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Product. Price. Place. Promotion. The four key tools of marketing. To which we'd like to add the critical fifth "P". Positioning is the springboard from which the other four are launched.

If we were to visit your company, what would we learn by asking, "What is your company's/brand's positioning?" How many answers would we get? How many would answer, "I don't know?" What would you tell us?

## Positioning Takes a Backseat

All too often, companies give lip service to positioning but then get distracted with those "key" decisions needing their immediate attention. For instance, the product isn't consistently meeting specs. Competitive pressures are forcing pricing revisions. Distributors are resisting a critical part of the plan. The big trade show is approaching, and, most of the materials still need to be produced.

The purpose of this article is to make the case that positioning should be the first priority. Our experience is that while most companies talk positioning, it is often poorly understood and rarely the focus of the organization.

## A Marketer's Toolbox

Product. Price. Place. Promotion. The four key tools of marketing. To which we'd like to add the critical fifth "P." Positioning is the springboard from which the other four are launched. It is the framework and the focus on which decisions on the other four are based.

Think about it. How can you develop a new product, accurately price it, determine where it should be distributed and create a marketing strategy for promoting it without first determining how it needs to be positioned?

A very commonly held belief, perhaps even at your company, is that marketing is a battle of products. Ergo, the thinking goes, the "best" product will win.

This is counter to reality. It is illusion because there is no objective reality. No facts. No best. In the world of marketing, there is only perception. The human condition is such that the only way we know about things is through our perception of them.

Even if all the people at your company agree that you have the "best" product, it doesn't matter a whit. What matters, really and truly matters, is what your customers perceive.

## What is Positioning?

Positioning isn't a corporate mission statement. Although a corporate mission statement could be based on your positioning. Nor is it an advertising slogan or tagline, although sometimes it is. Mostly, it isn't easy to do, or explain, but here goes.

Positioning is placing your product in the mind of the prospect. It is a claim you stake. It can be competitive, attribute-driven (Heinz – "The slowest ketchup in the West"). It can be focused on the customer and benefit-driven (Federal Express – "When it absolutely positively has to be there"), or audience-driven (Pepsi – "The choice of the next generation"). Or driven by any number of things. The point is, simply, the focus is on the mind of the customer. Not on the product, price, place or promotion. They are all

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ancillary.

Importantly, note how simple each of the above examples are. Heinz = slow. Federal Express = overnight. Pepsi = younger. As Jack Trout and Al Ries tell it in *The 22 Immutable Laws of Marketing*, it is the law of focus. These brands have been able to burn their way into our minds by using simple words which they were able to make define their category. Is there a word or benefit which can redefine yours?

## Great Positioning Improves Product Perception

Do you know how the prospect perceives your company or brand? How the prospect views your competitors? What the category benefits are? What needs are unmet? And what the long-term trends are? When you can answer these questions, you are in a much better position to position your company or brand.

The first step is benchmarking. How is your company perceived by prospects? Just as importantly, how are your competitors perceived? For in-

stance, if you make Hunt's ketchup, your primary competitor would probably be Heinz ketchup, right? You might also think a little more broadly and look at other condiments.

Then you will need to determine your position relative to these competitors. What strengths and weaknesses come up for each? Try laddering. For your category, how many rungs are there on the category ladder? Who's first, second, third, and so on? Also, look at category attributes perceived by prospects to be most important. Does any competitor own them? Where do you sit on the category ladder, and what attributes are available for your company?

Heinz ketchup not only owns the top rung on the ketchup ladder, it also has staked out the category attribute of thick, slow pouring. If you are Hunt's, it would be a waste of time to attempt to replace Heinz on either, since it is incredibly difficult to convince consumers they are wrong (when they know they're right).

Lastly, as a place to start, you will need to understand

consumer motivations, needs and trends. Well-positioned products tend to fill unmet consumer needs while at the same time tap into changing consumer trends. Back to ketchup. If you were Hunt's, you might ask yourself why salsa has replaced ketchup as the number one condiment in America. Is taste, for instance, an attribute worth exploring? How about chunky texture?

Perception is the place to start. If you understand how you are perceived in relation to the competition, have found an attribute which helps define the category and can tap into long-term trends, you are more than halfway there already.

**Bottom line:** You need to start with understanding your consumer motivations, needs and trends. With positioning as your focus, you will be ready to go to market!