular behavior would have been a worthwhile accomplishment by itself. But, upon further team discussion, some members brought up yet another worthwhile behavior to seek: they pointed out that, as the leading drug in class, it was also their duty to grow the class—to *bring in new prescribers and patients* to the class. Quite suddenly, the Communication Brief took on a second marketing objective. But, this was not to be the end because still others on the team reminded everyone that the #2 brand in class had been gaining share and that, well, it was imperative that with the new drug launch, yet another behavior take place: to *switch* prescriptions from #2 to the company’s new (better performing) drug.

So, as the Communication Brief was being signed off by the appropriate senior marketers, it was directing that the launch messaging campaign accomplish 3 distinctly different customer/consumer behaviors: sustained frequency, adoption by new users, and switching from a competitive brand. Said another way, the marketing team expected their communication

agency to come up with one big idea that was capable of delivering all three of these behaviors. As for the “rest of the story,” or what really happened once the campaign went to market, perhaps you can guess. The new drug brand launch failed on all three counts; in fact, it failed so significantly versus volume forecasts that the company’s stock price took a significant drop in value—virtually the day after the poor launch results were announced to the financial community.

How could this happen, you may ask? Isn’t it common sense that the message required to attract new or first-time prescribers is a quite different message from the one required to sustain a frequency of current use? Or the one required to cause switching from competitive brands? It is indeed common sense, but unfortunately it is also all too common that we marketers “pile on” multiple marketing objectives—particularly when we are setting the direction for communications development. Perhaps, sometimes, it is the pressure we feel from our senior management to get many things done in a short amount of time. Or, perhaps we justify multiple marketing objectives for our communications with this reasoning: we only have so much money to spend in our communications, and we need them to work extra hard for us. Most likely, though, we simply get greedy when we set our communication marketing objectives. We try to do way too much, and in so doing, do no one thing particularly well.

Even more importantly, however, when we pile on multiple behavioral objectives to a single communication campaign, we overlook one of the most fundamental principles of a smart, effective marketing plan. That principle is the one of the *marketing mix*. The principle of the marketing mix goes something like this: every brand has an assortment of marketing elements with which to achieve its objectives—such as product innovation, packaging, promotion, PR, merchandising, communications, and so on; these make up the “marketing mix.” And the corollary to this longstanding principle is this: no one marketing mix element can reasonably be expected to achieve all objectives at once.

Marketers who acknowledge and follow this principle and its corollary, therefore, construct their annual marketing plans (which typically include two or three different marketing or behavioral objectives) such that, for example, promotion and merchandising aim to sustain a certain frequency of consumption...product innovation aims to achieve a certain amount of switching from competitive brands...and communications aim to bring in new users to the category. This is using the full marketing mix in a focused—and definitely more efficient—way. If you consider how limited most marketing budgets are these days, “playing the marketing mix” is the only thing that really makes sense.

### **BOATS & HELICOPTERS:**

1. When working on your next annual marketing plan, first and foremost, take the time to determine those specific customer or consumer behaviors that, if achieved, will (literally) collectively build to the brand’s annual volume forecast. Make sure that you and your marketing research experts have the methodologies in place to actually *measure* the behaviors you have identified.
2. Make a rule for your marketing plan that no single marketing mix element will specify more than ONE behavioral objective. Resist the pressures (often from senior management) to specify two *mutually conflicting* marketing objectives—like bringing in

new category users and switching current users—especially when it comes to your Communication Brief!

3. Lay out a simple slide that links each marketing mix element to its specific marketing objective; show this slide early and often so that no one forgets your insistence upon more smartly employing limited company resources—by focusing pre-determined resources against a focused outcome.
4. But, by far the most important thing of all, report regularly on how each marketing mix element is doing against the specific marketing objective that the team has set. Without this due diligence, we can pretty much guarantee that others will want to add more objectives to each element.

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