

# Panadol\*

## THE MARKET

Panadol is the cornerstone of the Australian analgesics market. AZTEC data shows it makes up 42% of all over the counter (OTC) analgesic sales (MAT August 1998 value). It is the single biggest OTC brand in Australia, operating in a total market worth more than \$162 million.

The analgesics market is segmented into Adult and Children's products, with the vast bulk of the children's range being sold only through pharmacies, where parents can comfortably receive expert advice from trained pharmacists and staff. Panadol for adults is available in both grocery and pharmacy outlets.

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

## ACHIEVEMENTS

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

According to studies conducted by Foresearch in early 1988, Panadol is the mild analgesic brand most often recommended by doctors and Pharmacists. It has unsurpassed consumer brand recall with spontaneous awareness consistently over 85%, compared to the nearest brand at 39%.

The Nielsen Top 100 Brand Report of 1998, based on sales turnover, ranks Panadol as the number 71 grocery brand in Australian supermarkets, achieving a 54% value share of the grocery analgesic market.

Children's Panadol, with an 82% value share,



is the clear market leader within the Children's pain reliever segment.

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, enough clinical work had been done to demonstrate the clinical safety of paracetamol. In 1956 Frederick

Stearns & Co, by this time a subsidiary of Sterling Drug Inc., launched Panadol.

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 and was promoted with the clinically proven "gentle to the stomach" benefit over other pain relievers.

In June 1958, at the request of numerous distinguished clinicians, a Children's dosage form was launched. "Panadol Elixir" was an immediate success. In 1963 the active ingredient in Panadol was added to the British Pharmacopocia and the Australian Pharmaceutical Benefits List. In the early 1970's, for the first time Panadol was marketed directly to consumer, with availability only through Pharmacy retail outlets. In the late 1970s with Panadol now available in supermarkets, came the introduction of the well known television advertising featuring the presenter Dorothy Armstrong. In 1994 through worldwide acquisition, SmithKline Beecham acquired the Consumer Health business of Sterling.

The Panadol brand continues to go from strength to strength, convincing 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. Under the base Panadol



range these include Tablets, Capsules, Caplets\* (Capsule shaped Tablets), Gel Caps and Soluble. Panadol Tablets and Caplets are film coated with smooth edges for ease of swallowing with no unpleasant aftertaste.

Line extensions into the cough cold market include Panadol Sinus and Panadol Cold and Flu. Panadol Night, a night time pain reliever with antihistamine to allow rest, was launched in 1997. The range of Children's Panadol presentations include Drops, Elixir, Colourfree Suspension, Chewable Tablets and Soluble.

All Panadol products are manufactured at the SmithKline Beecham Consumer Healthcare facility in Sydney. Established 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. SmithKline Beecham, does not manufacture pain relievers for any generic or "home" brands that are commonly available in supermarkets or pharmacies.

#### RECENT DEVELOPMENTS

Whilst retaining its heritage and trust, Panadol was successfully reinvented in 1998 with a range of new initiatives across both the adult and children's brand.

#### Panadol Adult

The centrepiece of this new activity was the introduction of the Panadol Quality Guarantee. This comprises the Panadol Quality Guarantee Seal as well as the Panadol Quality Guarantee statement:

"Our first responsibility is to you and your family. That's why we only make Panadol products that meet our stringent demands for quality. The Panadol name is a guarantee of our commitment to you. We've worked hard to earn your trust and we will work even harder to keep it."

The Panadol Quality Guarantee reinforces the trust and heritage of the brand and reflects the brands core values. Both the Quality Guarantee Seal and statement are featured on pack, with the guarantee also heavily featured in all consumer promotional material such as leaflets and point of sale.



New packaging for the entire Panadol adult range, which builds on the trust and quality of the brand was also introduced in early 1998. The pack also features new claims:

- "Suitable for asthmatics who are sensitive to aspirin and NSAIDs"
- "Suitable for breast feeding mothers"
- "Gluten, Lactose and Sugar free"

#### Children's Panadol

In 1998 Children's Panadol addressed increased competition by relaunching the brand's overall presentation. The revamped packaging designs incorporated the new Children's Panadol branding, new product descriptors, new colour coded age-breaks and the Panadol Quality Guarantee.

Coinciding with the new packaging

was the introduction of a medicine cup on all Children's Panadol liquids products and the introduction of a full bottle sleeve. Featured on all Children's liquids, this is a clear sleeve with the statement "Safety seal for your protection". This reinforces the brand's core value - trust. As genuine value

added benefits, these new initiatives reinforce Children's Panadol's premium and market leading position by offering consumers more than any competitor in the Children's analgesic segment.

#### PROMOTION

The Panadol brand has been built from a solid platform of successful "spokesperson" advertising since 1979 utilising the character of "Dorothy". These effectively represented the core Panadol brand values of reassurance, trust and authority. In early 1998 Panadol launched a new strategic advertising campaign built around real life people in positions of responsibility, with the style of the commercials adding realism and interest.

To enhance its promotion, Panadol representatives call direct to many pharmacies and supermarkets across Australia. Trained representatives assist pharmacists and the grocery industry in their category management through annual reviews of performance. SmithKline Beecham also provides a Freecall customer service line for its Children's range.

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

#### BRAND VALUES

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

Panadol's key 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 Young & Rubicam BrandAsset Valuator study.

Supporting this trust is the "gentle to the stomach" safety profile of the paracetamol ingredient, the medical recommendation to which consumers refer when purchasing pain relievers and the film coating on the Tablets and Caplets



allowing easier swallowing.

Australians have grown up with Panadol and as recent research confirms<sup>1</sup>, it remains their most trusted pain reliever.

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

<sup>1</sup> Analgesic Market Study, The Leading Edge October 1998.

#### THINGS YOU DIDN'T KNOW ABOUT PANADOL

- Panadol is the most widely available pain reliever in the world, it is marketed in over 80 countries and is the market leader in many.
- The 'dol' in Panadol is derived from the Latin word 'dolor', meaning pain.
- Panadol was first launched in 1956, and was initially only available on prescription.
- In 1994, Panadol was rated the third most trustworthy brand in Australia.