



Developing herbal medicinal brands through brand value chain

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Abstract- Brand value chain concept was proposed by Kevin Keller. The concept highlights the importance of marketing program investments, customer mind set, market performance and suggest program quality, market place conditions and investor sentiments and multipliers in the brand value chain. Herbal medicinal brands need to be communicated to target audience more effectively for higher acceptance.

Recently a favourable reception to preparations is observed, particularly in the FMCG sector. However, the acceptance to herbal medicines is still less. To encash the opportunity presented by the shift in FMCG sector needs to be leveraged for the herbal medicines as well. Though herbal medicines are available over the counter (OTC), to accelerate the acceptance to herbal medicines, prescription from doctor's will play a major role. For the doctor's prescription communication to doctors through MR and/or trade journals are effective media.

This paper aims at improving the brand communication strategies of herbal medicines through brand value chain. Scientific brand communication strategies about the herbal medicines will improve acceptance to herbal medicines. Ancient Indian scriptures on herbal medicines and India's rich biodiversity need to be leveraged for developing these brand communication strategies.

The brand communication strategies should aim at communicating the terminal benefits in terms of efficacy, lower instances of side effects and unwanted effects of herbal medicines.

Key words: Herbal Medicine, Brand Value Chain, Brand Communication

I. INTRODUCTION

Thomas Alva Edison (February 11, 1847 – October 18, 1931) an American inventor and businessman who has been described as America's greatest inventor was quoted as saying, "The doctor of the future will give no medicine but will interest their patients in the care of the human frame, in diet, and in the cause and prevention of disease". Ashtāṅga Hridayam Sūshrut Sanhita Ch. 9: ver. 10 mentions nothing in this universe is non-medicinal; all substances can be used for various healing purposes. The major advantages of the herbal medicines are that there are no side effects, these are natural ingredients, offer permanent cure. The allopathic treatment has limitations in curing chronic diseases like Piles, Rheumatoid arthritis, Jaundice, etc. But the herbal medicines offer excellent remedies for improving / curing many such diseases. Moreover, herbal medicines are non-toxic.

Objectives of the study

Though India has mammoth knowledge of herbal medicines acceptance to these medicines is not as wide as allopathic medicines. Some of the reasons are obvious like cost of treatment and the duration of treatment. Generally speaking, treatment with herbal medicines is longer compared to the allopathic medicines and the symptomatic relief to the patient is also faster with allopathy medicines. Acceptance to the product lies in the way the product is communicated to the target market. Keller had proposed a brand value chain concept.

This paper aims at identifying various factors which can add value to promotion of herbal medicines for wider acceptance.

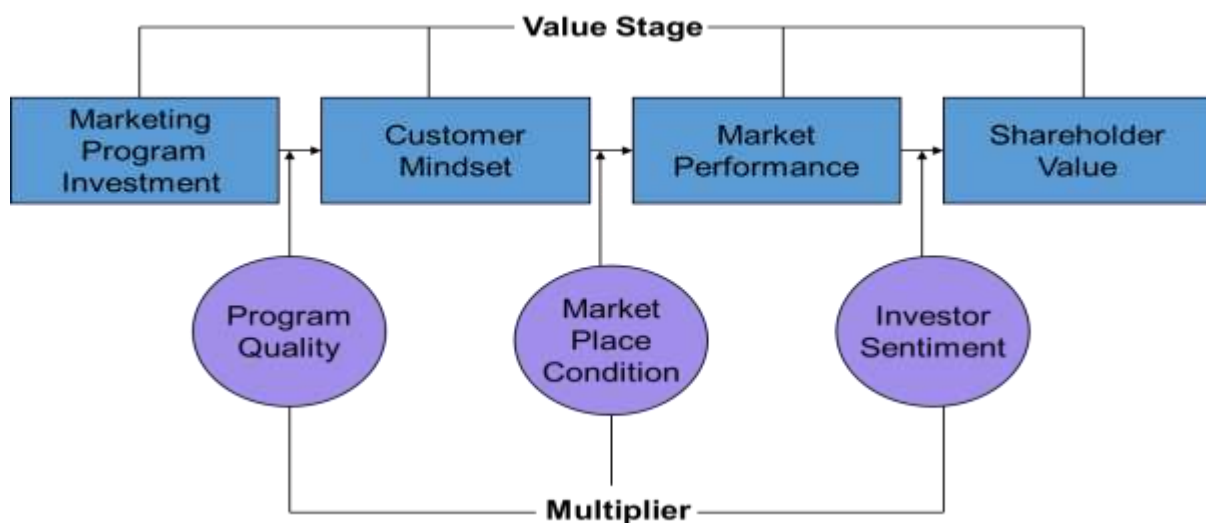
II. REVIEW OF LITERATURE

Kevin Keller proposed the brand value chain concept¹. The brand value chain takes into account the four value stages namely marketing program investment, customer mind-set, market performance, and shareholder value. There are three multipliers in these value stages. These are program quality, market place condition and investor sentiment. The program quality works as a multiplier between the marketing program investment and customer mind-set. Market place condition acts as a multiplier between the

customer mind-set and market performance. The investor sentiments work as multiplier between the market performance and shareholder value.

Marketing program investment has five major components to focus on. The five components are product, communication, trade, employee and other environmental factors. Similarly, the customer mind-set is the result of the awareness about the product, the associations that the customer makes, the attitude of the customer towards the product, attachment and the other activities associated with the brand. The market performance of the brand is determined by the price premium a brand can charge, price elasticity that the brand enjoys, market share enjoyed by the brand, expansion success of brand extensions, cost structure and the profitability of the brand.

The program quality which acts as a multiplier depends on the clarity of the program, the relevance of the communication, distinctiveness and the consistency of communication. The market place conditions are determined by the competitive reactions, channel support and the customer size and profit.



Source: Keller Kevin Lane, *Brand Value Chain, Strategic Brand Management, Building, Measuring, and Managing Brand Equity* third edition, PP 318PHI Learning Private Limited New Delhi 2008

III. METHOD

For this study authors have considered two major indications like Urinary Tract Infections and Hepatic protector products. For promotion this paper takes the case of thrombocytopenia, which has been quite common in recent past. Thanks to the dengue outbreak, leading to increased instances of thrombocytopenia. Licenced herbal Urinary Antiseptics preparations such as cranberry extr, Hibiscus Sabdriffa Coleus Amboinicus, Crataeva Nurvala, Boerhaavia, Tribulus Terrestris, and formulations are considered for unitary tract infections. Among modern medicines, Quinolones, co-trimexazole, are considered.

Among hepatic protectors, silymarin, ursodeoxycholic acid and Liv 52, which is among widely used hepatic protector are considered. The objective of this paper is to explore the value addition for promotion of herbal products through value chain.

Marketing Program Investment for Herbal Products

Use of herbal products in various conditions is well documented. However, the use of herbal products for treatment is still under penetrated. Treatment duration by herbal products is mostly longer than modern medicine. Moreover, patients also find the dosage schedules difficult to adhere to.

Licensed herbal Urinary Antiseptics preparations are cranberry extr, Hibiscus Sabdriffa Coleus Amboinicus, Crataeva Nurvala, Boerhaavia, Tribulus Terrestris, and many others. The formulations are also available as combination of these herbs. Most modern medicines, Quinolones, co-trimexazole, are recommended one tablet/capsule twice daily, ensuring better compliance. However, herbal preparations are recommended 1-2 tablets/capsules twice to thrice dailyⁱⁱ.

Among hepatic protectors, silymarin, ursodeoxycholic acid are recommended twice daily. Whereas the licenced herbal preparations are recommended 1-2 dosage twice to thrice daily. One of the most prescribed hepatic protector Liv 52 is recommended 1-2 caps twice dailyⁱⁱⁱ.

For wider acceptance, companies will have to invest in ensuring patient's compliance with herbal preparation by reducing frequency and number of tablets. Giving sustained released tablets can ensure better patient compliance. Liv 52^{iv} is available as Double Strength tablet / liquid as well, to ensure better compliance.

Major investment will probably be required in communication. Herbal medicines if are promoted with their pharmacokinetics and pharmacodynamics the acceptance level is likely to be higher. There are large number of uses of many herbs. The pharmacokinetic and pharmacodynamics, for instance to act as antibacterial, minimum inhibitory concentration required, of the herb should be communicated for better acceptance. In many medical conditions the combination of herbs is used for synergistic action. Communicating this synergy will help wider acceptance to the herbal preparations.

Thrombocytopenia, a condition of abnormally low number of platelets in the blood is treated with combination of herbal medicines. A combination of *Carica papaya*, *Prosopis spicigera* (Sami), *Tinospora cordifolia* (Giloy) is found to be quite useful for its synergistic action.

The treatment objectives of thrombocytopenia are to Increase immune system, quality of phagocytosis, and profile of RBC. At the same time reduce fever, cell damage, and cancer risk. To improve immune system and reduce cell damage, glycosides, alkaloids and carotenoids are found to be very effective^v. Glycosides: Act on contractile force of cardiac muscle, Alkaloids: Work as antineoplastic agents (anti - Tumor, any new and abnormal growth), and Caratenoids: Act directly to absorb damaging blue and near-ultraviolet light, antioxidant and general health. To improve the quality of phagocytosis, reduce cancer risk, flavonoids are found to be very effective as they have effect on permeability of vascular capillaries, demonstrated anti-allergic, anti-inflammatory, antioxidant, anti-microbial, anti-cancer and anti-diarrheal activities.

Promoting the combination with action of ingredients as glycosides, alkaloids, and carotenoids will be more effective. Thus highlighting carica papaya leaves contain various phytoconstituents like saponins, tannins, cardiac glycosides and alkaloids. The alkaloids present include carpaine, pseudocarpaine and dehydrocarpaine I and II. These constituents can act on the bone marrow, prevent its destruction and enhance its ability to produce platelets. Moreover, it can also prevent platelet destruction in the blood and thereby increase the life of the platelet in circulation. *Carica Papaya* is rich source of Lycopene. Lycopene is one of the Carotenoids, is endowed with powerful anti-cancer properties and is now considered to be potentially important for the prevention of Cancer and other diseases, will prove more impactful.

Promoting *Prosopis spicigera* (Sami) having high value of secondary metabolite like alkaloid, flavonoids, glycosides, saponins, tannins, steroids, phenolic and terpenoids, which in turn gives antioxidant, antibacterial, antiviral and lipoxygenase activity should be highlighted. It is also important to communicate the terminal benefit in terms of enzyme inhibitory activity: Sami plant extract contain Lipoxygenase enzyme up to 83.48 percent. Lipoxygenases are the enzymes used in the biosynthesis of the leukotrienes. In human tissues Lipoxygenase is expressed in platelet, eosinophils, neutrophils, monocytes and bone marrow cells. Communicating the terminal benefit of the ingredients have better recall value for the target audience than just communicating the features and ingredients. Highlighting the importance of antioxidants and property of *prosopis spicigera* as antioxidant should be communicated for wider acceptance. For instance, highlighting, it was demonstrated that ethanolic extract of stem, leaf and bark of *prosopis spicigera* have antioxidant potential and the antioxidants protect us from free radical damage and they are critically needed for good health and for the enhancement of our body defense mechanism. The antioxidant activity of this plant is mainly due to the flavonoids, phenolic compounds which are present in a significant amount and it protects from several inflammatory, pulmonary and heart diseases. Will have a higher impact.

Tinospora cordifolia^{vi} (Giloy) has multiple labelled indications. However, in thrombocytopenia, importance of *tinospora cordifolia* should be highlighted for being an anti-pyretic in nature, and can be used to treat chronic fever effectively. Also it being beneficial for increasing blood platelet count, which makes it useful for alleviating dengue fever. *Tinospora cordifolia* helps in raising the efficiency of protective WBC (white blood cells) and builds up the body's own protection mechanism known as immune.

The promotion should aim at communicating the features of herbal medicines as offered by modern medicines, the advantages of providing it in natural form and the terminal benefit to patients will give wider acceptance.

Promotion and communication of herbal medicines as mentioned above have to be complemented by availability at trade as well. Trade demand is derived demand. The demand for medicines at trade level comes from the acceptance to the medicine at doctor level for prescription products and consumers for OTC products. Yet the trade co-operation is needed for availability of the product at point of purchase. The trade margins for medicines are generally fixed and accepted by manufacturers as well as trade. Trade promotion can persuade retailers or wholesalers to carry a brand, give it shelf space, promote it in advertising and push it to consumers^{vii}. Herbal medicine manufacturers thus can offer price-offs, allowances, free goods to retailers and wholesalers to get products on the shelf, and point-of-purchase displays etc.

Investment in employees will have to come through training sales force as well as product management teams. Challenge in promoting the herbal medicines is the transformative convergence of the available knowledge of herbal medicines and modern medicines. Thus the sales and the product management teams will have to have understanding of modern medicine as well as herbal medicine.

Another important area for value creation will be customer mind-set.

For herbal preparation the customer mind-set will have to be on two fronts, doctors and the patient, consumer. The five major components of mind-set are awareness, associations, attitudes, attachments and activities.

Customer mind-set with respect to cost and duration of treatment will have to be altered. One of the ways to alter the perception about herbal medicines is through communication as discussed earlier. One of the biggest advantage currently available to herbal medicines is availability of mass media. Perception towards OTC products can be changed by advertising on the mass media. The promotion at the doctor level can through sales force, personal selling. Herbal preparations are associated with long term treatment for chronic ailments. The other association is lack of side effects, which is a positive association. However, the scepticism about effectiveness of the herbal medicines can be overcome only by giving documented evidence. A few institutes now have been conducting clinical trials for the herbal medicines and it should help in overcoming the scepticism about the effectiveness of herbal medicines. The awareness level about the herbal preparations in general is on rise, thanks to Patanjali and other herbal product manufacturers, the voice level of herbal preparations has gone up. The challenge today is to channelize it towards medicines. Conducting various activities in changing this perception about the herbal preparations should also change the attitude towards the herbal medicines and help it gain wider acceptance.

Market performance of herbal preparations in the recent past has been very good. In FMCG sector particularly herbal products received very good acceptance. They are also in a position to charge premium over synthetic products and have experienced good demand despite price rise. Market share of herbal preparations in FMCG sector has also gone up and there has been a fair expansion success as well. However, the competition is increasing as there is wider acceptance to herbal preparations which is affecting profitability. Though increasing volume sales do nullify the pricing pressure coming from competition. Competition is actually helping increase the total herbal market.

A multiplier in terms of program quality will be crucial in accelerating the wider acceptance for herbal preparations. Well drafted marketing program investment will accelerate the positive impact on customer mind-set. Program quality depends on clarity, relevance, distinctiveness and consistency.

Modern medicines are associated with large number of unwanted and side effects. Contrary to which the herbal medicines are considered safe. Communication aimed at advantages of herbal medicines and the unwanted effects of allopathy medicines should be consistently highlighted. The symptomatic relief from modern medicines at apparently lower cost, may actually prove costlier in terms of the unwanted and side effects of the drugs. Some side effects of modern medicines come to light after a few years of launching of the molecule. Thus the safety of herbal medicines is more relevant today than ever before. Communicating the high safety profile of herbal medicines will lead to higher acceptance, from doctors as well as patients. Though there are multiple indications for a herb, when combined with other herbs distinctive synergistic action should be the labelled indication, this focussed promotion may give distinctive image to the brand. The promotional strategy will have to be consistent over a long period.

Market place condition is the multiplier between customer mind-set and market performance. Market place condition has three components, Competitive Reactions, Channel Support and Customer Size & Profit.

Every commercially successful product offers a reason for competitor to either develop similar product or a me-too brand. Chyawan prash has very good acceptance in the market. We have seen many brands of chawan prash being launched in the market. Since the knowledge about herbal preparation is traditional, having a patent is very difficult. The development of substitute for a commercially successful herbal preparations are low hanging fruits for companies. This exposes a commercial successful product high degree of competition. Building a strong brand image helps in overcoming this type of competition.

Competitive reaction can be by reducing the price. In price sensitive market, lower price is a stimulus for brand switch. Trade channels play a major role in encouraging brand switch, channel support is thus very important. To gain channel support organizations can offer multiple schemes. Display allowance, competitions, push money are some of the suggested strategies.

While positioning a brand customer size & profitability of the segment should get priority. A misplaced positioning strategy kills the brand. Attractiveness of the segment and the profitability thus is critical.

IV. CONCLUSIONS:

For wider acceptance to herbal medicines, companies must ensure patient compliance by developing formulations with reduced frequency of dosage, either by offering double strength as done by Himalaya Drugs for Liv 52 or by introducing sustained release formulations.

Special emphasis should be on promotion. Acceptance will depend on understanding the herbs medicinal value through its pharmacokinetics and pharmacodynamics. For anti-infective it will be important to communicate the minimum inhibitory concentration of herbs and its effectiveness.

Marketing program investment in terms of products, trade and employees will be extremely necessary.

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