

## PRODUCT POSITIONING (Compiled by Deep Banerjee, Marketingpundit.com)

In marketing, **positioning** has come to mean the process by which marketers try to create an image or identity in the minds of their target market for its product, brand, or organization. It is the 'relative competitive comparison' their product occupies in a given market as perceived by the target market.

**Re-positioning** involves changing the identity of a product, relative to the identity of competing products, in the collective minds of the target market.

**De-positioning** involves attempting to change the identity of competing products, relative to the identity of your own product, in the collective minds of the target market.

The original work on Positioning was consumer marketing oriented, and was not as much focused on the question relativity to competitive products as much as it was focused on cutting through the ambient "noise" and establishing a moment of real contact with the intended recipient. In the classic example of Avis claiming "No.2, We Try Harder", the point was to say something so shocking (it was by the standards of the day) that it cleared space in your brain and made you forget all about who was #1, and not to make some philosophical point about being "hungry" for business.

The growth of high-tech marketing may have had much to do with the shift in definition towards competitive positioning.

### Definitions:

Although there are different definitions of Positioning, probably the most common is: "A product's position is how potential buyers see the product", and is expressed relative to the position of competitors.

This differs slightly from the context in which the term was first published in 1969 by Al Ries and Jack Trout in the paper *"Positioning - a game people play in today's me-too market place"*. It stated that the typical consumer is overwhelmed with unwanted advertising, and has a natural tendency to discard all information that does not immediately find a comfortable (and empty) slot in the consumers mind.

It was then expanded into their ground-breaking first book, *"Positioning: The Battle for Your Mind"*, in which they defined Positioning as "an organized system for finding a window in the mind. It is based on the concept that communication can only take place at the right time and under the right circumstances".

What most will agree on is that Positioning is something (perception) that happens in the minds of the target market. It is the aggregate perception the market has of a particular company, product or service in relation to their perceptions of the competitors in the same category. It will happen whether or not a company's management is proactive, reactive or passive about the on-going process of evolving a position. But a company can positively influence the perceptions through enlightened strategic actions.

### Product positioning process:

Generally, the product positioning process involves:

1. Defining the market in which the product or brand will compete (who the relevant buyers are).
2. Identifying the attributes (also called dimensions) that define the product 'space'.
3. Collecting information from a sample of customers about their perceptions of each product on the relevant attributes.
4. Determine each product's share of mind.
5. Determine each product's current location in the product space.
6. Determine the target market's preferred combination of attributes (referred to as an *ideal vector*).
7. Examine the fit between:
  - The position of your product.
  - The position of the ideal vector.
8. Position.

The process is similar for positioning your company's services. Services, however, don't have the physical attributes of products - that is, we can't feel them or touch them or show nice product pictures. So you need to ask first your customers and then yourself, what value do clients get from my services? How are they better off from doing business with me? Also ask: is there a characteristic that makes my services different?

Write out the value customers derive and the attributes your services offer to create the first draft of your positioning. Test it on people who don't really know what you do or what you sell, watch their facial expressions and listen for their response. When they want to know more because you've piqued their interest and started a conversation, you'll know you're on the right track.

### Positioning concepts:

More generally, there are three types of positioning concepts:

1. Functional positions
  - Solve problems.
  - Provide benefits to customers.
  - Get favorable perception by investors (stock profile) and lenders.
2. Symbolic positions
  - Self-image enhancement.
  - Ego identification.
  - Belongingness and social meaningfulness.
  - Affective fulfillment.
3. Experiential positions
  - Provide sensory stimulation.
  - Provide cognitive stimulation.

### Measuring the positioning:

Positioning is facilitated by a graphical technique called perceptual mapping, various survey techniques, and statistical techniques like multi dimensional scaling, factor analysis, conjoint analysis, and logical analysis.