

# Cialis hbs case essay



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Because the market is still developing (see question 3), the most relevant dimensions are currently the geographic and demographic ones. A more refined segmentation may be done at a later stage of the product life cycle.

The simple segmentation question should therefore be: In which part of the population are the ED patients most likely willing to listen to a possible solution? Answer: • Age: 50+ years old men • Marital/Sexual status: men having a sexual partner • Attitude to ED treatment: Viagra dropouts or sceptics due to safety issues

3. - What is Viagra's positioning in the marketplace in 2002?

How would you characterize the Viagra brand? In what phase of the life cycle ED industry is in 2002? Rich of five successful years of market presence and in spite of an early severe set-back quickly and masterfully overcome through medical testing and aggressive blitz marketing, the Viagra brand is in 2002 the ED industry's uncontested market leader and the symptom's synonym. It has the highest brand recognition of any pharmaceutical drugs in the world; it has turned into a cultural phenomenon contributing to the "de-taboozation" of the condition; 9 million men have tried the drug and 3 million are currently using it.

Viagra and by extension the ED industry have entered the growth period of its life cycle, characterized by rapid market acceptance and substantial profit improvement.

4. - What would be the most effective way to position Cialis in the marketplace? In what segments? All three target audiences need to hear a key insight and benefit that distinguishing Cialis from Viagra, as described

in Appendix 1: • Doctors: Safety[1] - Lower side effects increase the chance of reoccurring prescriptions.

- Patient: Higher performance - Shorter, reliable onset time and long lasting effect. Partner: Spontaneity - No need to discuss the evening plan (“(When) Are you going to take the pill? ”)

Idea screening, 3. Concept a. development and b.

testing, 4. Marketing strategy development, 5. Business analysis, 6. Product development, 7. Market testing, 8.

Commercialisation. In the case of Cialis, some of these steps happened at the same time (1 and 6), others (3, 4, 6 and 7) in parallel, because the product itself (3a) was discovered first[2], because the marketing team was much involved in the product development cycle (6) or due to the nature and constraints of the pharmaceutical industry (for obvious reasons, clinical trials [2, 3b and 7] are highly regulated).

The Business analysis (5) is not very clearly mentioned but the results and progress of competitive forces were closely monitored. Market testing (6) at product level was conducted in the FDA phase trials.

However, concept testing (3b) on the different segments and the positioning possibilities could and should still be done. The marketing strategy plan (4) did not mention a clear go-to-market plan strategy.

Since the competitor has a huge sales force and is benefiting from the first mover's advantage, some thoughts have to be given on which channels to

focus on and how to best approach them, assuming a comparable sales force cannot be built from the start. Appendix 1 - Value Proposition House [pic]

Appendix 2 - The New Product Development (NDP) Decision Process [pic]

----- [1] The safety insight is naturally valid for all audiences.

However, for patients and partners this is a negative functional claim, which is usually better to use as secondary product benefit.

[2] Invention vs. processed innovation