

Introducing Brand Positioning

Author : lauren-shufran

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When Lyft came onto the ride-sharing scene in 2012, it was up against a company that had—in just four years—become a giant in an industry of its own making. Uber had solved a problem that consumers didn't even know they *had*: Getting a ride was now more efficient, intuitive, and economical than the hundred-year-old practice of "calling a cab" or "hailing a taxi."

Uber's black car service was elite, innovative, and trendy, as was its logo: a sleek silver "U" on a black background that screamed luxury. Its tagline was "Everyone's Private Driver." Its drivers dressed smartly (many wore suits), got out of their cars and opened doors for passengers. Riders sat in the back seat, as though in a limousine.

Lyft's marketers recognized that there was something potentially *too* stiff, formal, or pretentious about the Uber experience. They saw a gap in the market for a ride-sharing experience that felt more casual, lively—even playful. Lyft's name is a play on the colloquial term for a ride, and its trademark color is neon pink. Its earliest tagline was "Your Friend with a Car." Initially, its drivers affixed three-foot long pink mustaches to the grills of their cars. Riders were encouraged to sit in the front passenger seat, which inspired a culture of camaraderie—rather than one of hierarchy, as Uber's brand did.

One can see why Lyft became a more appealing option for just as many *drivers* as it did for passengers. Rather than being perceived (or treated) as someone's chauffeur, many drivers chose to work for Lyft for the fist-bumps and friendly interactions.

Of course, both companies have gone through their share of transitions over the years; but the point here is that Lyft *was absolutely clear about its purpose* when it positioned itself in relation to Uber. It understood Uber's brand positioning thoroughly, perceived its competitor's weaknesses, and knew how *it* could offer consumers an experience that Uber simply *couldn't*, by virtue of the position Uber had decided upon. (Positioning strategies are mutually exclusive: When you choose one, you necessarily dispense with other possible positions.)

"Your Friend with a Car" was an adorable slogan, sure; but it also spoke to Lyft's clarity of purpose. It was a promise to riders about what they could expect; and that promise was borne out in the company's advertising, logo, mission, internal culture, and more.

That's strong brand positioning. And no matter what industry you're in or how big your business is, you'll do yourself—and your bottom line—a world of good by taking a tip from Lyft and cultivating a strong positioning strategy. Doing so positions you to become a powerhouse in your industry. *Not* doing so positions you to get lost in the noise of the marketplace.

What *is* Brand Positioning?

Let's begin with two definitions of brand positioning from two classic marketing texts... because, well, they're "classics" for a reason. In [Marketing Management](#), [Philip Kotler](#) and [Kevin Lane Keller](#) define positioning as "the act of designing the company's offering and image to occupy a distinctive place in the minds of the target market." In [Positioning: The Battle for Your Mind](#), [Al Ries](#) and [Jack Trout](#) define positioning as "an organized system for finding a window in the mind."

Ries and Trout's metaphor—the window—is one we've always loved when it comes to brand positioning. It suggests a framed (and thus narrow) but uncluttered space where clarity of perception is the predominant experience. In *this* case, that "clear view" is of your company.

Put less metaphorically, brand positioning is all the processes you put in place, and all the activities you observe and implement, to distinguish your brand in your target market's minds by differentiating it from your competitors in meaningful ways. It's *every* attempt you make to create a unique impression of your business so consumers come to associate your brand with something singular and desirable—something *no one else* in your industry can offer them... even if they actually *can*. Think safety for Volvo: Plenty of cars are as safe, if not safer, than Volvo. But after decades of playing up the safety angle—pioneering three-point seatbelts and side-impact airbags, spending \$81 million on the most technologically-advanced crash-test laboratory in the world—the company essentially "owns" that feature.

When we talk about brand positioning, we're not talking about a physical location, but a market share: *That's* what you're trying to win. To do so, you've got to find the angle that no other brand in your industry has taken (and that *you're equipped* to offer) and run with it, through strategies such as pricing, packaging, customer service, advertising, PR, promotions, distribution, social media strategies, and more.

What is uniquely true about your brand? How do each of these elements support that truth?

And yet there's more to brand positioning than this. Because while you may be able to find that "window" in the minds of your target market, *they're* still the ones who'll interpret what you *put* there. In this sense, the term "brand positioning" is a bit of a misnomer: It appears to promise that a brand can position *itself*. Of course, there *are* things about your brand you can control: logos, packaging, [website](#) design, and ad copy are a few examples that come to mind. But how your market *perceives* those things, what consumers *experience* at every touchpoint when they interact with your brand, and how your brand ultimately makes them *feel*, are less controllable.

So the question becomes: What influence might you have over those perceptions, experiences, and feelings? How can you *co-create* your brand position in *collaboration* with your target market?

The Benefits of Brand Positioning

Positioning will happen *whether or not* your company is proactive and deliberate about a strategy. Failing to communicate a clear position is called "under positioning." It means you *still* occupy a position in your market... it's just one in which your target market has no idea who you are or what makes you exceptional.

And your business can't see benefits if your market is unaware of those things.

On the other hand, there are a lot of advantages to experience when you put your energy into brand positioning. Here are a few:

Brand positioning allows you to break through the market clutter

The average consumer is confronted with [4,000 to 10,000 marketing messages](#) every day. That includes Facebook ads, Google ads, television and radio commercials, exposure to the brand names in your kitchen cupboards and your closet, the billboards and logos painted on the delivery trucks you pass on your way to work... the list goes on. We're more inundated than we even realize—and *that's* because we've learned to ignore the vast majority of these messages. It's simply too much exposure, and too much noise, otherwise.

That desensitization is what your business is up against. It means your obstacle is *twice as high*: You've got to cut through the sheer volume of marketing messages out there *and* through consumers' willful neglect. A good positioning strategy ensures you leave an impression on people trained to be *unimpressed*—because it speaks directly to your prospect in a meaningful way about what *matters* to them. (A strong positioning strategy can also clarify that prospect's [persona](#) for you, by the way.)

Brand positioning creates market differentiation

This benefit overlaps with the first. After all, there's no standing out in a market saturated with products that look *exactly like yours*. Brand positioning helps you articulate how the value *you* offer is different (read: better) than the value your competitors offer. Maybe that's by resolving an unmet need (think Uber), delivering an experience your competitors *don't* (think Lyft), or offering a unique customer benefit (think Domino's "30 minutes or free" promise... a promise, by the way, the company ultimately couldn't uphold. Domino's should be a lesson for *every* business's branding efforts: Your brand position is a promise you must be able to keep).

Market differentiation is important for more reasons than we can name here—and you can probably

intuit many of them. But here are two significant ones: 1) Strong differentiation can actually *create* demand; and 2) Differentiation enables you to compete on *value*, rather than on *price*. In other words, when you can clarify the distinctive value you bring to market, you can command a premium price.

Brand positioning provides direction for your business

As we've mentioned, a powerful positioning strategy helps your business determine the core message you want to communicate to your target market. Once you know *that*, you'll have a guiding light for nearly every business decision you'll make. Let's say, for instance, that you decide to position your brand as offering an eco-friendly alternative to the products currently on the market. Doing so means that your packaging decisions are, in part, *already made*: You'll use biodegradable compostable packaging rather than plastics. It *also* means that decisions around [survey](#) or advertising channels are, in part, already made: You'll go digital rather than use paper. And so on.

Likewise, if your positioning revolves around the value you offer in your sophisticated and highly-innovative product, you'll never suddenly decide to compete on price: *That* would appear to undercut the "promise" you'd made about your product. If your positioning revolves around the incredible customer service you offer, you'll implement a rigorous in-house training program, maintain a consistent presence on all social media channels for incoming questions, and maybe organize community events so that your customers can directly interact with your team.

You get the point. Strong brand positioning ensures that when you're faced with a decision about *any* aspect of your business, you won't resort to the status quo. You'll have direction for your marketing communications, your advertising, your social presence, and your company culture. You'll write [a more powerful company story](#) bolstered by stronger copy—because you'll more intimately know your brand's character, its biography, and its DNA.

Brand positioning makes it easier for prospects to buy from you... and then stay loyal to you

Ultimately, consumers want to make decisions that are both obvious and easy to make: They *don't* want to arduously research and test a dozen alternatives until they find the product or service that's right for them. Strong brand positioning will help consumers more effortlessly decide *whom* to trust and *what* to purchase. After all, you'll be speaking directly to the right market segment in the right voice; and you'll have differentiated your product in such a way that *that* segment feels emotionally triggered (in a good way!) by your marketing messages.

Of course, if their experience of your company aligns with the promise you've made in your [brand differentiation](#), you'll get more than a single purchase from them: You'll win loyalty over the long term. Your brand will become their preference, and they'll return to you again and again.

The Key Components of Successful Brand Positioning

As we've mentioned, "creating" successful brand positioning isn't something your business can "do." At most, you can make decisions that *guide* your target market into perceiving your brand in a favorable light, and that help consumers see how what you offer is something remarkably different than what your competitors offer.

The part you have control over has to do with identifying, exploring, and continually refining your distinctiveness.

Determining your market position will ultimately mean deciding upon the primary value (or customer benefit) you can offer your prospects. And there are three qualities that primary value will need to have:

- It must be a value or benefit that is important to your target market. We'll call this "the relevance factor."
- Your business must be uniquely capable of delivering that value or benefit. This is the credibility or attainability factor.
- Your competitors must not be adequately delivering that value or benefit to your market at present... and *ideally*, it shouldn't look like they'll be offering it anytime soon. This is the differentiation factor.

Based on those three qualities, you may be able to infer that there are three key components to a successful brand position:

- **A profound understanding of your target market and what it wants.** We'll talk more about [creating your customer persona](#) shortly. Remember: *These* are the people whose minds you want to find that "window" in. Your target market is the audience that *all* your branding efforts are designed to appeal to. They'll be the starting point in determining how you differentiate your offering, what benefits you'll highlight, and what *kind* of emotional connection you should strive for. Put simply, if you don't know your target market intimately on these levels, *any* positioning efforts you undertake are likely to fail.
- **A profound understanding of your company's capabilities.** Remember the cautionary tale told by Domino's "30 minutes or free" story: The company ultimately dropped its fast-or-free delivery promise after what its founder, Thomas Monaghan, called an increasing "[public perception of reckless driving](#) and irresponsibility." There's no guarantee that you'll gain your market's trust back after you've failed to deliver (pun intended) the first time. So make sure you can follow through on the promise your brand positioning makes: Both what it *explicitly* promises—in your [value proposition](#), for instance—and what your brand position

suggests: "30 minutes or free" certainly *implied* "SAFELY in 30 minutes or free." Unfortunately, Domino's couldn't meet the standard implied by its own tagline.

- **A profound understanding of your competitors' capabilities and brand positioning.** This one's simple enough: If you don't understand [how your competitors are positioning their brands](#), you can't differentiate your brand from theirs... and you *certainly* can't capably compete. Doing the work of determining your competitors' positioning—not just *once*, but frequently—will prepare you to respond and react quickly to changes in their strategies. And we probably don't have to outline the benefits of staying a step ahead of their game.

Once you've got a grasp of these key components, you'll be able to [differentiate your brand, come up with your value proposition and unique selling point \(USP\), write your positioning statement...](#) and more.

Remember, the strongest brands you can think of (Apple, Coca-Cola, Nike, Ikea) didn't just *happen*. They're the result of patient, long-term strategies that used as many tools in the branding toolbox as possible. And while you may not *feel* like you have access to "all the tools," you *can* create a powerful brand position no matter *how* small your business is—ultimately winning what's called "mindshare" (a relative level of awareness about your brand) in the business world. In the following pages, we'll show you how.

If you've been in business for awhile, the first three things worth asking for your positioning (or repositioning) strategy are: 1) Where do I think I am? 2) Where do my customers think I am? and 3) Are these two answers aligned? In other words, you'll start from where you're "positioned" today. In the next section, we cover [how to perform a brand audit to discover how your brand is currently perceived](#).