

# **CHAPTER 9: CRAFTING THE BRAND POSITIONING**

# **Positioning**

Positioning is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target.

The result of positioning is the successful creation of a customer-focused value proposition.

Eg – Mahindra Scorpio

Target customers – Customers interested in lifestyle products

Benefits – Ruggedness, Luxury and comfort

Value Proposition – A vehicle that provides the luxury and comfort of a car and the adventure and thrill of an SUV

# **Determining a competitive frame of reference**

Competitive frame of reference defines which other brands a brand competes with and therefore which brands should be the focus of competitive analysis.

Decisions about the competitive frame of reference are closely linked to target market decisions.

## 1) Identifying competitors

- Category membership - Product or set of products which a brand competes and which function as substitute.
- Competition can be examined from both the industry and market point of view
- Using the market approach, we define competitors as brands/companies that satisfy the same customer need.

## 2) Analyzing the competitors

# **Identifying optimal Points-of -Difference and Points-of-Parity**

**Points of difference** - Attributes or benefits consumers strongly associate with a brand, positively evaluate, and believe they could not find to the same extent with a competitive brand. That is points where the brands claim the superiority or exclusiveness over other brands on the category.

Three criteria determine whether a brand association can truly function as a point-of-difference

- Desirable to consumer: Consumers must see the brand association as a personally relevant to them
- Deliverable by the company: The company must have the internal resources and commitment to feasibly and profitably create and maintain the brand association in the minds of the consumers
- Differentiating from competitors: Finally consumers must see the brand association as distinctive and superior to relevant competitors

## **Points of parity**

Attribute benefit or associations that are not necessarily unique to the brand but may be shared with other brands.

**Category POPs** are perceived obligation characteristics a brand has to provide to exist in a specific category.

**Competitive POPs** are associations designed to overcome perceived weakness of the brand. It may be required to either:

- Negate competitors perceived points of difference
- Negate perceived vulnerability of the brand as a result of its own points of difference.

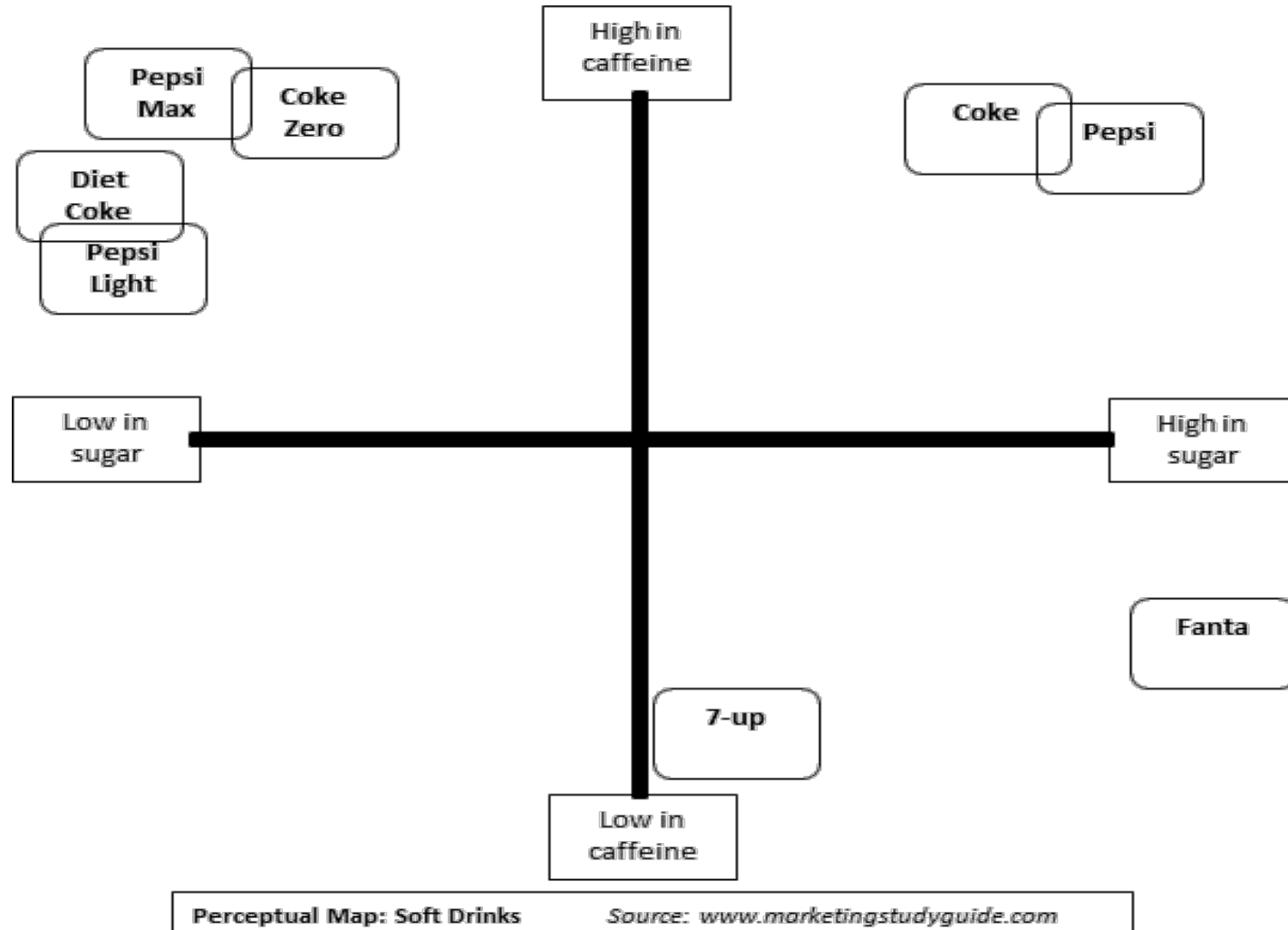
## Straddle positioning

In straddle positioning, the marketers use the blend of POP (points of parity) and POD (points of difference) to arrive at the categories for which they are positioning their products. Here, the POD for one category becomes POP for the other and vice-versa.

Example, In the case of **Scorpio**, it came with the dual positioning as luxury as well as the adventure that helped the marketers to gain dual benefit in case of a luxury segment as well as in the adventure segment. In the case of the luxury segment, the luxury is POP and the adventure is POD and for the adventure segment, luxury is POD and the adventure is POP.

# Perceptual maps

Perceptual maps are visual representations of consumer perceptions and preferences. They provide quantitative portrayals of market situations and how consumers view different products, service and brands.



## **Brand Mantras**

A brand mantra is an articulation of the heart and soul of the brand and is closely related to other brand concepts. It is a short statement that expresses the core of what that brand represents or the image it seeks to project.

A brand mantra phrase/statement is often just three to five words.

It's purpose is to ensure that all employees in the organization and all the external marketing partners understand what the brand fundamentally is. They can provide guidance about what products to introduce under the brand, what ad campaigns to run, where and how to sell the brand. Example Nike – “authentic athletic performance”.

A brand slogan/tagline is external manifestation or translation to creatively engage the consumers. A brand slogan/tagline is external manifestation or translation to creatively engage the consumers. Example, Nike – “Just Do It”.

Three criteria for a brand mantra:

1) Communicate: A good brand mantra should define the category of business for the brand and set the brand boundaries. It should also clarify what is unique about the brand.

2) Simplify: Brand mantra should be short, crisp, vivid in meaning and memorable.



|  | <b>Emotional<br/>Modifier</b> | <b>Descriptive<br/>Modifier</b> | <b>Brand<br/>Functions</b> |
|--|-------------------------------|---------------------------------|----------------------------|
|   | <b>Authentic</b>              | <b>Athletic</b>                 | <b>Performance</b>         |
|   | <b>Fun</b>                    | <b>Family</b>                   | <b>Entertainment</b>       |
|  | <b>Fun</b>                    | <b>Family</b>                   | <b>Food</b>                |

## **Establishing brand positioning**

Two approaches in establishing a brand positioning:

### 1) Category membership

Brands may be required to establish category membership for their brand. To tell consumers that they are part of a certain category

Communicating category membership - Three ways to convey brand's category membership:

- a) Announcing category benefit - Fundamental reason for using a category
- b) Comparing to exemplars - Well-known brands used to specify category membership
- c) Relying on the product description

### 2) POPs and PODs

Communicating POPs and PODs .

Negatively correlated attributes and benefits such as Low price vs. high quality ,Taste vs. low calories.

Consumers want to maximize both of the negatively correlated attributes or benefits. e.g. Philips - Sense and simplicity

# Differentiation strategies

Differentiation strategy, as the name suggests, is the strategy that aims to distinguish a product or service, from other similar products, offered by the competitors in the market. It entails development of a product or service, that is unique for the customers, in terms of product design, features, brand image, quality, or customer service.

Competitive advantage is Company's ability to perform in one or more ways that competitors can not match.

For a brand to be effectively positioned, however, customers must see any competitive advantage as customer advantage.

## Means of differentiation

**Employee differentiation:** to train employs who provide superior customer services.

**Channel differentiation:** to design distribution channel's coverage, expertise and performance more effectively to make product easily available.

**Image differentiation:** to craft powerful, compelling images according to consumer's social and psychological needs.

**Services differentiation:** to design better and faster delivery system that provides more effective and efficient solutions to consumer. Three levels: I. Reliability II. Resilience III. Innovativeness

**Product differentiation:** To have an edge over the competitors, a company can offer innovative products to its customers that best fulfils their requirements.

**Price differentiation:** Different type of pricing strategy

**Emotional branding** - refers to the practice of building brands that appeal directly to a consumer's emotional state, needs and aspirations.

Thus, a company has to

- decide which emotion it wants to target in its audience
- encourage customers to reach the desired emotionally bonded state: what the customers want, need and aspire
- create consistent communications centered on customers' emotional needs.

**Brand narratives and story telling** - Rather than outlining specific attributes or benefits, positioning of a brand is told through a narrative or story

**Brand journalism** - Brand journalism involves telling journalism-style stories about a company that make readers want to know more, stories that don't read like marketing or advertising copy.

THANK YOU