

Revised marketing positioning and budget essay sample



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This memo provides recommendations on how to address the following items regarding the Metabical launch:

- 1) Segmentation, targeting, and positioning
- 2) Marketing communications mix, timeline, and budget

A. Positioning Statement

Metabical is the first FDA-approved prescription weight loss pill for overweight individuals, and in combination with its built-in support program, is the most comprehensive weight-loss solution helping moderately overweight women (25 BMI 30) aged 35 to 65 years old lose weight and become healthier.

B. Analysis

Target Market – College educated women aged 35 to 65 years old, with a household income over \$80, 000, who are overweight and are frustrated with previous unsuccessful attempts at losing weight and are at least somewhat health-conscious.

- Women – 1) The 2007 Marketing Survey demonstrated that, compared to men, women are less satisfied with their current weight and lifestyle, more health-conscious, and more frustrated by weight-loss alternatives presently available to them. Men, on the other hand, are less apt to regularly see their doctor and on average do not put as much as pressure on themselves to lose weight. Even though a majority of men may be dissatisfied with their current weight, they are less likely to have tried any of the existing options in the market and thus are not necessarily looking for a new alternative. 2) “ I want

to be healthier segment”: These women are the ideal candidates for Metabical (See Exhibit 1)

- Overweight (25 BMI 30) – As clinical trials have proved, Metabical has high success with people who are overweight but is not very effective for individuals with BMIs of 30 or higher. On its own, the overweight category accounts for 34% of the U. S. adult population, and based upon the 2007 Marketing Survey results it can be presumed that at least half of those individuals are not currently pleased with their weight.
- Household income over \$80, 000 – Despite the fact that those with income levels over \$60, 000 have a smaller occurrence of obesity, it is necessary at launch to target those who have a higher income primarily due to the fact that insurance companies have not yet agreed to pay for the cost of prescription for patients. The survey showed that people making over \$80, 000 are up to four times as likely to be willing to pay out of pocket for the medication compared to those making less than \$40, 000 and almost twice as likely as those making between \$40, 000 and \$80, 000.
- Market size – As highlighted above, the target market is broad enough to reach millions of Americans. Even when conservatively narrowing the population size down to estimate the size of the target market, there is still a large enough market to easily hit revenue goals for both the short and long term as Metabical could very reasonably expect to see at least \$326 million in sales that first year, which is already close to the goal of \$400 million.
(See Exhibit II)

Competitive Analysis:

- Alli
- Xenical
- Herbal Medications
- Food Supplements

Points of Differentiation:

1. Integrated support program
2. FDA-approved and safest weight-loss drug on the market made specifically for the overweight population
3. Unlike other products, the unique blend of Calosera and Meditonan produces effective weight loss without causing stress on the liver or heart
4. Results are achievable in as little as 12 weeks
5. Works in low-dose formulation, only need to intake one pill per day
6. Side effects may occur only when high level of fat and calories are consumed

C. Action Plan

The communications plan is correctly aimed at both the end-users as well as the medical professional community, and aptly ties in a cohesive budget that accounts for key strategic components ranging from the development and production of the support program, educational events for the medical community, to an extensive direct-to-consumer advertising campaign.

Assuming promotions begin as soon as the product is ready for launch, the one-year timeline dedicated to implement the marketing communications plan is logical as it gives enough time to see measurable results. However,

modifications should be made to different aspects of the communications strategy in order to better reach the newly defined target market (cited on page 2) and more efficiently use the resources allocated in the marketing budget.

i. Healthcare provider community – It is essential that health care providers these concerns addressed [apprehension : counterpoint]:

1) Typical risk of regaining weight: very improbable as it is clinically proven to maintain new weight for up to three years

2) Side effects: negative side effects only occur when consumed with high levels of fat and calories

3) Previous deceptive marketing claims: Metabical is the first prescription drug approved by the FDA

4) Worsened eating habits due to “deceiving” results: CSP’s support program is designed to educate on the importance of a healthy lifestyle and healthy eating

5) Burden of managing medication: quick results are expected and if patients have questions or concerns they can use resources provided by support program.

For the message directed at the practitioners, it is best to combine the two of the three advertising concepts into this: “Empower your patients to lose excess weight, change their unhealthy eating habits, and achieve long-term

success with Metabical, an FDA approved weight-loss drugs that is a safe alternative to fad diets and dangerous OTC medications.”

Physicians inherently understand that weight problems can lead to many diseases and the FDA approval alone will not automatically make providers want to prescribe so instead it is best to lead with the empowerment aspect that relates back to the support program as well as give a reminder to providers that it is the safest drug in the market (this alone is not a selling point). Lastly, Metabical should be promoted to other professionals who would likely influence in the weight-loss process of overweight individuals including, but not limited to, pharmacists, nutritionists, and fitness instructors.

ii. Direct-to-consumer (DTC) advertising – This should remain as the number one priority and the recommendation is to lead the advertising with the “Losing weight is tough” messaging concept. (See Exhibit III)

iii. Celebrity endorser – A well-known celebrity endorser should be reconsidered. The right celebrity, one who has an existing strong popularity with middle aged women, would be able to successfully spread the word not only about the effectiveness of the drug but also the benefits of the comprehensive support program. Some people may be skeptical of the intentions of a big pharma company creating a support program so having a celebrity speaking personally about their experience with it could help alleviate that preconceived notion for many people.

iv. Social media – Facebook and Twitter are the ideal platforms for Metabical as they will generate awareness, develop consumer loyalty, and help

generate a better understanding into users. In addition to creating a distinct Metabical page on Facebook, private groups should be created and monitored by CSP to serve as a form of discussion forum for users to get information both from the company and each other as well as to get more support.

Considering how frequently Facebook is used by the average person on a daily basis having an active group would make a significant difference in staying “top of mind” for patients. Twitter is the optimal platform in this case for the prospect of viral marketing. Metabical should run “hashtag campaigns” in which users participate by sharing parts of their experiences or posting about a similar themed discussion in order to be entered to win a prize.

v. Insurance companies – Instead of waiting six months after launch, a review of doing a campaign targeting health care plans should be done after the first three. If more prescription plans cover the cost of Metabical then CSP has the ability to target a significantly broader since income becomes much less of a factor.

Exhibit I – Segmentation

Segment Goal

Demographics

Reasoning

Age

Education

Income

Movie Star

18-30

High school

\$80K

(75%) stated they were aware of the health risks associated with being overweight, compared to a far smaller percentage stating they are aware and having only a high school diploma (45%). The knowledge of the health aspect to obesity plays into the strength of Metabical as a something that is not just a weight-loss drug, but a life-changing experience

Skinny Jeans

Only if easy

Denial/content

Exhibit II – Market Size

52% of 209 million (34% divided by 64.5%)

108 million

Half of 108 million (women 50% of population)

54 million

15% of 54 million

8.1 million

12% of 8.1 million – immediate target candidates

972,000

\$4 per day * 84 days – average treatment cost

\$336

972, 000 * \$336

\$326, 592, 000

64. 5% U. S. adults BMI > 25 = 209 million people

15% are both college educated & have a household income over \$80K

(rough estimate)

12% of Market Survey respondents would immediately request prescription

Average pricing \$4 per day over 12 weeks (84 days)

Exhibit III - End-user Messaging

Concept

Assessment

“ Losing weight is tough”

This is a more positive message that is consistent with Metabical’s unique propositions as well as the communications strategy for the health care providers. Many potential users have already tried alternatives without success and this message could make them feel better about having a more serious conversation about it with their doctor

“ Look your best”

While image is a factor, women in target market are more concerned about their overall health, which is partly what the support program is designed to help them with. This messaging could also potentially attract those who are looking for an easy fix.

“ Those extra 20 pounds could be killing you”

This could be a back up option if message #1 is not successful after seeing <https://assignbuster.com/revised-marketing-positioning-budget-essay-sample/>

results of first year. The concern is that it is too negative and wouldn't be as effective for social media and word of mouth marketing.