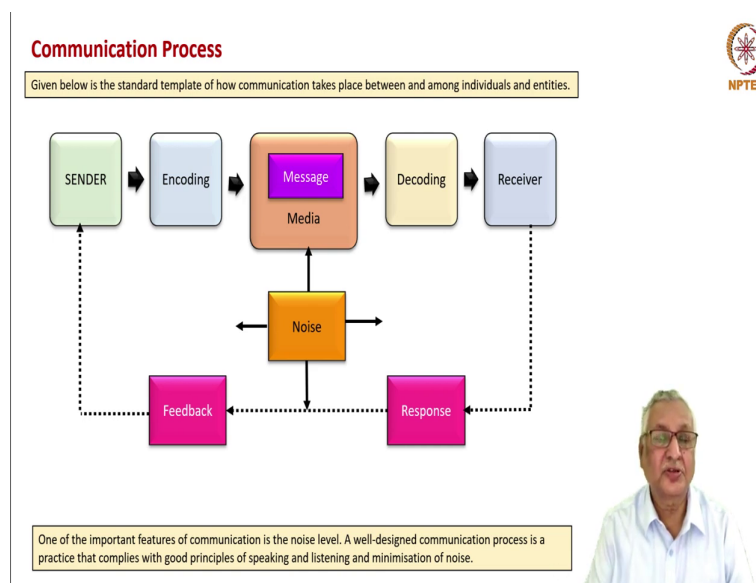


**Business Development from Start to Scale**  
**Prof. C Bhaktavatsala Rao**  
**Department of Management Studies**  
**Indian Institute of Technology, Madras**

**Week - 07**  
**Branding and Pricing**  
**Lecture - 33**  
**Advertising and Communication**

Hi friends, welcome to the NPTEL course Business Development from Start to Scale. We are in week seven with the theme of Branding and Pricing, in this lecture the 33rd in the series we discuss the topic of Advertising and Communication.

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What is a standard communication process? A standard communication process is one which moves from the sender to the receiver in terms of a message. The message is usually encoded

by the sender in some language and it is passed on through the media and the decoding takes place and receiver receives the message. And based on the message the receiver sends a response and it goes as a feedback to the sender. The media has all kinds of noise in transmitting the message.

Now, the response in a sales and marketing transaction is in terms of either purchasing a product or service or in not purchasing that. So, one of the important features of communication is the noise level, the well designed communication process is a practice that complies with good principles of speaking and listening and minimization of noise.

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**Response Hierarchy Models**

Advertising is an age-tested form of communication that is essential for companies to present their products and services to customers. From the several models, certain factors explain how the response to advertising takes place.

Cognitive Stage	Affective Stage	Behaviour Stage
<ul style="list-style-type: none"><li>• Attention</li><li>• Awareness</li><li>• Knowledge</li><li>• Comprehension</li></ul>	<ul style="list-style-type: none"><li>• Interest</li><li>• Desire</li><li>• Liking</li><li>• Preference</li><li>• Conviction</li></ul>	<ul style="list-style-type: none"><li>• Evaluation</li><li>• Trial</li><li>• Order</li><li>• Reorder</li></ul>

The communication model must be kept in mind while developing the marketing strategy, given that cognition and response is complex.

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Advertising is an age-tested form of communication, it is essential for companies to present their products and services to customers. Without advertising the millions of customers a company has will have no means of understanding what the company has in terms of the

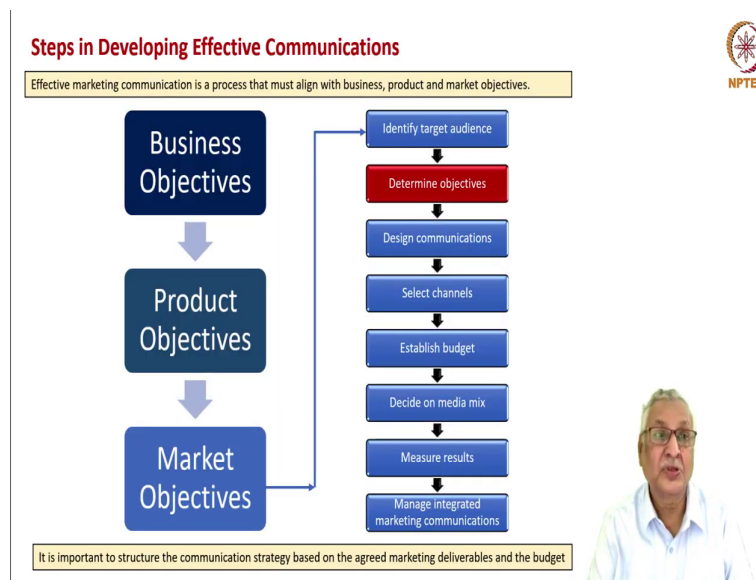
product and service offerings. There are several models which define or which delineate how the recognition of advertising takes place.

From these several models I have culled out a few stages as well as a few components of the stages. The first is the cognitive stage; in this cognitive stage we have attention, awareness, knowledge, and comprehension on the part of the receivers of communication. In the effective stage; we have interest, desire, liking, preference and conviction on the part of the receivers of the message.

And in the behavior stage; we have evaluation, trial, order and reorder to be executed by the recipients of the message. This communication model must be kept in mind while developing the marketing strategy, given that cognition and response is complex. What you want to achieve in one stage cannot be expected to be achieved with the same kind of advertising approach in the other stage; so, it is important.

Therefore, to understand where the company lies in terms of its stage requirements and what is the message that the company would like to give to the consumers.

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What are the steps in developing effective communications? It is a process that must align business, product, and market objectives; the objectives of the overall business drive the product objectives. We also have seen the earlier lectures that businesses can be built around products, but both business and product are dependent on the markets; therefore, we need marketing objectives.

These marketing objectives have several layers; first we need to understand the target audience for the advertising, we need to understand the objectives that could be very effective. Then we have to design communications, we have to select the channels through which the communications can be streamed. Then we have to establish a budget to understand what all that would mean in terms of the investment or cost impact.



And to be able to be optimizing this, we have to decide on a media mix, measure the results is the next stage. And finally, we have to have an integrated marketing communication strategy for the company. We have to have prefixed marketing deliverables and a budget; so, that we can make an integrated communication strategy that is both optimal in terms of its impact and in terms of its budget compliance. What are the objectives of an effective advertising and communication campaign?

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**Objectives**

The objectives of advertising and communication must be clear before developing a strategy and campaign.

Enhance User Awareness of the Brand

Induce Trial of the Brand by the Users

Make Users Become Purchasers of the Brand



Make Users Become Loyal Customers

Counter the Claims of Competing Brands

Build Corporate Brand Equity as a Collateral

Objectives of Advertising and Communication

Clear advertising objectives will lead to a focussed advertisement strategy and communication plan.




These objectives must be clear before developing a strategy and campaign for advertising. Typically there are 6 objectives; one-enhance user awareness of the brand, two-induce trial of the brand by the users, three-make users become purchasers of the brand. Four-make users become loyal customers also counter the claims of competing brands and as a collateral build the corporate brand equity.

Clear objectives in advertising will lead to a focused advertisement strategy and communication plan, what does that happen? That happens through market research. We will consider in another lecture some of the examples of market research, but suffice it to say here that the market research will tell us at what level of awareness the users are at what level of inclination the users are towards trying.


At what level of switching over the did customers are and what is the kind of competition that is working against our product and various other parameters related to those things. Once these triggers for advertisement are known, you can develop a good advertisement strategy.

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**Advertising Content and Campaign Stem from Brand Objectives**



<b>Enhance User Awareness</b>	<ul style="list-style-type: none"><li>• Saturation advertising of the brand</li><li>• Only salient features to figure in the content</li></ul>
<b>Induce Customer Trial</b>	<ul style="list-style-type: none"><li>• Focus on product differentiation</li><li>• Focus on competitive superiority</li></ul>
<b>Convert Trial Customers into Users</b>	<ul style="list-style-type: none"><li>• Reinforce usage superiority</li><li>• Reinforce purchase and usage economics and value</li></ul>
<b>Make Customers Loyal Customers</b>	<ul style="list-style-type: none"><li>• Ensure repeat advertising reach, with emotional connect</li><li>• Build relationships based on customer experiences</li></ul>



When you look at the advertisement content and campaign which start from the brand objectives, we have four phases. First and fundamental is the enhancement of user awareness,

at this point we have to do saturation advertising of the brand. So, that everybody gets to know that this is the brand one needs to understand.


Second only salient features to figure in the content, we do not want to confuse the user or the potential user in terms of providing all kinds of features when the objective of the company is to just get the brand and the product, known. The second is the inducement of customer trial, at that point of time you need to focus on product differentiation. Why somebody should try out this product? That is because there are certain features which are not available in the competitive products.

And that includes focusing on competitive superiority or the product; it could be in terms of the performance it could be in terms of the price, it could be in terms of the long life and all of these things together. Then you have to convert the customers who have undertaken the trial into actual uses and for that we have to reinforce usage superiority which would have come out as parts of these trial activities.

We also have to reinforce purchase and usage economics and value and make finally, the customers loyal customers. For that we need to ensure repeat advertising reach with emotional connect. We have to build every experience of the customer into a lasting relationship between the customer and the product or the brand. When that happens the advertising content and campaign will be truly effective.



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**Advertising Strategies – 1**



The diagram illustrates three advertising strategies: ATL (Above the Line), BTL (Below the Line), and TTL (Through the Line). Each strategy is represented by a colored circle connected to a central illustration of a person using a megaphone. The ATL circle is brown, BTL is dark red, and TTL is red. To the right of each circle is a bulleted description of the strategy.

- Largely untargeted and with a broad reach, 'Above the Line' Marketing is mostly used for building brand awareness and goodwill
- Targeting a specific group with focus, 'Below the Line' Marketing is used best for direct response and conversions
- An integrated approach of both ATL and BTL, 'Through the Line' Marketing focusses on both wider reach and conversions



What are the three types of advertising strategies? We have ATL, BTL, TTL, let me explain these three classifications. ATL also called above the line marketing or advertising is largely an untargeted advertisement approach with a broad reach. And this is usually used for building brand awareness and goodwill at one go.

The second is the BTL type of advertising, it targets a specific group with focus and this below the line marketing is used best for direct response and conversions of customers at various stages. TTL is a more integrated approach, it combines both ATL and BTL through the line it focuses on both wider reach and conversions.

You can imagine a television clip playing in the supermarket and when you get attracted to that and become influenced by that and move towards the shelf. You have somebody

promoting the below the line marketing at that shelf and that is how TTL happens, an ATL activity happening also a BTL happening together.

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**Advertising Strategies – 2**

**ATL**

- **Television:** Advertising campaigns directed at the regional or national level
- **Print media:** Promotional messages in newspapers, online articles, and advertisements
- **Radio:** Pan-country or pan-city radio broadcasts

**BTL**

- **Outdoor advertisements:** Billboards, fliers, banners, sandwich boards, and so on
- **Direct marketing:** SMS, emails, social media posts, pamphlets
- **Sponsorship:** Events, competition
- **In-store promotion:** Visual merchandising, retailer pop-ups, sampling, sales promotions
- **Public Relations:** Press conferences, viral marketing

**TTL**

- **360-degree marketing:** Using both ATL and BTL activities – for example, a television advertisement supplemented with pamphlets of the product attached to newspapers.
- **Digital marketing:** Online banners and buttons, social media posts, blog articles.

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Video feed of a speaker: A man with glasses and a light blue shirt is speaking.

So, let us understand some of the aspects of ATL BTL and TTL. ATL happens through television, print media and radio and this can be regional, national and in terms of several languages and that happens with the print media also. Radio also can be in terms of pan country like Akashvani or it can be in terms of pan city radio broadcast or it could be in terms of only city broadcast such as FM radios.

BTL has many components; the first is the advertisement in the outdoor media, billboards, flyers, banners, sandwich boards, bus stop signage's, traffic island signage's and so on. The second component is the direct marketing activity, SMS, email, social media, post, pamphlets, the pamphlets which you get through the newspapers every now and then.

Then you have sponsorship, events, competition, exhibitions, product activities on the roads, flash dances so many things happen. Then you have in store promotion visual merchandising, retailer pop up sampling, sales promotions. Public relations is another area where press conferences, viral marketing and communication of any corporate development being used as a product development, these constitute the BTL.


And in TTL you have a 360 degree marketing approach using both ATL and BTL simultaneously. A television advertisement supplemented with pamphlets of the product being attached to the newspapers. You have digital marketing with online banners and buttons, social media posts, blog articles etcetera, each of these has its own advantages.


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### Profiles of Major Media Types

Even in the days of digital communication, many of the traditional communication media continue to be relevant.

Medium	Advantages	Limitations
<b>Newspapers</b>	Flexibility; timeliness; good local market coverage; broad acceptance; high believability	Short life; poor reproduction quality; small "pass-along" audience
<b>Television</b>	Combines sight, sound and motion; appealing to the senses; high attention; high reach	High absolute cost; high clutter; fleeting exposure; less audience selectivity
<b>Direct Mail</b>	Audience selectivity; flexibility; no ad competition within the same medium; personalization	Relatively high cost; "junk mail" image
<b>Radio</b>	Mass use; high geographic and demographic selectivity; low cost	Audio presentation only; lower attention than television; non-standardized rate structures; fleeting exposure
<b>Magazines</b>	High geographic and demographic selectivity; credibility and prestige; high-quality reproduction; long life; good pass-along readership	Long purchase lead time; some waste in circulation
<b>Outdoor</b>	Flexibility; high repeat exposure; low cost; low competition	Limited audience selectivity; creative limitations
<b>Yellow Pages</b>	Excellent local coverage; high believability; wide reach; low cost	High competition; long purchase lead time; creative limitations
<b>Newsletters</b>	Very high selectivity; full control; interactive opportunities; relative low costs	Cost could run away
<b>Brochures</b>	Flexibility; full control; can dramatize messages	Overproduction could lead to runaway costs
<b>Telephone</b>	Many users; opportunity to give a personal touch	Relative high cost; increasing consumer resistance
<b>Digital</b>	Enormous reach; ability to automate	Impersonal; Could be lost in the overall digital clutter and noise





When you look at the profiles of major media types, you will find that there are advantages there are limitations. In respect of newspapers which carry the print advertisement it has

flexibility, timeliness, good local market coverage, broad acceptance, and high believability. If you believe in newspaper, you tend to also believe the advertisement which appears in the newspaper.

However, the limitations are in terms of the short life. A life of a newspaper is no longer long, it is just one day and the reproduction quality may not be very high. And the audience tends to be pass along, it is not necessary that in a family everybody looks at the newspaper; whereas, in a TV clip everybody may look at the TV clip.

Television is very effective, because it combines sight, sound and motion, appeals to the senses, high attention is achieved, and high reach is also achieved. But the problem with television is the high absolute cost, high clutter, fleeting exposure and less audience selectivity. In respect of direct mail; you have audience selectivity, flexibility, no ad competition within the same medium and personalization.

Again direct mail has relatively high cost; in fact, you have to buy the email addresses then you also have the situation of junk mail image. Radio is an excellent medium for rural and semi urban areas, mass usage, high geographic and demographic selectivity, low cost, but it is only of audio presentation mode. It gets only lower attention than television, rate structures are non-standardized and any audio presentation through radio is as good as the speaker's capability.

In magazines, we have high geographic and demographic selectivity. For example, if you target an advertisement in business today a business magazine, all the professionals are likely to witness that. On the other hand, if you put an advertisement in a home magazine all the homemakers are likely to see.

So, there is selectivity associated with magazines, because magazines themselves are bucketed in terms of various reader profiles. It provides high quality reproduction, long life, good pass along readership because a magazine is not a daily affair, a magazine is a two week

affair or a monthly affair. There will there is a long purchase lead time some waste in circulation.

Outdoor again has got great flexibility, high repeat exposure. Whenever you pass along a billboard, you get to see that particular advertisement, traffic islands is also one such thing. Bus stop signage's are one such thing, low cost low competition, but only those people who pass through that route will be able to see those advertisement.

Therefore limited audience selectivity, creative limitations as well. Yellow pages provides excellent local coverage's, high believability, wide reach and low cost, but it has high competition, long purchase lead time and creative limitations. Newsletters are having high selectivity, full control, interactive opportunities and relative low cost.

But, cost could be something which will go away. Brochures; flexibility, full control, can dramatize messages; Overproduction could lead to runaway cost. Telephone many uses that is telecalling, it will have many users opportunity to give a personal touch. Telecalling happens very nicely and effectively when a physical visit is followed up with telecalling.

Cold calls are not that effective, relatively high cost increasing consumer resistance to be inundated with callers. Digital obviously, has enormous reach has the ability to automate, but it is impersonal could be lost in the overall digital clutter and noise.



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**Selecting the Marketing Communication Mix**

Companies must allocate their marketing communications budget over the eight major models of communication – advertising, sales, promotion, events and experiences, public relations and publicity, online and social media marketing, mobile marketing, direct and database marketing, and the sales force. Given below is a typical pattern.



Share of Global Adspend by Medium-2021	%
Newspapers	6.0%
Magazines	3.2%
Television	26.5%
Radio	5.3%
Cinema	0.9%
Out-of-home	6.5%
Internet Display	29.6%
Internet Paid Search	18.1%
Internet Classified	3.9%

Source: Zenith

Within the same industry, companies can differ considerably in their media and channel choices. Avon concentrates its promotional funds on personal selling, whereas Revlon spends heavily on advertising. Electrolux spent heavily on door-to-door sales force for years, whereas Hoover relied more on advertising.

When you look at the marketing communication mix, you understand that companies must allocate their marketing communication budget over eight models of communication majorly. These are advertising, sales, promotion, events and experiences, public relations and publicity, online and social media marketing.

Mobile marketing, direct and database marketing and the sales force. It will be therefore, facile to think that only print media ad or television media ad would be the ones which qualify for ad spend. This is a table sourced from zenith which talks about the share of global ad spend by medium. In that newspapers have 6 percent of the share of ad spend, magazines 3.2 percent, television as high as 26.5 percent.

Increasingly internet display is coming out at 29.6 percent, paid search in on internet is 18.1 percent, out of home that is the billboards etcetera are at 6.5 percent. Within the same

industry companies can differ considerably in their media and channel choices. Even for example, the makeup company, concentrates its promotional funds on personal selling; whereas, Revlon spends heavily on advertising.

Electrolux, the vacuum cleaner company spent heavily on door to door sales force for years; whereas, Hoover relied more on advertising.

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**Top 10 Advertising Companies and Agencies in India**

 DDB Mudra Group	 Dentsu International	 FCBULKA Advertising Agency	 GroupM Media India Pvt Ltd.
 Havas Worldwide India Pvt Ltd.	 Madison World	 McCann Erickson India Pvt Ltd.	
 Mullen Lowe Lintas Group	 Ogilvy & Mather Pvt Ltd	 Publicis Communications India Ltd.	

I wish to give you the glimpse of the top 10 advertising companies and agencies in India. These are DDB Mudra Group, dentsu International, FCBULKA Advertising Agency, groupm Media India Private Limited, HAVAS worldwide India Private Limited, Madison World, McCANN Erickson India Private Limited, Mullen Lowe Lintas Group, Ogilvy and Mather Private Limited.

Publicis Communication India Limited. There has been global consolidation of advertising agencies and it has shown its impact in terms of the Indian Advertising Agencies with multinational connections.

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**A Few Famous Advertisement Campaigns - 1**



  
McDonald's 'EatQual' ad campaign by DDB Mudra

  
Odds by Adidas ad campaign by Dentsu

  
Amul Women Power ad campaign by FCBUika

  
Boost: Game Stamina Ka ad campaign by GroupM

  
Dabur Vita ad campaign by Havas Worldwide



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### A Few Famous Advertisement Campaigns – 2



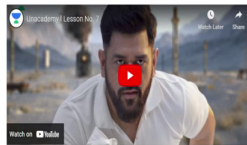
Asian Paint's Night Sale ad campaign by Madison World



#BeUnskippable ad campaign by McCann for Myntra



Ogilvy India's unbox real people ad campaign for Amazon



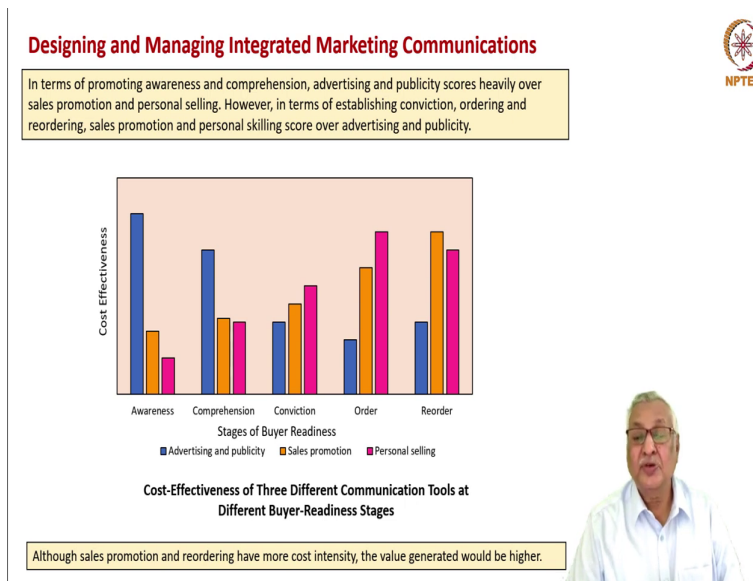
Unacademy ad featuring M.S Dhoni by MullenLowe Lintas



#PioneersOfHealthcare ad campaign for Apollo Group by Publicis



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Follows here is the following here are a few famous advertisement campaigns with which you will be able to relate. Designing and managing integrated marketing communication involves understanding what works best at what level of marketing funnel or marketing journey. In terms of promoting awareness and comprehension, advertising and publicity scores heavily over sales promotion and personal selling.

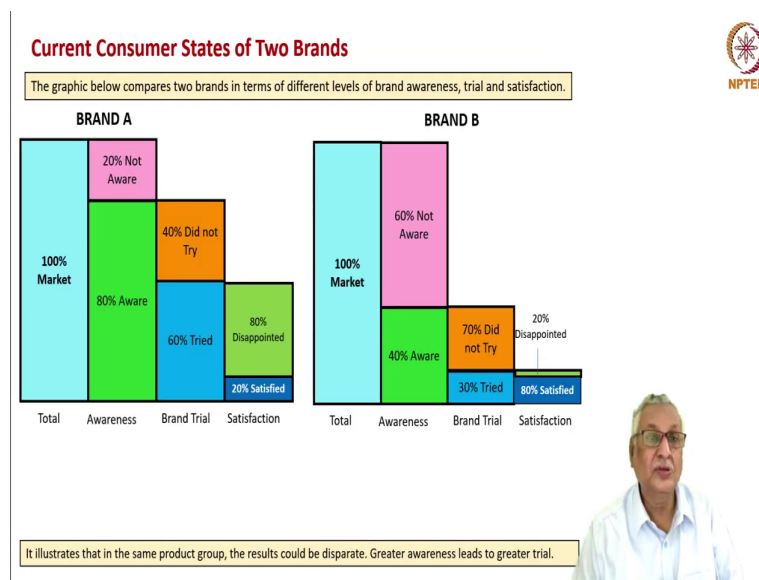
However, in terms of establishing conviction, ordering and reordering, sales promotion and personal skilling, score over advertising and publicity. In this graphic you can see that when you want to create awareness the impact of advertising in publicity is the highest not only in terms of its impact, but also in terms of the cost effectiveness.

Because, millions of users see the advertisement; therefore, per user cost is low although in absolute terms the television clip may cost a lot. In terms of comprehension the cost

effectiveness of advertising gets down and the cost effectiveness of other modes such as sales promotion and personal selling increase.

And as you goes through the other zoners conviction order and reorder, you will find that sales promotion and personal selling are very cost effective comparing to advertising. Therefore, sales promotion and reordering have to be properly calibrated based on the marketing funnel through which a particular product or brand is moving through.

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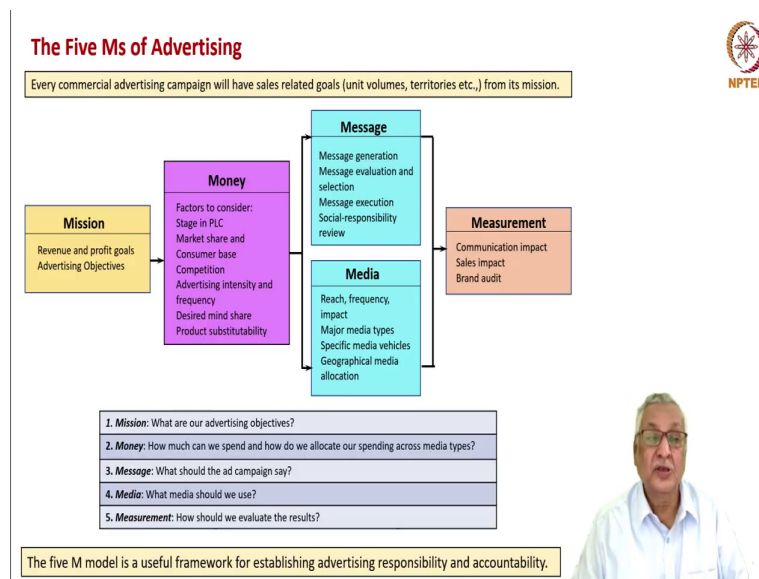


Let us look at two brands which are looked at in terms of the awareness, trial and satisfaction level. We have brand A with 100 percent market, 80 percent of the users are aware of the brand, 20 percent are not aware. However, out of the aware people 40 percent did not try and 60 percent try and out of those 60 percent 80 percent got disappointed and 20 percent got satisfied.

So, ultimately only 20 percent of the market is likely to patronize your brand. Let us look at the other brand, brand B again 100 percent of the market, 60 percent were not aware at all and only 40 percent were aware. Out of this 40 percent 70 percent did not try and 30 percent try. However, out of this 80 percent got satisfied and 20 percent got disappointed.

So, you have a situation where 80 percent of those who tried who in turn or 30 percent of 40 percent are satisfied; so, it leads to a better situation in terms of the brand. It illustrates that in the same product group, the results could be disparate greater awareness will certainly lead to greater trial. But greater conversion or greater satisfaction level would also lead to better final conversion in terms of the actual purchase. So, these have to be understood in terms of the actual market dynamics of consumer minds and product behavior.

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There are five important Ms of advertising that we need to keep in mind. The first is the mission why are we advertising, why are we choosing the kind of content and channels that we are choosing for that you need to understand the revenue and profit goals and advertising objectives. If you are a niche company, you got to follow a particular advertising strategy; and if you are a mass market company, you need to follow a different kind of advertising campaign.

And the money that you can spend are based on this stage in PLC, there is no point in spending too much money when the product is in a decline. However, if the product is introduction phase lot of awareness advertising is required, if it is in the growth phase again lot of awareness plus sales promotion expenditure will be required.

Then the kind of market share and consumer base that you have, the level of competition you encounter, advertising intensity and frequency, desired mind share and product substitutability. Take away the money that you can put into the advertisement campaign you have to allocate properly.

Then the message whether you want to have a one 60 second clip, 50 seconds clip, 40 second clip or 30 second clip or even 20 second clip. How important the duration of the television clip to making an impact and that influences the money (Refer Time: 20:57) and also having the budget you may tailor your content generation in a particular manner.

Then evaluation and selection, execution and also making sure that the advertisements are socially tenable and acceptable. We have seen several examples in India of certain advertisements being taken off after they were found to impact or affect social sensibilities. Then you have the media; the reach frequency impact, major types of media, specific media vehicles and geographical media allocation. And after that you need to have measurement; communication impact, sales impact, brand audit.

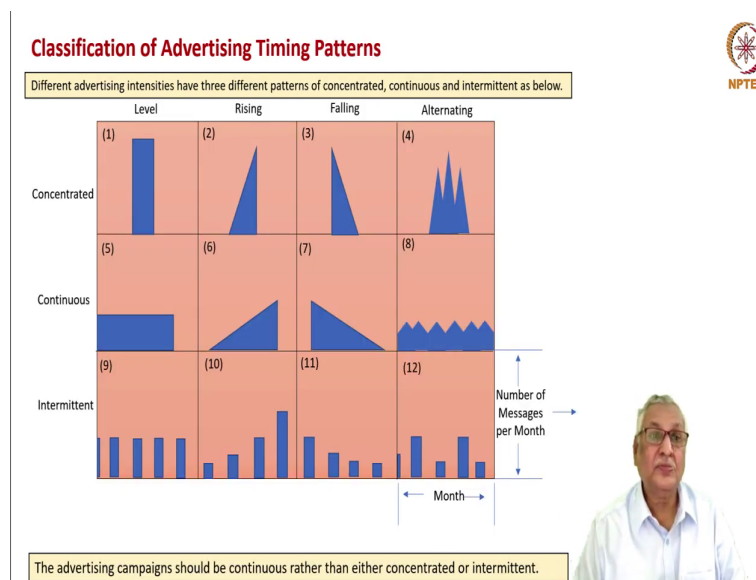
So, these are the five Ms you should keep in mind while developing an advertising strategy. The mission what are our advertising objectives in terms of revenues and profits and



coverage. What are our monetary resources that are available, how much can we spend and how do we allocate our spending across different media types.

What should the ad campaign say should we focus on the product the company or just the emotional connect and what kind of media should we use and how do we measure the results. The five M model is therefore, a very useful framework for establishing, advertising, responsibility and accountability.

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Advertisement could be of different types; the one is a concentrated advertisement, second is a continuous type of advertisement, third is an intermediate type of advertisement. If you are a TV watcher, you will find that certain advertisement come very intensely for a few days and then they disappear. Again, they come after a certain point of time and also the concentrate advertisements themselves could start off at a very high level or make a slow introduction.

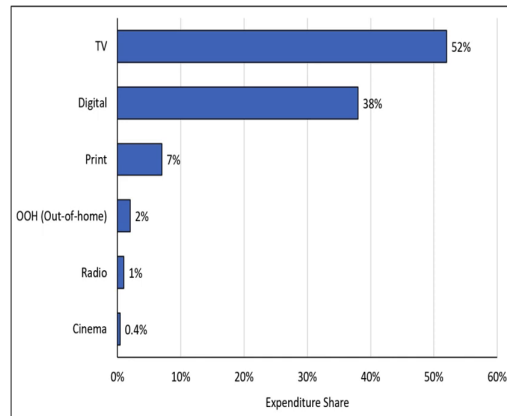
But, get ramped up over course of one week or ten days the advertisements may come very intensely, but then taper off after a few days and there could be kind of alternate advertising. There are cases where you start off with a 66 60 second clip, then bring it down to 40 second and finally, to 20 second even in the awareness period, but some of these things serve as reminders.

Then in the continuous again you can have a level which is flat, a level which is rising, a level which is falling, and level which is alternative and intermittent the same application of levels. Now, how do we measure this per unit time week or month what is the number of messages that you are transmitting through your chosen media channels.

Ideally the advertising campaigns must be continuous rather than either concentrated or intermittent, unless surge advertising is absolutely necessary it makes no sense to have surge advertising and then not follow it up with supportive advertisement. On the other hand a continuous steady stable advertisement could be very much desirable for any product or a brand.

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FMCG Advertising Spend in India 2021 by Channel



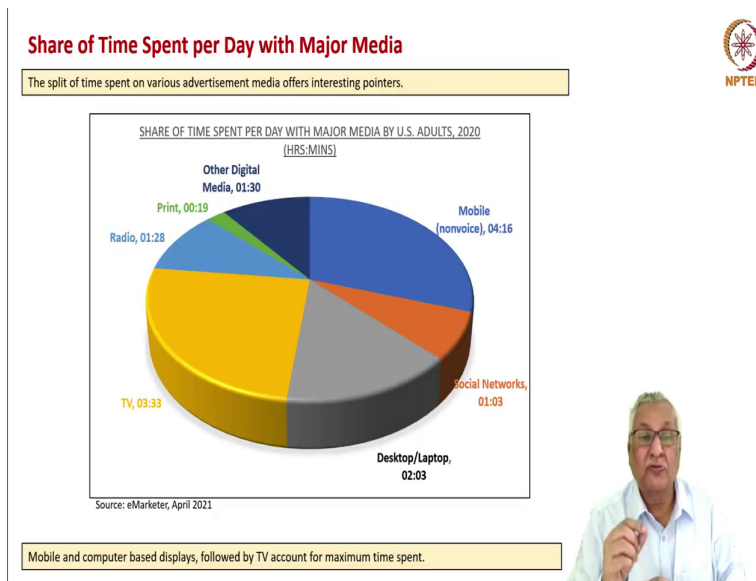
Source: Statista



In India the FMCG advertising spend is of interest, the x axis talks about the expenditure share and the y axis talks about the different media. Compared to the previous example, I have given you will find which is an international example, you will find that in India television still dominates the advertising spend at 52 percent. Next comes digital 38 percent and print 7 percent, OOH is only 2 percent, radio 1 percent and cinema 0.4 percent.

But the way digital expenditure is moving very soon it may be at par with TV and 5 years down the audit may even overtake TV in terms of the expenditure share.

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What you see here is a graphic from the US adults viewing database and the share of time spent per day with major media by US adults is shown here in terms of hours and minutes. You will find that television takes 3 hours and 33 minutes, desktop or laptop takes two hours and 3 minutes. Social networks take 1 hour 3 minutes, non voice mobile takes 4 hours 60 minutes, other digital media 1 hour 30 minutes, print only 90 minutes and radio 1 hour 28 minutes.

Once upon a time decades ago, print was taking a huge amount of time, but today part of the print comes as e papers or news items in internet. Therefore, the print as we classically know has come down a lot, but other digital media and mobile based media have increased. Television which is a very dedicated channel for advertisement still has a dominant role even in the United States.

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### The Challenge in Advertisement Coverage in India



Channel	English Language	Regional Language
TV Channels	60	849
News Papers	19,845	37,116
Magazines	50	117
FM Radio Channels	8	386 (Private FM Radio) 240 (All India Radio)
OTT	46	

Sources:  
[India: TV channels number by language 2021 | Statista](https://mb.gov.in/)  
<https://mb.gov.in/>  
<http://mnic.in/>



What is the challenge in advertisement coverage in India? We have a plethora of channels nationally and regionally. And therefore, India presents utmost complexities in getting the right media planning for any company. In English language we have 60 TV channels and in regional languages all put together we have 849.

We have 19845 English language newspapers and 37116 regional language newspapers, 50 magazines in English and 117 magazines in regional languages. FM Radio Channels 8 in English language, 386 in terms of private FM radio and 240 in terms of all India radio, OTT we have 46 channels. So, it can be really mind boggling when you want to cover the entire nation in terms of various channels and it will be very costly and complex as well.

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### Top 5 OTT Players and TV Channels



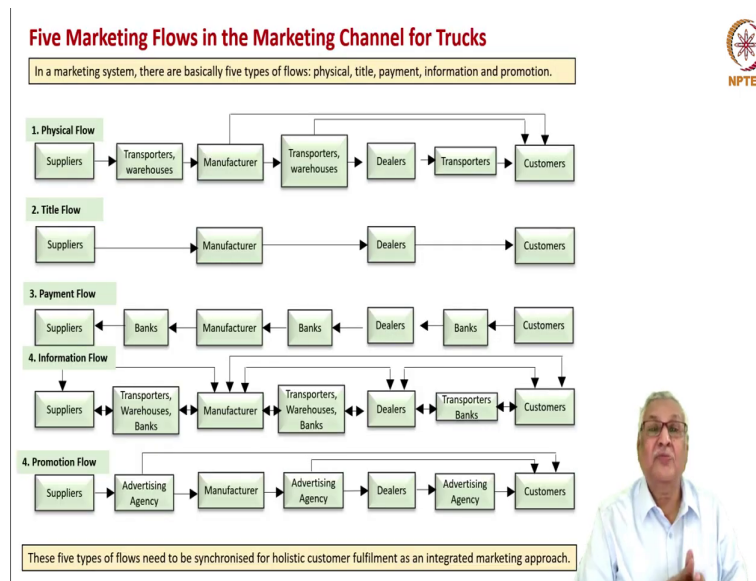
OTT PLAYER	NUMBER OF SUBSCRIBERS	CHANNELS	WEEKLY AMA ('000)
Disney+Hotstar	14 crores	STAR Plus	2495.63
Amazon Prime Video	6 crores	Sun TV	2395.0
Netflix	4 crores	STAR Maa	2269.96
ZEE5	3.7 crores	Goldmines	1965.08
SonyLIV	2.5 crores	Dangal	1918.01

<https://www.barcindia.co.in/>



Even in terms of OTT players we have 5 important OTT players and they are through several TV channels. Even this complexity; media planning, media buying, and media research is a subject by itself in marketing management.

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There are five marketing flows in marketing channel; as an example I take the example of trucks. The first is the physical flow; suppliers, transporters, warehouses, manufacturer, again transporters, warehouses, dealers of vehicles, transporters and customers. But the title moves from suppliers to manufacture and from manufacturer to dealer and dealer to customers. In some cases dealers are circumvented and the title goes straight to customers.

The payment flow moves from customers to banks, to dealers to banks, to manufacturers to banks and suppliers. Importantly from the advertising point of view, the information flow occurs in the same manner from suppliers to customers and promotion flow also happens. But, when you look at promotion, information is kind of modified in an advertising manner by the advertising agency at every stage.

May suppliers may be dependent on an advertising agency to reach to the manufacturer although that is a limited objective. But from manufacture to dealers one level of advertising agency, but that advertising covers the customers as well. When you look at an advertisement you will find that the advertisement comes from the company, talks about the products, the essence of content all of that.

But at the bottom you will find the whole list of dealers who are going to cover this product for you in different locations. Dealers may have in addition their own advertising aspect; so, these five types of flows need to be synchronized for holistic customer fulfillment as an integrated marketing approach.

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**Paid Media, Earned Media, Owned Media**

Media is no longer confined to one physical methodology. Given the growing power of digital marketing, marketing professionals now think of media as divided into the following three categories.

**Owned Media** (Brand website, Blog, Facebook, Instagram or twitter account)


**Paid Media** (TV, Print and broadcast ads and the like)

**Earned Media** (Places where customers themselves becomes the medium)

A key challenge for marketers is how to integrate all three kinds of media for maximum—and cost-effective—results. Hallmark, the greeting card company, created a series of touchpoints for moms to connect with likeminded moms and with Hallmark itself. As a result, some moms created videos about Hallmark products, others wrote blog posts about Hallmark, and others then shared these videos or posts with their social networks. Most digital advertisers create user communities who share their views on products and services.

Sources: Sean Guscovan, "Defining Earned, Owned, and Paid Media," Forrester Blog at [http://blogs.forrester.com/interactive\\_marketing/2009/12/defining-earned-owned-and-paid-media.html](http://blogs.forrester.com/interactive_marketing/2009/12/defining-earned-owned-and-paid-media.html), December 16, 2009; Heather Whiting, "5 Ways Social Media Has Changed marketing Campaigns," Mashable.com, at <http://mashable.com/2011/05/22/social-media-change-marketing/>, May 22, 2011; Lauren Dreil, "How Social Media is Changing Paid, Earned, and Owned Media," Mashable.com, at <http://mashable.com/2011/06/23/paid-earned-owned-media/>, June 23, 2011. For more on Hallmark, see [www.hallmark.co](http://www.hallmark.co)

A report from Neilson suggests that 92% of consumers believe suggestions from friends and family more than advertising. This kind of volume can build product or brand awareness very quickly, and it's why earned media is becoming so important to marketing campaigns.



We have three classifications within media; paid media, earned media, and owned media there is no one physical methodology anymore. Owned media is brand website the space you



own on blog Facebook, Instagram or Twitter account by subscription or by pay per click usage. Then you have paid media where you make the payments upfront and you buy that space television print and broadcast ads and the like.

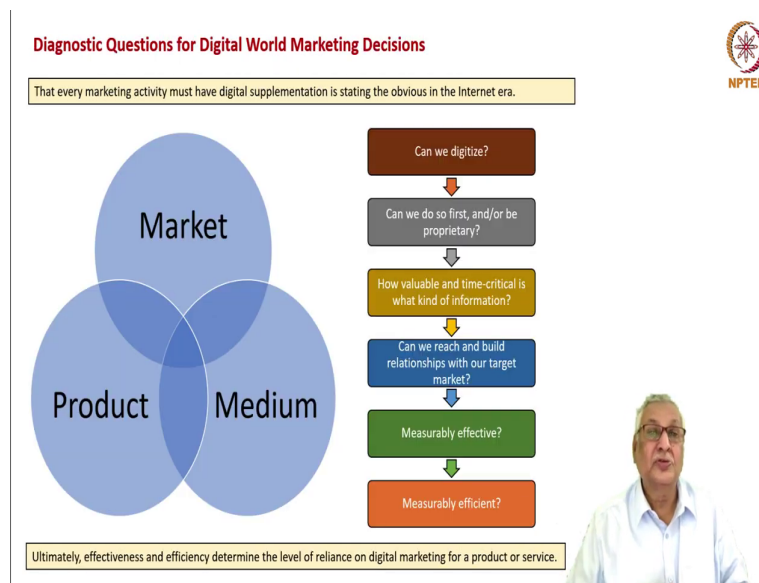
And earned media wherein the customers themselves become brand ambassador and provide word of mouth publicity for your product and service. So, a key challenge for marketers is how to integrate all these three kinds of media for the maximum and cost effective results. Hallmark the greeting card company created a series of touch points for moms to connect with likeminded moms and with hallmark itself.

As a result some moms created videos about hallmark products, others wrote blog posts about hallmark and others then shared these videos or posts with their social networks. Creating your own product community, your own company community has become an advertising approach. Most digital advertisers create user communities; therefore, who share their views on products and services.

A report from Neilson suggests Neilson is a famous market research agency, it suggests that 92 percent of consumers believe suggestions from friends and family are believed more than suggestions from advertising. This kind of volume can build product or brand awareness very quickly and it is why earned media is becoming so important to marketing campaigns.

How do influence the customers to think of your product for the customers own use, but also recommend the product for others use.

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So, digital marketing is important we have seen that, for every marketing activity we must have digital supplementation in this internet era. Market product medium and in this the medium is the digital medium; how can we digitize, should we do it first or should we do it proprietary, should we do it in a common fashion. How valuable and time critical is what kind of information, can we reach and build relationships with our target market through digital medium.

Is it measurably effective and is it measurably efficient, ultimately whatever medium you choose for your product. The effectiveness and efficiency determine the relevance and emphasis on digital marketing.

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There are different formulas for measuring impact of advertising in different stages. You can have share of expenditures, you can have share of voice, you can share of mind and heart and finally, you can have share of market. If you look at the good old Vodafone Idea at where the pup follows the boy wherever the boy goes, it is a share of mind and heart and it has led to the company having much better user subscriptions.

Similarly, the health campaign of Saffola which connects to the health needs of families had a great impact. Then the Vatika Ayurvedic impact, Tata Nixon EV, and the sweetness of a Amitabh Bachchan Cadburys promotion and Daag Ache Hain kind of surf excel ads. These are all having share of mind and heart as the objectives of the respective advertisements and seeing that as a surrogate for share of market.



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**Advertisement Tactics**

- Tactics are dynamic based on short-term opportunities
- Tactics vary based on seasonal opportunities and constraints
- Tactics tend to empower and energise the sales and marketing staff for high performance



Tactics aim at creating and exploiting surge demand on special occasions that are linked to festivals, seasons and bonus times etc.,



Companies also follow advertisement tactics, these tactics are dynamic based on short term opportunities. A festival, an event, a seasonal activity and these are very based on such opportunities and constraints. But tactics definitely empower and energize the sales and marketing staff for high performance. You are familiar with Amazons great Indian festival, Flipkart also has similar festival, Kaleesuwari the edible oil refinery provides its products with festive occasions in an extra manner.

Then you have cars which provide benefits in various seasons Samsung, big TV days these tactics aim at creating and exploiting surge demand on special occasions. And these are linked to festival seasons, bonus times and various other social and economic occasions.

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**Different Types of Digital Advertising**

Digital advertising is flexible and is precise compared to traditional advertising. Digital ads play an important role in business's marketing strategy. Digital ads are extremely versatile that one can reach audience when they are browsing for a product or watching a show or using social media.



 <b>Search Advertising:</b> SEM (Search Engine Marketing) like text ads that appear in organic SERPs (Search Engine Result Pages)	 <b>Streaming Media Advertising:</b> Also known as over-the-top (OTT), these video ads appear in streaming media content delivered over the Internet without cable or satellite
 <b>Display Advertising:</b> Online ads that use text and images/animation alongside the content of a website	 <b>Audio Advertising:</b> These are ads that play before, during or after an online audio content
 <b>Online Video Advertising:</b> These are ads that are in video format and appear in places similar to display ads	 <b>Social Media Advertising:</b> These are ads that appear in social media sites like Twitter, Instagram etc.

Source: <https://advertising.amazon.com/>



So, again coming back to digital advertising we have to appreciate that digital advertising is far more flexible and precise compared to traditional advertising. Because, we know which kind of people look at what kind of mobile interaction laptop interaction, interaction or television interaction. So, digital ads play an important role in business marketing strategy.

They are also extremely versatile and they can reach an audience when they are browsing for a product of their interest or watching a show or using social media simply. So, search advertising like text ads appear in the organic search engine results pages. Then you have display advertising in terms of online ads that use text and images as well as animation alongside the content of the website. Then you have online video advertising which are in video format and appear in places similar to display ads.

Then you have streaming media advertising also known as the over the top advertising. In streaming media content delivered over the internet without cable or satellite. Then you have audio advertising ads that play before during or after an online audio content. And finally, social media advertising ads that appear in social media sites like twitter Instagram etcetera.


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**Digital Ads and How they Work**

Depending on the requirement, digital ads can be simple or can require more complex tools. They also involve all levels of budgeting, pricing models and targeting methods

- Publishing Digital Ads**
  - It all depends on the specific type of ad. With some, advertising inventory can be purchased like the space for ads given in a website by the publisher, while with others it can be purchased programmatically. Programmatic advertising is the automated buying and selling of digital advertising inventory, including display advertising and video advertising.
- Cost of Digital Advertising**
  - Cost varies by format. A common type of pricing is cost-per-click or pay-per-click where one gets paid for every ad click. Another type is cost-per-mile where one get paid for 1,000 impressions or time the ads appears.
- Target for Digital Ads**
  - There are a variety of ways that ads are matched with audiences, depending on the type of ad. Search ads are targeted to specific search terms. Ads can also be matched based on shopping signals, such as audiences who have purchased related products related, or indicated interest in the type of product sold.

Source: <https://advertising.amazon.com/>





Digital ads how do they work? Depending on the requirement they can be simple or very elaborate. They involve all levels of budgeting, pricing models and targeting methods. How do you publish a digital ad? You have to think about the specific type of ad that you would like to release. With some advertising inventory can be purchased like the space for ads given in a website by publisher while with others it cannot be purchased programmatically, but it can be done on an pre arranged program basis.

Programmatic advertising is the automated buying and selling of digital advertising inventory including displaying advertising and video advertising. Companies such as Amazon specialize in publishing digital ads on a programmatic basis. Then you have cost which could vary by format, cost per click is most famous and rendered even more famous by Google.

Then you have pay per click again Google's, another type is cost per mile where one gets paid for the first 1000 impressions or the time the ads appear. Then the target for digital ads depends on the audiences and depending on the content you browse you may also get the advertisements that are matched to your profile. But, unfortunately at times it is; so, random that there would not be any connect between what you are seeing and the kind of digital ad that is appearing.

Which means that the digital advertisement has not been properly conceptualized, properly placed, and properly managed by the company. So, improper random deployment of digital ads is not going to be helpful at all and that is not what we mean by when we talk about precision in digital advertisement.

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**Digital Advertising Metrics**



Some engagement metrics used in digital advertising campaigns

Clicks	• The number of times an ad is clicked
Impressions	• Number of times an ad appears
Click-through Rate	• The percentage of impressions that result in a click
Reach	• Number of viewers who sees the ad
Video Completion Rate	• Number of viewers who watch the entire ad

Some metrics that measure the result of the campaign

Conversion Rate	• Number of times customer clicked, purchased or subscribed after seeing the ad
Ad-attributed sale	• Purchases that can be traced back to your ad
Return on ad spend	• The revenue generated by the ad campaign
Return on Investment	• Net profit earned from the ad campaign
Advertising Cost of Sales	• The ratio of ad spend to ad-attributed sales
New-to-Brand Sales	• Number of new customers

Source: <https://advertising.amazon.com/>




So, the metrics of digital advertising are as important as the channel itself. When you want to understand the engagement, you should look at clicks, impressions, click through rate, reach and video completion rate. That is whether you are willing to go through all the length of the video or you just stop viewing the video at some point of time.

Then there are some metrics which measure the results of the campaign that is conversion rate, number of times customer clicked purchased or subscribed after seeing the ad. Ad attributed rate, return on ad spend, return on investment, advertising cost of sales and new to brand sales all of these metrics help you in sharpening your digital campaign on more helpful lines.




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### Advantages of Digital Marketing

- Flexibility**
  - Shorter lead time, showing up on a website almost immediately after the ad is created
  - digital ads are flexible even after the campaign is live. Depending on the specific channel, it may be possible to adjust the creative content, timing and frequency, targeting, and more.
  - Print ads, in contrast, take longer time and cannot be changed once in place
- Precision**
  - Traditional ads in magazines, on TV, or on billboards reach anyone who sees them.
  - In contrast, digital advertising lets you use different methods of targeting in order to be more precise and reach audiences who are more likely to be interested in your ad.
- Budgets**
  - Digital advertising is also extremely flexible in terms of budget.
  - Complex and high-profile digital advertising campaigns may be just as expensive as traditional advertising.
  - Digital ads are also accessible to smaller businesses without significant budgets, and may scale up or down to match your financial investment.

Source: <https://advertising.amazon.com/>



What are the advantages of digital marketing; first flexibility, shorter lead time you can design a digital campaign in less than a day. Whereas, a print campaign will go through several iterations and you also have a negotiation time with the newspaper or magazine. And it can show up in this case that is in the case of the digital marketing, the ad can show up almost immediately after the ad is created.

Digital ads are flexible, even after you introduce a digital ad based on the response you can modify the digital ad, and you can adjust the creative content, you can slice and dice the advertisement based on the feedback that you are getting. Print ads clearly take longer time and they are very rigid they cannot be changed once they are on display. Precision, precision is the hallmark of digital marketing because while traditional ads in magazines on TV are available for everybody to see.

Digital advertising only looks at one particular types of user, the way you program on your particular social media. If they are Facebook readers, you will get precision by targeting them in the Facebook pages. Budgets, digital advertising is extremely flexible; in terms of budget because it can be monitored in terms of a few seconds intervals and the video spacing.

Then while of course, complex and high profile digital advertising could be as costly as the print or traditional advertising. The ability to moderate it over time or slice and dice it is a great helpful activity for budgeting. And more importantly small businesses can access digital marketing far more easily and much less cost impact is on them because of the digital media.

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### **A Pharmaceutical Example**



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## Product Definition is a Must for Effective Advertising



**Start by defining your product (brand), what it legally, medically can claim/do.**

**Example:**

*Amaryl (glimepiride) is an anti-diabetic drug (sulfonylurea-type) used to control high blood sugar.*

*It is used in patients with type 2 diabetes (non-insulin-dependent diabetes).*

*It works by stimulating the release of the body's natural insulin.*



So, let me take a pharmaceutical example in terms of how one would plan this journey from product to the impact. First of all you must define your product, what it means in the case of a pharmaceutical industry legally, medically and in terms of therapy. For example, we talk about Glimepiride which is the base molecule and brand name is Amaryl that is of Sanofi.

As an antibiotic drug belonging to the class of sulfonylurea and with usage of controlling high blood sugar. It is used in patients with type two diabetes that is non insulin dependent diabetic, people and not insulin dependent type one diabetic people, it works by stimulating the release of the body's natural insulin from the pancreas beta cells.

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**Market Could be Broader**

**Position the product:**

- the overall needs the product/brand can satisfy
- who the customers could be, and
- who the company would compete against - avoids defining the market narrowly (e.g., by molecule only)
  - E.g., Patients with Type 2 Diabetes treated by Oral Anti Diabetes agents and the customers who manage their condition.
- Possible patient segments-
  - Patients with early onset treated by Metformin and an SU
  - Patients uncontrolled on Met + SU
  - More advanced diabetes patients on DPP4's & SGLT-2



Choose the most appropriate formulation and positioning

Only Glimepiride?

With Metformin?

As SR Formulation?

In Different Strengths?



What could be the market for this, should it be only a tablet actually a type two diabetes person could have several other oral anti diabetes agents and some of them could be combined with the molecule which you have chosen which is glimepiride. So, patients with early onset could be treated by metformin and any other sulfonylurea including glimepiride.

Patients who are uncontrolled can be with a combination in different activities. You can have another kind of thing like DDP 4 and SGLT2 complementing, either metformin or the sulfonylurea. So, you have decision points to make should I offer only glimepiride or my market is broader. Therefore, I will offer it with metformin or with a sustained release formulation and in different strengths. Therefore, if you choose the correct product formulation and positioning your communication could be that much better.

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### Situation Analysis



1. MACRO ANALYSIS	PESTED Outline relevant (to the brand) <b>policy, economic, social, technological, environmental, demographic factors</b> , etc., and the trends
2. MICRO ANALYSIS	SCCC+ Examine within each target <b>segment</b> , sales, market shares market trends, current and changing: relevant attitudes, needs, values and influences of <b>customers</b> ; key <b>competitors</b> and new market entries; your <b>company</b> , your portfolio, and specific products' performances
3. MARKET DRIVERS	Major factors which caused the market (segments) to grow or decline and their impact going forward
4. BUSINESS DRIVERS	Major factors which caused <b>the brand's</b> business to grow or decline and their impact going forward



Then you look at the situation analysis, what are the levels of capability of the patients to buy such new products? We may say that medicine is an essential item; therefore, any cost is ok, but that is not a socially responsible view. And also it is not that there is no competition, competition exists; therefore, you have to look at the micro analysis as well.

In each target segment who are your customers, who are your key competitors, how do people respond to your company your portfolio and specific products performances. Then market drivers which would cause the market segments to grow or decline, and business drivers major factors which cause the brands business to grow or decline and their impact going forward.

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### Detailed Micro Analysis (SCCC+) Review



- Review of the *market segment* in which the brand competes
- Analysing *customers' & patients' needs/challenges/attitudes*
- Assessment of *competition*
- Assessment of the *brand performance/strategy/key programs* and *company support/resources*
- *Others*: Review Suppliers, Distributors and other stake holders influence on brand engagement



And then you have to do the detailed micro analysis of the segment as well as customers and patients the brand performance and the company support resources. And finally, the supply distribution and other stakeholder ecosystem that is essential for continuous brand engagement.

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### Identify Market Drivers



What/who are the main factors/entities driving market growth or decline (value, units, Rx)

e.g.,

- Key prescribers are Diabetologists (32% contribution growing at 10%)
- General Physicians (19% growing at 7%)
- Cardiologists (16% growing at 11%)
- Overall market growth of 8% driven by the new entrants, Januvia and Galvus
- Enhanced awareness of diabetes with improving diagnosis in main towns




Then you identify who are going to influence the growth of the market. The key influences are the doctors, but within the doctor community Diabetologist would be the primary influences followed by general physicians, cardiologists and the influence level is also determined by what I said earlier that products drive the markets.

In this case we have seen DPP 4 products driving the overall market for diabetic drugs. Therefore, we have to look at the supplemental drugs that become available. Then enhanced awareness of diabetes with improving diagnosis in main towns, earlier nobody used to check for sugar levels in the body.

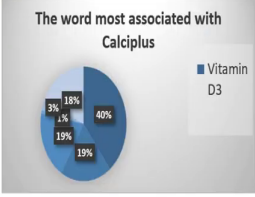
But today everybody checks periodically the sugar level, and if something is happening which is untoward in the body the first call of disease is in terms of diabetes or you have diabetic kind of approach and testing therefore.

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**Q1: What is the first thing that comes to your mind when you hear the brand name "Calciplus"?**

Word most associated with Calciplus	Frequency
Vitamin D3	41
First Vitamin D3	20
Old And Trusted	20
Cadila	1
Source of Calcium	3
Others	19



Others includes responses like best packaged product, writing since ages, good availability




Now, having got this understanding, let us say that you see that Calciplus is not exactly a diabetic drug, but it has an influencing power in the overall metabolic system. So, the marketing manager tries to ask the customers when did you first hear the brand name Calciplus, then what is the word which is most associated with Calciplus.

The earlier case if the same question was asked people would have said that I associate Amaryl and Glimpiride with diabetes control. But more descending people would say that it is for improvement of insulin secretion in the body. Similarly, when you talk about market



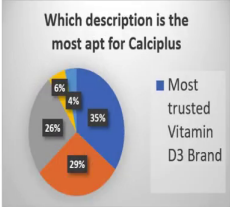
survey for Calciplus the answer would be this product is associated with vitamin D3 and that frequency of responses determines whether your positioning is right.

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**Q2: Which among the following is the most apt description for "Calciplus"?**

Most Trusted Vitamin D3 Brand	36
India's Oldest Vitamin D3 Brand	30
India's First and Original Vitamin D3 Brand	27
India's only Science based Vitamin D3 Brand	6
Others	4



Which description is the most apt for Calciplus

■ Most trusted Vitamin D3 Brand



This question is that in follow up, what is the most apt description for Calciplus? Some people say that it is a vitamin D3 branded even after the second question. But some people say that it is most trusted vitamin D3 brand. So, there are different ways you describe this product most trusted vitamin D3 brand, India's oldest vitamin D3 brand, India's first and original vitamin D3 brand, India's only science based vitamin D3 brand others.

Ideally the company would like to have all of these things getting reflected in a person's response profile. But unfortunately not all would be reflected then the communication strategy is in terms of making the other factors also being on the top of the mind recall for various doctors as well as patients.

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## Summarizing the Analysis



### Key Challenges facing the Brand

Based on the analysis the company should have identified the *key challenges facing the brand*

These could be:

- *A low prescriber base (or Rx/HCP),*
- *Poor brand recognition/ recall,*
- *Perception of high product price,*
- *Sales force coverage and reach,*
- *Low KOL/Advocate support,*
- *Access to key customers,*
- *Limited Clinical Trial data etc.*



So, when you try to do this there are several challenges that you would face. First, there could be a low prescriber base for your medicine, there could be poor brand recognition recall as we have seen, there could be a perception of high product price, sales force coverage and reach could be low. Low key opinion leader support or advocate support for your brand.

Access to key customers could be lower and clinical trial data could also be lower. So, these are the challenges you have and you need to overcome these challenges one by one as part of your marketing communication.

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### Critical Success Factors



**Critical success factors** are those very important activities/factors that must go well to ensure success for the brand, and, therefore, they must be given special and continual attention to bring about high performance.

- Enhancing salesforce capabilities to engage customers with a scientific approach
- Improving specialist coverage
- KOL Advocacy
- Enhancing perception/belief in brand's effectiveness
- Improving clinical data
- Inclusion in formulary/guidelines




And to be able to do that you should understand what are the critical success factors that would prime the brand to the top position from the 34 percent what you have seen earlier. First you have to enhance the sales force capabilities, because this is a product that is the pharmaceutical product where awareness arises through sales force promotion. It is not something which can be advertised in the television and then awareness comes later and there after trial comes even later and finally, conversion.

Here, awareness and conversion come, together at least awareness and prescription come together. Therefore, you got to make sure that the sales force has the capability to make the awareness very much possible at the very first contact. And for that you need to apply various factors more specialist coverage, more KOL advocacy, enhancing perception belief in brands

effectiveness, improving clinical data and inclusion formulary of a particular hospital and things like that.

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### Insights that Drive Advertising

An **insight** is an interpretation, a “reading” of a given situation/behaviour/ belief state, that explains the dynamics of that situation *in a clearer way*, allowing marketing and business to approach and influence the end-state more effectively.

e.g.

- Which customers are the drivers of the market segment?
- What are the reasons behind our target customers Rx decisions?
- What are patients and customers unmet or poorly solved needs?
- What is uppermost in our ‘customers’ minds when they think/view our brand?
- What are the three most important challenges facing our brand that we must find solutions to?



And there would be insights, and insight is an interpretation, a reading of a given situation, behavior or belief state, that explains the dynamics of that situation in a clearer way. That is what makes the doctor prescribe that is an insight and for that you should understand what kind of patients the doctor has? Which kind of customers or the drivers of the lets say Apollo hospital market segment.

What are the reasons behind our target customers Rx decisions? There could be reasons that I should always have a prescription of the multinational company a large Indian company and third an affordable Indian company. It could be such reasons and those have to be kept in mind while formulating your communication strategy.

What are patients and customers unmet or poorly solved needs? The need could be high level of premium packaging or the need could be affordable price. And what is uppermost in customers minds when they think view of our brand? Do you look at the brand or do you look at the company which is manufacturing the brand.

Do you look at the shelf life or do you look at the overall combination that is existing. And what are the three most important challenges facing our brand that we must find solutions too.

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**Brand Positioning**

- **Positioning** is the strategic process of analysing a brand and identifying what makes it *relevant* and *unique*
- If done well, it should result in a *compelling perception* of a product relative to its competitors'
- A sound positioning strategy can then be used to facilitate creative communications

Product Price

NPTEL

Then you do position the product, it is a strategic process of analyzing a brand and identifying what makes it relevant and unique. And if the positioning is done well it could form a compelling perception of a product relative to its competitor's products. A sound positioning

strategy can then be used to facilitate creative communications. Product is on one side, price is on the other side and bridging this must be your communication strategy.

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The slide is titled "Go-to-Market Strategy" and features the NPTEL logo in the top right corner. It contains a definition of "A Go-to-Market Brand Strategy" and a flow diagram. The flow diagram consists of two horizontal rows of three chevron-shaped boxes pointing to the right. The top row contains "Company", "CFA", and "Distributor". The bottom row contains "Doctor", "Patient", and "Chemist". Blue curved arrows on the left and right sides of the diagram indicate a bidirectional relationship between the two rows. A video overlay of a man in a white shirt is positioned on the right side of the slide.

### Go-to-Market Strategy

**A Go-to-Market Brand Strategy**

- Is the overall strategy which explains how the company will market the Brand (*i.e., the brand as the preferred solution*) in specific market segments
- It considers
  - the target segments chosen
  - who the company will compete against
  - the company's key product advantage, including price
  - the company's other competitive advantages
  - communicating all of these effectively to the stakeholders

Company → CFA → Distributor

Doctor → Patient → Chemist

Once you have the communication strategy laid out, you should understand that you should accompany through that a go to market brand strategy. The target segment chosen who the company will compete against, key product advantage, company's other competitive advantages, communicating all of these effectively to the stakeholders.

If you are a USFD approved plant, you will use that for your competitive advantage. If you are the largest exporter of the sterile injectable product to United States, you will use it as a competitive advantage. If you have plants in all the states of the country you will use it as a competitive advantage, all of these things need to be communicated effectively to the stakeholder.

There are two value chains, company CFA and distributor, doctor, patient, chemist. How to make this entire two part value chain work together to ensure that the supplied product is prescribed properly and is available at the chemist location that is the challenge in go to marketing.

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### Advertising – One Part of the Marketing Mix

- The overall Go-to-Market Brand Strategy is then devolved into the Marketing Mix Strategies that will execute the Go-to-Market strategy
- The key components of the Go-to-Market Strategy guide which marketing mix strategies should be used e.g.
  - **Product Strategy-** To develop line extensions to strengthen the position of the brand in the segment
  - **Pricing Strategy-** To provide cost-competitiveness or value advantage
  - **Marketing Communications Strategy-** To highlight the longer progression free survival rates as a key indicator of effectiveness
  - **Advocacy Strategy-** To develop an advocate panel that will cascade disease management guidelines and the brands key position in the guidelines



We have to therefore, remember that while advertising is very important it is just one part of the marketing mix. You need a product strategy, you need a pricing strategy, you need a advocacy strategy along with the marketing communication strategy. And in a pharmaceutical product advocacy strategy also becomes important, because disease and therapy go together and that can be discussed only by experts who can be on an advocate panel.

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## Implementation: Monitoring & Control



To implement the marketing plan successfully, two things are important:

- **The feature elasticity of demand** – the sensitivity of demand to feature spectrum
- **The price elasticity of demand** – the sensitivity of demand to price variations

There needs to be milestones and metrics to evaluate the elasticity of demand to features and price in a fair and objective manner.



Then you come to the monitoring and control and while implementing you have these metrics. There are two elasticity of demand as far as the pharmaceutical product is concerned. What is the feature elasticity of demand? That is if you keep on making a Polypill of 3 4 products will it increase the demand or each pill separately given will have the equal combinatorial demand that is first question.

Second, if you lower the price will the demand increase or if you increase the price the demand would decline drastically. So, what is the sensitivity of demand to feature spectrum and also that the price variations? There need to be milestones and metrics to evaluate the elasticity of demand to various features and price levels in a fair and objective manner.



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## Key Performance Indicators



**Key Performance Indicators**, help an organization define and measure progress toward organizational goals.

They are Measurable and Time Specific and tell us how well progress is against plan

- **Leading indicators:** Activity driven. They measure activities that should be predictive of and impact future sales, e.g. # sales calls; priority brand mentions; educational program audience attendance and feedback
- **Lagging indicators:** These are the measures of the results of marketing activities and investments e.g., Sales, market share, awareness and usage tracking



Then you get the key performance indicators, you make the effort in terms of your detailing and positioning, but the results come later. And the results themselves are of two parts; one is the prescription, and the second is the actual purchase. Therefore, to assess your effectiveness you go through a prescription audit, there are companies which do a prescription audit of various drugs and then they tell you whether doctors are prescribing your product or not.

Then you have retail audit to tell you whether the products are being bought or not. So, leading indicators are activity driven like you, the sales calls you make, the beat you have, the priority brand mentions, the educational programs you have, the way you hook the audiences in terms of your medical promotional activities etcetera. Then the lagging indicators are in terms of the results of the marketing activities and investments in terms of sales, market share, awareness and usage tracking.

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**Budgets & Brand Financials**

NPTEL

Outline

- Annual sales (Budget Year, -Y2 to +Y3), growth rates
- Budget year cycle/quarterly sales
- Annual marketing expenses for budget (per agreed variables) and by cycle/quarter
- Brand costing and pricing
- Brand profit contribution

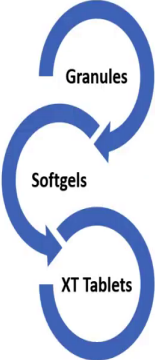



And finally, the budgets and the brand financials; the annual sales, growth rates, budget year cycle, annual marketing expenses, brand costing and pricing, brand profit contribution. We have seen earlier that pharmaceutical industry applies therapy focused product development and marketing. So, product profitability is an important end to end objective that is from development of a particular cluster of products, for a particular cluster of diseases.

And watching its top line middle line and the bottom line to ensure that they are helpful for the company's overall mission.

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**Calciplus Brand Strategy Outline - 2021**



Strengthen Brand Equity with Select Specialties to double the Market Share in 5 Years from the Current 8%

Become No. 1 in Rx share at Gyne , Ortho, CP Spl and be Vitamin D growth Driver

Successful New Brand Franchisee Building at Chemist Level



In the case of this particular hypothetical product called Calciplus, while the product could be offered in many formulations and it indeed has been offered in many formulations. The company would decide that I would drive further sales growth through granules, Softgels and XT tablets. And my goal would be to strengthen brand equity with select specialties using these kinds of special products, I would like to double my market share from the current 8 percent.

I want to become the number one in prescription share Rx means prescription, Rx share, in gynecological, orthopedic, cardiac and vitamin D growth driver being taken as one of the important aspects of management. Vitamin D also become very important in the COVID situation where deficiency of vitamin was also seen to be a marker for poor COVID outcomes.

And to be able to do that you got to have a new brand franchisee building that should happen at the chemist level.

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### Go-to-Market Brand Strategy

<b>Target Customers:</b>	Calciplus GRANULES @ GP/CP/Pedia/Gyn/Ortho
<b>Go-To-Market Brand Strategy</b>	At GP/CP/Pedia/Gyn/Ortho Dr's establish Calciplus as the Trusted Partner in Vitamin D3 deficiency management with complete portfolio offering for treatment and supplementation in Vitamin D deficiency/insufficiency associated symptoms like Pain, Gen. weakness, Extra-skeletal health, Pregnancy Osteoporosis etc., with 100 million Patients experience and more than 52 Yr Brand Trust
	By: (Give 3-5 key supporting strategic actions / Marketing Mix elements)
	1. Xxxxxxx 2. Xxxxxxx 3. Xxxxxxx 4. xxxxxxx



And how would you present this? Ok these are my granules, and these are my key supporting strategic actions and marketing mix and that comprises the go to market brand strategy.

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### Marketing Communication Strategies



Marketing Mix Element	Marketing Communication Strategy
Medical Communication	EVIDENCE: Trust of Indian Clinical Trials for assured patient benefit
	EXPERIENCE The only text book brand with credit of 52 years usage
	Supporting data on Vitamin D deficiency / Supplementation to All patients (as data suggests more than 90% are deficient)
Marketing Communication	Pioneer & Trusted Vitamin D supplementation, backed up with 52 year trust & 100 million patients benefitted
MTL Activity/Education	- CME/RTM by engaging leading & Upcoming ENDO/CP for GP/CP Dis to educate & Induce the usage of Vit-D in newer Indications. Eg- COVID/ Hypertension/Diabetes/Need in Pregnancy/Musculoskeletal Pain/ Bone Health in growing children
Retail Strategy	Chemist focus with retail offers/bonanza , communication through - SMS, whatsapp, chemist safety awareness learning initiative
Patient Services	On Spot Patient Education with Booklets in regional Languages in Dr clinic Supported with Automated Patient Helpline Services
People Strategy	Enhance the FF Knowledge & Activity capabilities with Training/ Role plays & Selling Skills, Performance Rewards



And then you think of layering of your communication in terms of medical communication. And there you have very scientific and technical, the evidence trust of Indian clinical trials for assured patient benefit. The experience, the only textbook brand with credit of 52 years usage, then supporting data and vitamin D deficiency supplementation to all patients.

Then marketing communication how do we communicate? Pioneer trusted vitamin D supplementation 52 year trust 100 million patients benefitted. What is the medical level activity education? Continuous medical education programs, special programs related to COVID, hypertension, diabetes etcetera. What will be the retail strategy? Retail offers, bonanzas communication through SMS, WhatsApp chemist safety awareness learning initiatives and so on.



And what kind of patient services not really directly linked to the product sale, but a kind of responsibility to make the patient more aware of vitamin D3 deficiency and remediation strategy and that could lead to purchase of the product in a collateral way. Then people strategy have sales force who are scientifically attuned who have the capability to communicate and the persistence to communicate in the face of the very small voice share that is allowed to the medical representative by the doctor community.

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**The USP for Softgel**

Supersaturable self-microemulsifying delivery systems (SMEDS)	Super Protective Packaging
Smallest Size Softgels	Affordable Price Range

Unique Softgel Formulation



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So, in this case you develop a USP for Softgel, we talked about three types of formulations; granules, Softgel, and XT and for each there would be a USP unique selling proposition. For this Softgel formulation, a highly scientific formulation platform which is Supersaturable self Microemulsifying Delivery System called SMEDS. Then because it is a softgel and it could

go bad with atmospheric impact, you will have super protective packaging to ensure and assure that it is not impacted over the shelf life by any atmospheric condition.

Then softgels tend to be very large, because they are encapsulated in a liquid, it could be water, it could be a kind of emulsion. Therefore, the softgels tend to be much larger than the normal dry powder capsules or tablets. Therefore, if you are able to provide the smallest size of gels then the compliance will be better and if the patient compliance is better doctors would prescribe even more, then of course, the affordable price range.

When you do this you have a very unique USP for the softgel formulation that you have. And once you have this USP you can go to town providing marketing communication on these lines. With this we will come to the end of this lecture, I hope you enjoyed it. And the kind of examples I have tried to tell you that advertising is important in a consumer product as well as in a highly scientifically bagged product such as pharmaceutical that is very important for us to understand, hope to see you in the next lecture.

Thank you very much.