



Concept

Positioning is the process of creating a distinct mental position or image of a product or a service in the mind of the customers as compared to other brands in the market.

Definition of Positioning

According to Kotler, “Positioning is the act of designing the company’s offerings and image to occupy a distinctive place in the target market’s mind.”



*Head &
Shoulders*







Bisleri



Benefits of Positioning

- 1. Create a strong competitive position**
- 2. Improve sales**
- 3. Define a clearer target market**
- 4. Make more effective decisions**
- 5. Connect to consumer needs**
- 6. Create an effective promotional strategy**

Basis for Positioning

- 1. Pricing-based positioning**
- 2. Quality-based positioning**
- 3. Differentiation-based positioning**
- 4. Convenience-based positioning**
- 5. Characteristics-based positioning**
- 6. Customer service**
- 7. User group**

1. Pricing-based positioning

Pricing is an essential factor that impacts the decisions of most customers. Companies with the lowest-priced products at a reasonable level of quality usually wins in many product areas.

Supermarkets, for example

2. Quality-based positioning

Quality can help rebuff most pricing wars. In some markets, such as luxury cosmetics or cars, quality can define who the competitors are.

Rolex or Apple for example

3. Differentiation-based positioning

Differentiation is what sets your product or service apart from the crowd. If your product or service is dramatically different, rivals may not pose as much of a threat.

Tesla, for example

4. Convenience-based positioning

Convenience creates an easier life for customers.

From location to usability, convenience could incorporate something like free returns and E-commerce.

Paytm or Myntra, for example

5. Characteristics-based positioning

Brands give certain characteristics to their products that aim at creating associations. It's done to make consumers choose based on brand image and product characteristics.

Automobile Industry

- | | |
|--------------------|----------------------------------|
| Safety | - TATA or Mahindra |
| Reliability | - Honda. Suzuki. Hyundai. |

6. Customer service

Customer service emphasizes creating helpful and friendly interactions. This can be especially critical in specific industries, such as restaurants and banking areas or Ecommerce.

7. User group

This type of positioning targets a particular group of users and explains why the company's offerings are directly applicable and relevant to this group.

For instance, Johnson's vs. Axe.