Customer-Driven Positioning: A Marketing Research Platform to Inform Better Brand Strategy

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For the first 15 years of my marketing research career, most of my work was in anti-viral medicines, with a particular focus on the revolutionary new antiretroviral treatments that emerged between 1995 and 2015 that transformed HIV/AIDS from a death sentence into a chronic manageable illness. The experiences I had, and brilliant collaborators I worked with during this period, led my team and I to pioneer several novel and truly customer-first marketing research methodologies, including the one detailed in this article.

During the mid-2000's, our research revealed that people living with HIV sought new medications that were not only effective in shutting down the virus, but also that could help them almost "forget" that they had HIV. Individuals living with HIV resented the constant reminder when taking their pills that they had a potentially fatal illness occupying their bodies. They also felt a distinct hatred of the virus, as though it was an uninvited, malevolent guest they couldn't get rid of.

With this notion in hand, we advised the brand team we were collaborating with at the time to re-think their cornerstone positioning insight to capture this authentic customer emotion. Instead of the need being, "I want to reduce my viral load down to undetectable," we harnessed the sentiment that "I want to attack the virus" since this reflected a more authentic emotion that these individuals were feeling. Instead of "I want a more convenient medication," our recommended insight was "I want something that will allow me to put HIV for the most part out of my mind." These individuals wanted to live their lives normally again, unfettered by the constant reminder of the virus.

The promise we landed on, "Living Unencumbered," became a powerful cornerstone and rallying cry that drove an effective campaign and ultimately a multi-billion-dollar brand's success for years to come.

This and similar experiences are indicative of the broader truth increasingly faced by marketers not only of pharmaceutical brands, but any brand. This truth is that the brand is no longer what we (as marketers) say it is. It is, instead a result of what our customers - physicians and patients especially - think about it, do

with it, and tell their colleagues and friends about it. Faced with this commercial reality in 2023, **how should pharmaceutical marketers approach the task of developing and testing brand positioning, which is arguably the most important and fundamental organizing principle of brand strategy?**

Our response is that there is an eminent need for a marketing research technique that puts the customer at the forefront and in the driver's seat, makes them the hero, and genuinely allows them to co-develop the positioning concept with the brand team.

Customer-Driven Positioning (CDP) is a testing platform that was hatched in the back room of a marketing research facility by our team and a client collaborator – a Vice President of Marketing for a prominent West Coast based pharma company. In observing that physicians evaluating an array of launch positioning statements were just "not getting it," our frustration led us to propose adopting a "bottom up" approach to really understand what would resonate about the brand through the eyes of the customer.

"Let's take these positioning statements apart," we distinctly recall being said during our back-room dialogue, "and let respondents examine each part individually, so that we can better find out how we can make this brand about them, and not about us."

Our team's response in striving to address the frustration was to reimagine how we would present the alternative positioning statements. In doing so, we inverted the framework from focusing on our product, to focusing on the customer. This became the basis for CDP, a straightforward and effective framework that brings the customer onto the brand team. CDP generates insights by identifying the territory where a brand meets customers' spoken, but more often unspoken, unmet needs that form the basis of an effective brand position.

In the years that ensued, the CDP methodology transformed into a kind of marketing research "laboratory" where brand teams and their agency partners could assess a range of hypotheses to provoke customers, all with the aim of elevating their own understanding of customers' true ambitions and aspirations, and how the brand helps the customer become the protagonist in better managing a disease condition.

Figure 1. CDP process
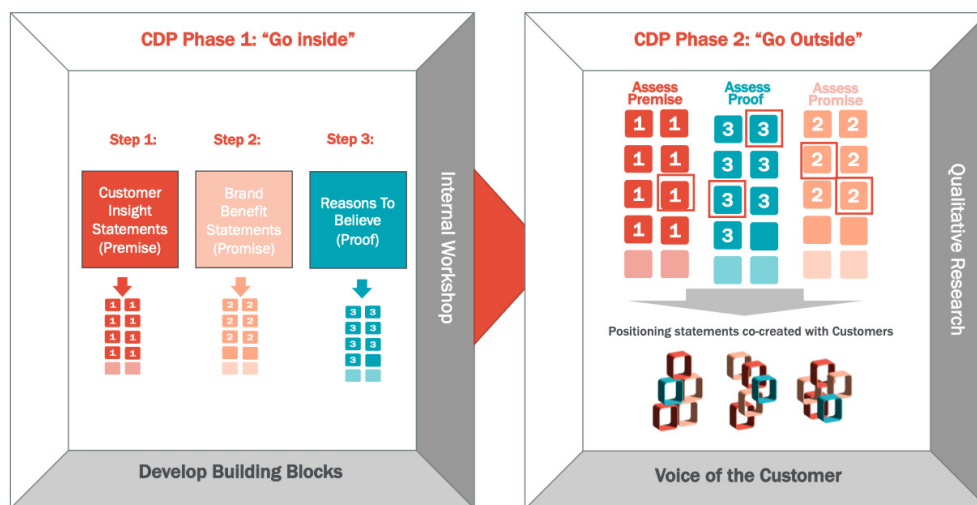
Having pioneered CDP, our team has applied this methodology successfully for over 50 pharmaceutical, biotech and medical diagnostic brands, both in new product launch situations and in-line brand repositioning. This article will outline, step-by-step, how to establish an effective customer centric brand positioning in a competitive, omni-channel medical marketplace.

THINK DIFFERENTLY FROM THE START
Break the Habit of Focusing on the Product First and the Customer Second

One observation that we have had over years of working closely with brand teams and their advertising agency partners is that when the team starts to formulate branding strategy and positioning ideas, some bad habits often arise. And it's not surprising why this occurs: after a Phase III (or even a Phase IIb) readout, the team and their agency are confronted with an ocean of complex product data. The natural tendency is first to deal with **the product** and to try to distill the evidence into a simple story that they can use to speak about it with stakeholders internally and externally.

What we often find is that while the team has a surface-level, structural grasp of what the customers are doing and thinking, largely based on other research like buying process, patient journey, and secondary analytics, **they don't really know who they are** -- their context, their beliefs, their automatic and unconscious habits or behaviors, and what makes them tick. If our brand positioning is meant to be aspirational, we need to be thinking more about our customer's ambitions than our own.

An Internal-External Process that Focuses First on Customer, then the Product

CDP is broadly a two-phased internal-external engagement process. This is because the best positioning ideas are discovered somewhere in between the brand team's experience, thinking and intuition, and the deep, unspoken needs of customers.

The first phase of CDP is to conduct a "go inside" workshop, tapping into the team's intuition. After completing the workshop, the second phase is to "go outside" by leveraging the customer's perspectives through external voice-of-the-customer qualitative research.

The Workshop -- Step #1 (Develop Customer-Insight Statements)

The first thing we do during the initial positioning workshop is draw three side-by-side consecutive squares on the white board, and say aloud, "This whole thing isn't about you – it's about your customer!" **The customer is square one.** Instead of first addressing the question, what is our story, we advocate that the team proceed from the standpoint of: **what is our customer's story?**

Job #1 in the workshop process is to generate a set of hypotheses about the customer's mindset and needs - needs that can be solved or addressed by the brand. These needs could be clinical, practical, or emotional, or a combination thereof. To make them even more personal such that the brand team and agency are assuming the perspective of – and actually "walking in the shoes" of the customer, we advise teams to compose these insight statements in the first person. "I feel _____." "I'm missing _____." "I aspire to _____."

Before describing step 2, let's pause to define "insight statement." Recall for a moment an occasion when a dear friend or family member gave you a gift that truly indicated that they know who you are. Something you didn't know you needed, but once having opened it, you were like, whoa! You felt surprised, thrilled, and flattered. In a similar way, an "insight statement" is meant to capture something overt or subtle that is lacking in the customer's experience, something that you know about them (perhaps better than

they know themselves). This deep level of insight is derived after studying them carefully: their context, their habits, their experiences, their mindset, but most importantly: their emotions.

A well-written insight statement is a conversation starter intended to provoke a clear response, while at the same time being something your brand can uniquely leverage. And the first crucial step of CDP is to develop a wide range of individual and singularly focused insight statements that can be evaluated in a primary marketing research setting. While the positioning statement is fundamentally intended to be an internal statement of strategic purpose for the brand, these insight statements should be written in a "conversation starter" first-person manner, phrased in such a manner that would catch your target customer's attention and/or would let them know that you deeply understand them.

From a practical standpoint, during these brainstorming workshops we encourage teams to develop a broad range of insight statements, from the pedestrian and conservative to the zany. When utilized as stimuli in primary marketing research, quirky or unconventional insight statements often end up being the ones that really stir customers into revealing themselves and thus helping to elicit a genuine and uncommon insights about them.

CLIMBING THE BENEFIT LADDER
The Workshop -- Steps #2 and #3 (Develop Brand Benefits and Reasons-to-Believe)

On that three square diagram we were alluding to in the previous section, the brand benefits are in square two. When working with biopharma brand teams to think about the benefits offered by their products, we are often confronted with a laundry list of technical, scientific attributes that are reflective of the body of clinical evidence and details about mechanism of action. *"The Phase II or Phase III data are available: here you go!"* Pharmaceutical brand teams do a fantastic job of developing – and often get very caught up in – the fascinating inventory of the new, unique and, frankly, life-changing things their product does.

This is especially true for paradigm-shifting new medicines, like gene therapies, many of which offer the potential to transform the management of serious and life-threatening diseases like Duchenne muscular dystrophy, spinal muscular atrophy, or Hemophilia. The science from which these new treatments spring, and their well-characterized, advanced modes of action, all are truly mind boggling!

Dare we say it? **No one cares about *your* story.**

Again, we now live in a customer-driven environment where no one cares about your story and where your drug came from. Customers care about *their* story. And for health care practitioners (HCPs), they care mostly about becoming a trusted and valued part of their patient's life story. When HCPs encounter a new product, the natural question that occurs in their mind first is: how am I going to simply explain (i.e., "sell!") this treatment to my patient or the patient's caregiver, and thus reinforce in their mind that I am a credible, trusted healer?

While leading workshops to help companies develop their brand benefits and reasons to believe, we strive to hoist the entire room 2-3 rungs up on the benefit ladder. The clinical development members in the room want to talk about the science and the data – what the product is, and what it does. But ultimately the customer is going to use it, or not use it, based upon how well it bridges to and resonates with their own clinical, practical and emotional aspirations. How does the product fit into the customer's world, and more importantly, their story? ***How does this product make them the hero?***

This step of the workshop process for CDP is to put together a detailed list of the key benefits of the product **from the standpoint of the customer**. Again, not what it does, but ***what it does for them***. A technique we find to be helpful in getting teams to envision the distinction between functional, technical attributes vs. end usage benefits is to channel or emulate major brands that are well-known. Because it is often hard for brand teams to see beyond the brand. Examples include Apple, Tesla, Netflix, and Starbucks. These are extremely well-known, creative, and strategically validated brands can be used as an "inspiration backboard" for thinking about your brand's benefits from the standpoint of the customer.

For example, why do we love our iPhones so much? What benefits do they offer? No consumer would ever point to a technical, inner working of the iPhone, like processor size or speed or screen pixel dimensions. How fast they process our touch commands is irrelevant to us. What we ***feel connected to*** is that our iPhones help us navigate our world and lives in an easier and more connected manner. We can immediately access photos, friends, news, and weather in an instant. We can hardly live without iPhones. Now apply that same thinking to your brand.

Let's consider the inputs we need to conduct the "go outside" or external component of CDP, the marketing research. We need a range of benefit statements. These benefit statements are intended to address the question, "What's in it for the customer?" There are three types: (1) functional benefits, which speak to how a product impacts them physically or practically; (2) end-use benefits, which speak to how a product does or could impact their day-to-day life; and (3) emotional benefits, which speak to how the customer feels after having used the product successfully. A fourth potential category are economic benefits, which are ways in which a brand might contribute to reduced health system costs or resource utilization.

Similar to customer insight statements, an effective benefit statement is focused and single minded, and ties back to some aspect of the insight. The insight presents the problem/need. The benefit solves for it. Coming back to the antiretroviral example we referenced at the outset of this piece, the attribute we were working with was that the medication in question lowers the amount of virus in patients' blood profoundly – taking it to unde-

tectable levels rapidly – while at the same time avoiding/sparing a lot of the side effects of existing treatment options. Knowing that people living with HIV harbor a constant negative feeling towards the virus, we strove to become part of their life reinvention story by saying: "attacks the virus, not me." Further to that, we developed a benefit statement: "Living Unencumbered," which spoke to this medication's strong effects on the virus while also not reminding individuals they have the virus due to medication side effects. This insight translated into a compelling, shareable story and creative campaign as well.

In the development of benefit statements, the same principles apply as to described earlier about writing insight statements - we encourage brand teams to brainstorm and generate a wide range of brand benefits, once again from the conservative to the zany. This is because we are not only trying to figure out what fits our brand through testing and "trying on" alternative benefit ideas, we also are trying to learn more about our customers through research by provoking them. As part of the research interview design, we want to take our customers outside of their comfort zone.

To complete the third square in our 3-square series, it is also essential to generate a set of reasons to believe, which are statements that summarize the key product evidence backing the brand benefits. These are much easier to write since they are reflective of the product data. They should be single, individually focused summaries of key facts and figures that support the benefit statements.

MAKE THE CUSTOMER THE HERO DURING THE RESEARCH PHASE

At the conclusion of a successful workshop and ideation session, the team should ideally have in hand a set of customer insights, brand benefits and reasons to believe, perhaps 10-12 of each of them.

An Age-Old Trap: How *Not* to Test Positioning Stimuli

The next question is how to test these stimuli. Let us address that by first walking through how **not** to develop and test positioning statements, and some of the pitfalls of yesterday's and, for many, today's external marketing research process.

Here is how most pharmaceutical companies did – and many still do – their positioning research. They convene a brainstorming session that includes the brand team and advertising agency partners and generate a series of 4 or 5 full-scale positioning statements. Typically, these positioning statements are developed with the product in mind, not the customer. What's on everyone's mind during the traditional brand strategy or positioning brainstorming workshop is: we want the customer to love our product! And that mentality drives the research process: ***Let's get a set of respondents to react to what we think about our product. Hopefully they will select a winning idea!***

The marketing research agency would then be handed these 4-5 Premise-Promise-Proof positioning concepts, tasked to "get a read" on them, and would put them in front of a sample of doctors, patients or other health care stakeholders typically in the setting of qualitative 1:1 depth interviews. Respondents are queried about each statements' credibility, relevance, uniqueness, and motivational impact on expected utilization. Researchers ask questions about how the statement will influence their future patient selection, etc. Often, under the existing paradigm, we would expose respondents to other existing and future competitor product profiles to get a more informed outlook on the evolving market landscape.

The first reason why this process does not work is that most interview respondents are baffled when they look at positioning statements. They scratch their heads and shift uneasily in their chairs. From the respondent standpoint, the challenge in reviewing these positioning statements is that they are not marketers. Physicians, patients, and other stakeholders don't know what positioning is. They don't realize that positioning is ultimately for internal purposes, and that positioning reflects a future hoped-for reality. And often, they would look at our proudly written, aspirational premise-promise-proof statements and choose the one that contained the simplest, most easily understood, and/or least "marketing-esque" language without really grasping what we are looking for. How often have you watched a group of doctors review a set of positioning statements and say to yourself (or aloud): "They aren't getting it!" "We have a fantastic, transformational idea, and they just don't understand it!" Let us say this: it's not your fault. It's the fault of a faulty process.

The second reason this process does not work is because customers struggle to interpret the different components of a positioning statement. Positioning statements are typically multi-faceted bundles of ideas that intermingle customer need, science, and commercial aspiration. Trained medical professionals, not to mention patients, cannot possibly unravel and/or recognize the intended kernel of insight and brilliance when they are confronted with a bundled stimulus, a thicket of customer insight, facts and hope.

And the third issue is that except for those adventuresome few, most aren't comfortable with the idea of changing their habits, even in the face of the most dazzling medical advancements. Indeed, breakthrough advancements in medicine for many doctors and patients represent a risky and scary proposition. Stating confidently that we, the team, aspires for our new medicine to become HCPs' first-line choice in the future because it offers better efficacy than today's standard of care might sound like a winning formula to a brand marketing executive but is more likely to elicit skepticism and hesitation from the average practicing HCP.

THE CDP WAY MAKES THE CUSTOMER THE HERO WITH VOICE-OF-THE-CUSTOMER QUALITATIVE RESEARCH

Let's come back to the idea we mentioned at the outset of this article. The essence of CDP is that it utilizes a "bottom-up"

approach and "examines each part of the positioning concept individually," all toward the goal of **better understanding the customer's story vs. the brand's story.** The way we put this idea into action as part of CDP's marketing research exercise is as follows: instead of exposing respondents to full-scale, bundled positioning statements, we take the output from the workshop and create categories or groups. More specifically:

- The Customer-Insight Statements (Premise) make up one bucket
- The Brand Benefit Statements (Promise) make up a second bucket
- The Reason-to-Believe Statements (Proof) make up a third bucket

We expose each group of statements (typically 10-12 per group) to the respondents one at a time, allowing them to choose which ones they feel resonate with them the most. And during the exercise, we are listening intently to evaluate how well we are understanding the gap, the need, our product truly might meet for them.

During a CDP interview, we first expose respondents to the Premise, or "Insight Statements," since this helps us to better examine – and more importantly, to uncover and crystallize – the customer insight. When this process is done effectively, the marketer can truly learn the size, scalability, and accessibility of that customer's need. Is the need being met by the brand one that is readily recognized and well-understood, or does the pharma company need to "sell" the customer on the fact that there is a need? Answering this question correctly has a huge bearing on the resource outlay for pre-launch unbranded disease awareness campaign work that may need to be undertaken to set the stage for a brand launch.

Recall that, the primary goal of showing the respondent the list of "insight statements" is really to try to draw them out, and to get them talking about **their own story.** What may be revealed is that customers characterize the need differently from the brand team, which is in itself an extremely valuable learning at this early stage of brand strategy. Showing the respondent the set of insight statements first also grounds the entire discussion in "YOU THE CUSTOMER." **This is about you, first and foremost,** not our product. And the questions that we strive to address as the respondent reviews this set of insight statements are:

1. Which one of these most closely reflects you?
2. Which one resonates with you?
3. Which one might be most conducive to the idea of changing your behavior and adopting something new into your habits?

Next, or second, the moderator moves to the evidence, the "proof / reason-to-believe statements." The reason for this is to ground the respondent in the actual functional and clinical performance aspects of the product in question. HCPs and consumers have a natural appetite to know the facts first before those facts are somehow reimagined into the end-use and emotional benefits. Exposing the proof before the "benefit statements" also intrinsically helps them become a part of the co-creation process. It creates a sense of trust and thus "behavioral investment" on the part of the respondent. The respondent is seeing the evidence, and the ways in which they spontaneously react to the evidence should be listened to intently:

1. What do these product facts/evidence make you want to do?
2. How do these product fact/evidence make you feel?
3. What are the implications of these product facts/evidence for your patients?
4. Do these product facts/evidence cause you to re-think what you are doing now?
5. How do you imagine that you would communicate about this product (e.g., to patients, to colleagues, to friends)?
6. What would using this product say about you as a _____ (doctor, patient, etc.)?

What is captured in response to these questions can be extremely valuable in crystallizing what the brand means to them or could mean to them. Again, we are not barraging them with full-scale statements, they are looking at "just the facts" and helping us to discern how the bare-naked features and attributes of product **can become a part of their story, and their aspiration.** We ask them to choose which of the Proof statements speak to benefits that will cause them to re-think their current behavior.

The third component of the CDP exercise is to expose the respondent to the inventory of "benefit statements" we created, which is the "Promise" component. In exposing them to this list, we still are striving to provoke a response, all the while asking ourselves: Are these resonating? Are we on the right track? Are our assumptions correct? Have we accurately articulated what our product means **from the standpoint of our customers?**

Also, we are asking ourselves: Is the benefit we are providing to customers fundamentally clinical, practical, or even emotional, or a mix? The respondent is then asked to select from the list of benefit statements the one or ones that they find appealing, but that tie back to a need (spoken or unspoken), and thus could get them to re-think their current behavior.

Oftentimes throughout the exercise we are giving the respondent the opportunity to use a highlighter pen, either real or electronic, to point to specific words or phrases that they are either connecting to or averse to. This process can help kick start the development of a lexicon that builds on the natural language respondents use to talk about the brand.

Once all of the positioning elements in each category have been reviewed and culled by the respondent, the respondent is then shown the set of "winning" elements and asked to construct her or his own personal positioning statement for the brand in

question using the Premise-Promise-Proof framework. This part of the exercise is how CDP fundamentally differs from the "old way" of testing Positioning Statements. Instead of the brand team constructing full statements for respondents to critique, the team provides the respondent the positioning elements or "building blocks" and asks that they themselves create a Positioning Statement that will trigger a "re-think" of their behavior.

Additionally, during each interview, the respondent is ushered along a learning journey that starts with them and then moves to the product. *Customer first, then product.* They can see for themselves how their needs may (or may not) be met by the brand, and challenged to think creatively about how, based upon the facts and evidence, a brand can become a part of their own story and aspiration.

Critical to the success of this process are the inputs. Again, the inputs need to be written based upon the best available customer knowledge, which typically springs from prior "pre-positioning" research and analytics/data mining. The inputs need to be clearly written and singularly focused: complex or compound ideas can prove to be confusing to respondents. The team also needs to be unafraid to challenge the customer through the presentation of the positioning elements. Effective positioning promotes behavioral change. Change as we have discussed often is uncomfortable. Positioning is not about what a customer likes or dislikes, it is about what will be persuasive for her or him to adopt a desired pattern of behavior.

After the Research: The Analysis and The Alchemy

With the data from a series of CDP interviews in hand, the marketing research consultant and brand team can sit down and examine the frequency of selection of the Positioning Elements at two junctures during each interview: when the lists are initially reviewed, and then in the creation of the final Positioning Statement. Analysis also should be performed of which Positioning Elements are selected together in the final customer-designed statements as this speaks to the "problem-solution" relationality of the elements. More importantly than what the respondents select is why they say they are either attracted to, neutral towards, or even averse to a particularly Positioning element. The "why's" shared by respondents, particularly insightful and expressive respondents, can form the basis of the genuine customer insight that can drive the success of a brand. Everyone on the team needs to listen closely throughout the process.

In implementing this type of study for many brands, one of the things we notice is that respondents actually enjoy participating. Rather than encountering a bundled statement, which is a lot to digest at once, they are confronted with lists of bite-sized ideas and given the opportunity to discuss and choose those which are and are not relevant to them. At the end, they are asked to – like building a Lego structure – put together their own preferred statement for the brand, which, again, puts them in the driver's seat and, in effect, makes them a part of the brand creation process.

Additionally, in the past two years, we have migrated this entire process over to an interactive digital platform that allows the process to be even more automated both in terms of its conduct and analysis of data.

CONCLUSION

In the pharma industry, brand teams typically work to create a positioning strategy at an early stage of launch preparedness, often once their Phase III data and the label becomes clear. However, we have observed that companies and agencies utilize methods to test their positioning strategies that are inherently flawed, and/or that produce positioning statements that do not represent the full potential of a brand.

With these newer products, many of which are one-of-a-kind products for complex disease categories, nailing the positioning is even more important since the product's eventual usage relies greatly upon HCPs, patients, and other stakeholders creating the right place in their minds around the need itself, and the role it fulfills.

As we have shown, CDP is designed as a bottom-up qualitative approach that is well suited for scientifically advanced products because it naturally links how customers think about themselves in relation to a new product, provides them with detailed evidence first, and then allows them to co-create the positioning idea. The elements of positioning – the need the product will fulfill (the premise); how the product will really advance the customer's life, productivity, wellbeing, etc. (the promise); and the evidence (the proof) – are parsed out into discrete buckets of "positioning elements."

The respondent is exposed to these elements in a specific order. First the Premise elements, then the Proof elements, then finally the Promise elements, with the respondent selecting the elements in each group that resonate the most and which create an imperative to change behavior. This is all done digitally, using a digital platform, so that each set of elements can be reviewed, highlighted, rated, and so that respondents can make their selections – and have their selections "piped forward" to subsequent aspects of the exercise. Once they have selected the most compelling elements in each category, the respondent is asked to build their own desired positioning for the brand, and a series of questions is applied to ensure that the positioning is compelling, unique, and one that would be acted upon.

In some cases, the big learning from this exercise is that the unmet need isn't a strong enough imperative to change behavior, or that the mechanism of the product is not well-understood such that the doctor would understand how using it would be different from existing options. All of this is reason why these interviews need to be skillfully moderated.

With CDP, respondents are first given the opportunity to talk about and to explore their need before ever being exposed to what the product is and might offer them. That way, they can make their own connection between that need state and the actual evidence itself – what the product does. This represents the essence of putting the customer first. **Ⓟ**

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