

Panadol*

THE MARKET

Panadol is the cornerstone of the Australian analgesics market. AZTEC: MAT FEB 1997 established that it makes up 41% of all over the counter (OTC) analgesics. It is the single biggest OTC brand in Australia, operating in a total market worth \$162 million.

The sales of Panadol are divided between grocery and pharmacy, with the key trend being the growth of the grocery channel. The market is segmented into Adult and Paediatric products, with the bulk of the Paediatric range being sold through pharmacies where parents can comfortably receive expert advice from trained pharmacists and staff.

Panadol's success stems from its ability to fulfil consumers' expectations with regard to safe and effective pain relief.



Frederick Stearns & Co, by this time a subsidiary of Sterling Drug Inc. through worldwide acquisition, launched Panadol. This followed a launch in the UK some months earlier.

Panadol was marketed as a prescription product for the relief of pain and fever. It became the first significant challenge to aspirin and the aspirin/phenacetin combinations. Panadol was extensively detailed to doctors and pharmacists, with great enthusiasm. An editorial at the time stated that "Panadol represents the most significant advance in pain control for many years, providing, as it does, effective relief from pain without aspirin, phenacetin or codeine!" This was shortly followed by a promotion that advanced the clinically proven 'gentle to the stomach' benefit of Panadol over the other pain relievers.

ACHIEVEMENTS

Panadol has been the market leading over-the-counter analgesic in Australia for twenty years, with four out of ten analgesic users purchasing Panadol.

According to a Foresearch study from April 1996, it is the most often used mild analgesic brand in hospitals and the brand most often recommended by doctors. It has an unsurpassed consumer brand recall record. The 1995 Usage and Attitude Studies conducted by The Leading Edge revealed brand recall scores consistently at over 90%, compared to the next brand at 46%.

The Nielsen Top 100 Brand Report of 1996 places Panadol in the Top 50 grocery brands in Australian supermarkets, achieving a 58% share of the grocery analgesic market.

Panadol Paediatric owns 82% of all Paediatric sales, making Panadol the dominant product in this market.

In 1993 Sterling Withrop (now SmithKline Beecham) won the Australian Quality Award in the Large Organisations Category.

Panadol is clearly recognised by the Australian consumer as the 'gold standard' in pain relief, with consumer research confirming it is Australia's most trusted pain reliever.

HISTORY

In the late 1800s the scarcity of quinine sparked a search for less expensive synthetic substitute products for fever relief. These searches led to discoveries including aminophenol derivatives, one of which was N-acetyl-P-aminophenol (now called paracetamol), the active ingredient in Panadol. In the late 1930s and early 1940s, as testing procedures became more sophisticated, enough clinical work had been done to demonstrate the clinical safety of paracetamol over a number of other drugs available at the time. In 1956

In June 1958, at the request of numerous distinguished clinicians, a paediatric dosage form was launched. 'Panadol Elixir' was an immediate success. In 1963 the active ingredient in Panadol was added to the British Pharmacopoeia and the Australian Pharmaceutical Benefits List. As the understanding of the safety of Panadol grew and with further in-market experience, Panadol came off the PBS in the early 1970s and was marketed for the first time directly to consumers, although it was still available at that time only in Pharmacy retail outlets. In the late 1970s Panadol became available in supermarkets and the opening up of this new distribution channel coincided with the introduction of the well known television advertising featuring the presenter Dorothy Armstrong. Again, through worldwide acquisition, SmithKline Beecham acquired the Consumer Health business of Sterling in 1994. Meanwhile the Panadol brand continues to go from strength to strength, convinc-





ing testimony of unwavering, consistent support for the brand by consumers and health professionals alike.

THE PRODUCT

Panadol has led innovation in pain relief. After its introduction in tablet form in 1956, there has been a consistent flow of new presentations and forms introduced to offer the consumer a variety of choice to satisfy their particular preference for pain relief. These include tablets, capsules, capsule shaped tablets, gel caps, soluble, sinus and cold and flu preparations as well as a range of paediatric presentations in tablet, elixir, drops and suspension form. Panadol tablets are film coated with smooth edges for ease of swallowing.

Panadol is produced at the SmithKline Beecham Consumer Healthcare facility in Sydney. Established on 13 acres of riverside parkland at Ermington in Sydney's west, the manufacture of Panadol employs the very latest in production and packaging technology under strict Good Manufacturing Practice and Quality Control. There is also dedicated Research and Development on site to ensure Panadol employs the very latest developments in science and technology.

RECENT DEVELOPMENTS

Whilst retaining its heritage and trust, Panadol has successfully moved into the 1990s with the launch of new products and other innovations. An example of this is the growth generated in the Paediatric markets through innovation such as Colourfree Suspension, developed for children sensitive to colouring agents. The development of Panadol's Colourfree Drops, concentrated for smaller volume dosage and its 7+ Colourfree Clear Effervescent Tablets, for children 7-12 years, are also innovations recognised in the Paediatric category.

Panadol has also led the analgesics market through product form innovations, taking tablets and capsules and developing them into easier to swallow modern forms based on research into consumer preferences.

Panadol Gel Caps (gelatin coated, capsule shaped tablets) and Caplets (film coated capsule shaped tablets) are examples of the brand's breakthrough form technology, along with Panadol

Clear, the only soluble adults' paracetamol available in the Australian market.

The strength of the Panadol name has enabled it to extend into the cough/cold market with products such as Panadol Cold & Flu, Panadol Sinus and Panadol Children's Cold Elixir. The brand's most recent development in this market includes Panadol Sinus Day/Night, providing relief from sinus pain and congestion day or night through its multi symptom formulation.



PROMOTION

The Panadol brand has been built from a solid platform of successful "Dorothy" advertising executions since 1979, very effectively representing the core Panadol brand values of reassurance, trust and authority. In more recent times, the brand has moved towards highlighting its value added features through innovative animated advertising. These advertisements communicate Panadol's superior product range, ease of swallowing, research and development effort and the breadth of pain states such as arthritis and backache, for which Panadol can provide temporary relief.

To enhance its promotion, Panadol representatives call direct to many pharmacies and supermarkets across Australia. SmithKline Beecham provides a Freecall customer service line for its Paediatric range. The company also sponsors various associations including Pharmacy Trade events, the OTC Guide for Pharmacies, Pharmacy Research and the "Pharmacy Assistant of the Year" award in Australia. Trained representatives assist pharmacists in their category management through annual reviews of performance.

Promotion to the medical profession also plays a key role in Panadol's success. SmithKline Beecham's 'GP field force' is the largest in Australia and makes samples of Panadol available to the medical profession. Through the

ongoing provision of information, relevant material and education to target audiences such as doctors, pharmacists and pharmacy assistants, Panadol maintains its strength in the analgesics market via medical recommendation.

This promotional vehicle becomes even more relevant to the brand when findings through consumer research for Panadol Paediatric have shown that 80% of mothers believed that doctors were the most important source of information with regard to relieving their children's ailments.

Panadol Paediatric promotes extensively through initiatives such as providing, in 'Bounty' bags, immunisation information and medicine cups to new mothers in maternity hospitals; sponsorship of Kidsafe (Child Accident Prevention Foundation of Australia); provision of a Freecall information help line and representation at Parent and Baby shows nationally.

BRAND VALUES

The brand is constantly supported by research conducted to ensure its continuing value and relevance to consumers.

Panadol's key brand value is the trust consumers extend to the brand. This has evolved over its 40 years in the pain relief market. In 1994 Panadol was rated as the third most trustworthy brand in Australia in the 1994 Young & Rubicam BrandAsset Valuator study.

Supporting this trust is the 'gentle to the stomach' safety profile of the paracetamol ingredient as well as the medical recommendations to which consumers refer when purchasing pain relievers.

Australians have grown up with Panadol and the 1995 Usage and Attitude studies conducted by The Leading Edge established that it is their most trusted pain reliever.

*Panadol and Caplets are Registered Trade Marks of SmithKline Beecham (Australia) Pty Ltd.



Things you didn't know about Panadol

- The active ingredient in Panadol has been recommended by the US Society of Rheumatologists as being the preferred first line treatment for arthritis over all other pain relievers.
- Panadol is the only paracetamol pain reliever that offers a soluble effervescent dose form.
- Panadol is in the Top 50 supermarket brands in Australia.
- Panadol is the most widely available pain reliever in the world, it is marketed in over 80 countries by SmithKline Beecham, and is the market leader in many countries.
- The 'dol' in Panadol is derived from the Latin word 'dolor', meaning pain.