# BRAND POSITIONING

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Definition of Positioning</td>
<td>14</td>
</tr>
<tr>
<td>II. Importance of Positioning</td>
<td>14</td>
</tr>
<tr>
<td>III. Elements of the Positioning Statement</td>
<td>15</td>
</tr>
<tr>
<td>A. Market Target</td>
<td>15</td>
</tr>
<tr>
<td>B. Frame Reference</td>
<td>16</td>
</tr>
<tr>
<td>C. Meaningful Point of Difference</td>
<td>17</td>
</tr>
<tr>
<td>IV. Positioning Principles</td>
<td>18</td>
</tr>
</tbody>
</table>
I. DEFINITION OF POSITIONING

- A brand's Positioning is the way in which we want the consumer to think about a product. It is captured in the following statement:

To _____ 1 _____, Brand X is the Brand of that _______ 2 _______ _______ 3 _______.
(Frame of Reference) (Point of Difference)

For example:

To caffeine concerned coffee drinkers, Sanka is the brand of coffee that has no caffeine to upset you.

- It is the most basic of all strategic statements and provides a blueprint for the marketing and development of a brand. Its purpose is to focus the efforts of all those involved in marketing and development activities for the brand.

- It is an essential element of each brand's Marketing Strategy and must precede the development of all brand substrategies (i.e., creative, promotion, product, media and packaging).

- The Positioning Statement states the reason for the brand's existence and once successfully established, it should rarely be changed.

II. IMPORTANCE OF POSITIONING

- The long-term growth of a corporation requires that its products reach their full potential in the marketplace. To do so, each product must have developed a Positioning that optimizes its appeal by being relevant to the largest possible user segment to which it has unique leverage. The definition and understanding of each brand's Positioning is a principle responsibility of product management.

Positioning is an essential ingredient in the marketing of a corporation’s brands because:

- It underlies all other strategic decisions, short- and long-term.

- It defines the way in which a brand will complete within an increasingly competitive market.
III. ELEMENTS OF THE POSITIONING STATEMENT

A. MARKET TARGET

DEFINITION

The Market Target is composed of those consumers who are considered good potential users of a product. These consumers have a similar set of needs/concerns which motivate their purchase behavior within a particular Frame of Reference. One should understand all consumer characteristics (e.g., attitudes, lifestyles, psychographical profile behavior what they use, how they use, how often, in what situation, etc.) and then select those characteristics which are the most important and relevant in affecting behavior. They are, therefore, best identified by those needs/concerns rather than by demographics. The Market Target deals with all potential users of our product, not just those we are attempting to reach through advertising.

IDENTIFYING THE MARKET TARGET

In selecting the Target, the objective is to select a Market Target of the largest size (for efficiency) where there is interest in the Frame of Reference and leverage in the Point of Difference (for relevance). The broader the target group, the more difficult it is to deliver a meaningful and unique Point of Difference. Therefore, the process is a balancing act to loyal brand users. Stated another way, balancing size for efficiency versus message leverage for relevance.

There are many way of describing a Market Target. The chart below provides a classification of the most frequently used characteristics:

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<thead>
<tr>
<th>M E A S U R E S</th>
<th>Objective</th>
<th>Inferred</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Characteristics</strong></td>
<td><strong>General</strong></td>
<td><strong>Situation Specific</strong></td>
</tr>
<tr>
<td></td>
<td>Demographic Characteristics (age, stage in life cycle, sex, place of living, etc.); Socioeconomic Characteristics</td>
<td>Consumption Patterns (heavy, medium light); Brand Loyalty Pattern (brand stores); Buying Situation</td>
</tr>
<tr>
<td></td>
<td>Personality Traits; Life-style</td>
<td>Attitudes Perceptions and Preferences</td>
</tr>
</tbody>
</table>

Generally, the Market should deal with the more motivating characteristics that relate to brand choice. Demographics are seldom causal since people who look for different things may have similar demography. Consequently, market target characteristics should relate to the Point of Difference and describe those things which cause the group to identify more closely with our product and its Point of Difference. Through this, a clear picture of the target emerges which will produce messages with maximum identification.
B. FRAME OF REFERENCE

DEFINITION

The Frame of Reference describes the consumer grouping of like products with which our product competes. It includes all the options that a consumer have available to satisfy a specific need. The best portrayal of the alternative frame of Reference available is the market structure, which demonstrates how various brands and products compete with one another to fill consumer needs.

The Frame of Reference refers to how consumers group products or services. It may or may not coincide with the manufacturer's notion of the competitive framework.

IDENTIFYING THE FRAME OF REFERENCE

Every product competes with or substitutes in some way for something else. To identify the Frame of Reference for a brand is to answer the question, "What does this product substitute for?"

Consumers will generally place a product within the existing market structure rather than create a new structure for a product. The choice of a Frame of Reference of a product, therefore, begins with understanding the existing market structure.

The largest opportunities are usually offered by products that force a restructuring of the market. Therefore, we should not limit our investigation to existing Frames of Reference in the existing market structure of our product is significantly different from products currently available.

However, even if the product is totally unique and establishes a new segment within the market, the consumer still has to understand where the product fits. The use of an "Anti-Positioning", especially in the case of technological innovations, may be the most effective. The "horseless carriage", "tubeless tires", "canned dog food without the can", are all good examples of anti-positioning that enabled consumers to place the product within the context of other products with which the consumer is more familiar.

Importantly, by identifying the product as a member of a certain Frame of Reference, all the perceived benefits and drawbacks of that class automatically accrue to the product. The task then is to better deliver existing benefits and eliminate as many drawbacks as possible; and if feasible, bring attention to important new benefits.
C. MEANINGFUL POINT OF DIFFERENCE

DEFINITION

The Point of Difference is the specific consumer benefit which we want consumers to associate most readily with our product. It should be stated in consumer end-benefit terms. Attributes should only be used when the attribute automatically and best communicates the consumer end-benefit. Furthermore, the Point of Difference is a consumer end-benefit which is product- and/or emotionally-based and is consistent with the physical attributes of the product. While a product may deliver more than one benefit, it is important that a single benefit be captured as a brand’s meaningful Point of Difference. Expecting consumers to readily associate our product above other products with more than one benefit is unrealistic and probably will result in an unclear Brand Positioning.

IDENTIFYING THE POINT OF DIFFERENCE

The choice of a Frame of Reference and the Point of Difference are interrelated. The object is to select the combination of Frame of Reference and Point of Difference that is most persuasive and meaningful to the largest number of consumers and that our product can fully (and hopefully, uniquely) deliver.

The list of Alternative Points of Difference will necessarily change depending on the Frame of Reference chosen. Within the Frame of Reference selected, the Point of Difference which relates the greatest consumer benefit, or solves the greatest consumer problem, offers the greatest market leverage. The brand which best captures this Point of Difference will normally have the largest share. If the product is establishing a new Frame of Reference, it should attempt to identify, capture and deliver this most important key Point of Difference. If it is entering a well-established Frame of Reference, the product must either deliver this principal Point of Difference in a significantly superior manner than existing products or it must settle for a less important, but still meaningful, Point of Difference.

The Point of Difference need not be tied directly to a specific or exclusive product attribute. In many instances, very enduring Points of Difference have been based on positioning for a certain kind of person or for a certain kind of experience. Such positioning directions are especially useful for products or brands which are relatively undifferentiated on more functional or observable benefits. Also, the use of people-oriented/experience-oriented positionings can be an effective means of providing significantly greater franchise insulation by creating an emotional consumer identification with the brand. However, whatever Point of Difference is selected, the product or service must clearly fulfill the expectation created.

For an established brand, the Point of Difference is the cumulative result of all its consumer-related activity. However, the intended impact of marketing efforts and how the consumer actually responds to these efforts can be two very different things.

Whatever Point of Difference is selected, it should be noted that not all consumers will think about a product in the exact same manner. The Point of Difference selected is the consumer benefit we most want consumers to associate with our product. This does not mean that secondary benefits delivered by the product will be lost as these will be selectively perceived by those consumers interested in them. In fact, among certain groups these secondary benefits may be the key Point of Difference for the product. Nevertheless, our marketing and development efforts must be devoted to capturing the single most powerful Point of Difference or the product will become lost in the competitive array.
IV. POSITIONING PRINCIPLES

The following Positioning Principles are designed to guide the development of successful Product Positionings.

A. The Product Positioning Statement is the most basic of all strategic statements concerning a brand. It is the statement upon which all other strategies and all brand development and executable activities are built.

B. In selecting a Product Positioning we should seek one which is:

1. Believable and consistent with the product's performance;
2. Directly linked to as large a Frame of Reference and Market Target where the product can still deliver a meaningful Point of Difference;
3. Targeted at delivering the most meaningful benefit/correcting the biggest problem in the Frame of Reference chosen;
4. Unique from Competition;
5. Capable of enduring for the life of the brand;
6. Consistent with Market Target's beliefs/knowledge and behavior/experience.

C. A Product Positioning once established should not be readily abandoned. To capture a clear Positioning in the minds of consumers is difficult and requires time, money and consistency. Once established, major changes are difficult and often destructive, causing confusion in the minds of consumers.

D. Repositioning a brand is more often unsuccessful than successful. However, when there are major changes in a brand's Frame of Reference (major new competitive entries, technological Innovations), Market Target (new usage patterns, changed attitudes or lifestyles) or Point of Difference (product performance changes), then a Positioning change may be required.

E. Effective Positioning is simple in language and straightforward in thought.