



Book Positioning: The Battle For Your Mind

How to Be Seen and Heard in the Overcrowded Marketplace

Jack Trout and Al Ries
McGraw-Hill, 2001
First Edition:1980

Recommendation

Yes, this is the renowned marketing classic, revered for bringing to light the now ubiquitous strategy of positioning. If you're in business, you probably have at least a fuzzy notion of what the term means. If you're in marketing, you probably hear the word used at least five times a day. (Seriously, try counting.) But in terms of defining positioning and explaining how to use it as a foundation for your strategy, nobody has done a better job than Al Ries and Jack Trout in this original. Of course, the book does have a slightly historical flavor to it now, since the most contemporary business examples cited arrive from the 1970s and 1980s. While a lot has changed since then, a lot hasn't. You'll be surprised how similar this book sounds to the marketing missives of 2001, despite the fact that it was written before the arrival of the Internet, globalization and other buzzwords du jour. *BooksInShort* recommends that any executive charged with product development or general business strategy join those in marketing, advertising and sales by taking a few hours to read this book, and get back to the basics.

Take-Aways

- Positioning establishes a product or idea in a person's mind.
- Once a mind is made up, it's almost impossible to change it.
- Competing against a brand that's already established in a consumer's mind is a losing battle.
- Instead, find the creneau (French for hole) in the consumer's mind and fill it with your product.
- Positioning helps you build a strategy based on your competition's weaknesses.
- Positioning allows you to use your present position to its best advantage.
- Positioning works whether your product is first in the market or not.
- Reinforcing your position is critical to your continued success.
- Keep positioning in mind when you choose a product name.
- In an over-communicated society, the best approach is an over-simplified message.

Summary

What is Positioning?

Positioning is an approach that seeks to guide the placement of your message in a prospective customer's mind. Positioning is essential for communicating in an over-communicated society.

To stand out, your company must create a position inside the customer's head. That position will be based not only on your company's strengths and weaknesses, but also on those of your competitors.

Positioning is about standing out, in order to become the product of choice in the minds of prospective customers. The easiest way to get into someone's mind is to be the first one there. If you can't be first, then you must find a way to position yourself competitively against the actual first product, service, idea or person.

“Millions of dollars have been wasted trying to change minds with advertising. Once a mind is made up, it's almost impossible to change it.”

Positioning is used in all forms of business and personal communication, not just advertising or promotion. It's just as essential in politics as it is in the most personal aspects of your life.

To cope with the deluge of messages that society produces, people rank information in their minds. This is easy with products. For example, in car rentals, most consumers would place Hertz on the top rung of the mental ladder, Avis on the second rung and National on the third. Before you can position your product, service or anything else, you must first know where it is on the mental ladder of the person (or people) you are trying to influence.

Positioning Strategies

You get to be the leader by being the first brand into the brain. Many marketing experts overlook the incredible advantages of being first, and instead attribute successes like Kodak, IBM and Coca-Cola to great marketing strategy.

“The best approach to take in our over-communicated society is the over-simplified message.”

In some categories, two leading brands run neck and neck. In those cases, the particular categories are inherently unstable. Eventually, one brand will lead the other and then dominate the market for many years. In the short term, leaders are nearly invulnerable, since momentum carries them. Their worries are long-term: Where will they be five or 10 years from now? The key is to use your short-term flexibility to assure a stable long-term future.

What works for a leader won't necessarily work for a follower. Positioning strategies for followers - those not first on the market or number one - can be tricky. Followers usually focus on making their products better than the leaders' products and launch them with a smaller advertising and promotional budget than the leader. This strategy rarely works.

“History shows that the first brand into the brain, on average, gets twice the long-term market share of the No. 2 brand and twice again as much as the No. 3 brand. And the relationships are not easily changed.”

Which strategy will work? The French have a marketing expression that explains a winning strategy: "Cherchez le creneau." This means, "look for the hole." The creneau is the hole, and you must fill it to make your product a success. To find the creneau, you must have the ability to think in reverse, to go against the grain:

- If everyone is making something big, make it small: Remember the original Volkswagen Beetle.
- If everyone is making something affordable, fill the premium-priced creneau: Joy perfume, Michelob beer, the BMW. High price is effective not only for luxury items, but for mundane ones, as well: Remember the introduction of Orville Redenbacher's Gourmet Popping Corn?

Plug the Creneau

Look for the creneau in the public's mind. You'll always find plenty of holes in which to plug your product or service. That's far more effective than trying to share space in previously occupied creneaus.

“No matter how brilliant you are, it never pays to cast your lot with a loser. Even the best officer on the Titanic wound up in the same lifeboat as the worst. And that's if he was lucky enough to stay out of the water.”

Sex is an effective creneau. Marlboro was the first national cigarette brand to position itself as masculine. Virginia Slims was the first cigarette to position itself as feminine.

The obvious isn't always a winning strategy when it comes to gender. Revlon didn't choose a delicate, feminine image when it named its cologne "Charlie" and ran ads of women in pantsuits. Still, Charlie went on to become the largest-selling brand of perfume in the world.

Packaging and distribution can open up a new creneau. For example, L'eggs pantyhose were the first to be packaged in a plastic egg and the first pantyhose available in supermarkets.

Remember, you want to fill the creneaus in the minds of consumers, not in the minds of corporate leaders. Those who reject the creneau concept in favor of being all things to all people will find that it no longer makes any sense to try to appeal to everyone. While that may have worked years ago when there were far fewer brands and far less advertising, today's market is completely different.

“Advertising is, for the most part, unwanted and un-liked. In some cases, advertising is thoroughly detested.”

Only cleverly positioned products and services that fill specific creneaus will survive and thrive.

Repositioning the Competition

When you can't find a creneau, or choose not to go looking for one, you can succeed by getting into the consumer's mind via repositioning your competition. When you reposition those competitors that occupy leading positions in the consumer's mind, you are effectively moving your idea or product in by first moving the old idea or product out. Once an old idea is overturned, selling the new idea is very simple, since people will usually search for a new idea to fill the void.

“Anyone can use positioning strategy to get ahead in the game of life.”

Tylenol repositioned its competition, aspirin, and went on to become the number-one brand of analgesic, ahead of all aspirin brands. Stolichnaya repositioned competing vodka brands by promoting itself as the only one actually made in Russia. Repositioning the competition sometimes seems like war; ads disparaging the competition are common. By relating your brand to the brands already in the prospect's mind, you can win if you can compare your brand favorably, thus repositioning the competition as less desirable.

The Power of Names

A name is like a hook that hangs the brand on the product ladder in the prospective consumer's mind. In this era of positioning, a product's name is the most important marketing decision you can make. What worked in the past won't necessarily work now, or even in the future. That's because in the past fewer products crowded the market, making the names not nearly as important.

Today, names must be the starting point of the positioning. Names must tell people the product's stand-out benefit, such as Head & Shoulders shampoo, Intensive Care skin lotion, Close-up toothpaste or DieHard batteries.

Names can become out of date, opening up creneaus for competitors. Esquire magazine was named when young men about town used to sign their name John J. Smith, Esq. But Esquire lost its leadership to Playboy magazine. Everybody knows what a playboy is and what interests him. Who today can tell you what an esquire is and what interests him?

“To be successful today, you must touch base with reality. And the only reality that counts is what's already in the prospect's mind.”

When you introduce a really new product, give it a really new name, nothing well known or familiar. You are charting new territory and your product must stand out.

Positioning Strategies

Products and services aren't the only things positioned in business - companies are positioned, too. Positioning creates a company's image. Companies always compete to occupy the best positions in people's minds.

“Moving up the ladder in the mind can be extremely difficult if the brands above have a strong foothold and no leverage or positioning strategy is applied.”

When people buy stock, they're really buying a piece of that company's position, now and in the future. The price people are willing to pay for that stock depends on the strength of the company's position in buyer's minds.

Countries, religious organizations, social groups, industries, leaders, entertainers, sports figures - everyone and everything engages in positioning. For example, the island of Jamaica has competed for tourists by positioning itself as "The Hawaii of the Caribbean."

You can position yourself and your career. You can position your own business. The strategies underlying all positioning are the same:

- You must understand the role of words, including names, slogans and descriptions.
- You must know how these words affect people.
- You must be able to manage change.
- You need vision.
- You need courage.
- You need objectivity.
- You need simplicity.
- You need subtlety.
- You must be willing to sacrifice.
- You need patience.
- You need a global outlook.

Reinforcing Your Position

Coca-Cola secured its leadership position by getting into consumers' minds first. The basic method of keeping that position is reinforcing the original concept.

“A name is a rubber band. It will stretch, but not beyond a certain point. Furthermore, the more you stretch a name, the weaker it becomes. Just the opposite of what you might expect.”

Coca-Cola did this brilliantly by literally accusing competitors of being imitations of "the real thing." This strategy isn't the same as merely saying, "We're Number One!" This approach commands a special place in the consumer's mind as the original - like one's first love - that automatically turns all competitors into poor pretenders. Xerox copiers, Polaroid cameras and Zippo lighters succeeded with this we-invented-the-product strategy.

“If you want to be successful today, you can't ignore the competitor's position. Nor can you walk away from your own.”

When you're not already a leader, but you have a product or service that will fill a creneau, use this same positioning strategy to reinforce your occupation of this previously unoccupied niche. Nyquil, the nighttime cold remedy, debuted as the first cold medicine specifically for evening use, and has successfully dominated that creneau ever since.

However, when you want to extend your brand to other related products, you have to be careful. A name will stretch, but not beyond a certain point. In fact, the more you stretch it the weaker it becomes. Don't stretch your name into areas that could backfire. A food company's brand name shouldn't be used for auto parts, even though they're owned by the same parent company. Create a new

brand name instead.

You can learn what's on the minds of prospective consumers by conducting positioning research. This can help you develop a strategy and sell it to your top management.

Position thinking is different from conventional wisdom. Position theory says you have to start with what the prospective consumer is already willing to give you, and build on that. If prospective consumers have only one positive thing to say about what you have to offer, create your strategy around that one thing. In effect, that's the creneau that you fill in the consumer's mind already, so you can win by positioning yourself as the best in that particular area.

For example, if the only thing that seems to set you apart from your competitors (in the minds of consumers) is your convenient location, flaunt that in your marketing. Ignore the rest and become the one consumers should choose because of your convenience. With these strategies you can create the position you want for yourself, your company, your idea, your service or your product.

About the Authors

Al Ries is chairman of Ries & Ries Focusing Consultants. **Jack Trout** is chairman of Trout & Partners. Ries and Trout are among the world's best-known marketing strategists.
