
UNIT 9 PRODUCT POSITIONING

Objectives

After reading this unit you should be able to:

- explain the meaning of product positioning
- explain the importance of strategic importance of positioning decisions
- analyse the various bases of positioning
- develop basic understanding of perceptual maps methods
- try and develop basic understanding of using perceptual maps for decision making.

Structure

- 9.1 Introduction
- 9.2 Positioning Strategies
- 9.3 Tools for Positioning Decision Making
- 9.4 How to Use Perceptual Maps for Decision Making
- 9.5 Positioning of a Brand
- 9.6 What Do you Do when you are First
- 9.7 The Mind Eliminates vs. The Mind Ranks
- 9.8 Positioning: Product Differentiation :Market Segmentation
- 9.9 Some Classic Positioning Examples
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9.1 INTRODUCTION

The term product (brand) positioning refers to the place a product occupies in a given market. This depends on market structure, competitive position of the firm, and the concepts of substitution and competition among products. Product Image suggests a new perspective on product positioning, like consumers' perceptions concerning the place a product occupies in a given market.

The word positioning encompasses most of the common meaning of the word position, position as a place (what place does the product occupy in its market?), a rank (how does the product fare against its competitors in various evaluative dimensions?) and a mental attitude (what are consumer attitudes the cognitive, effective, and action tendencies) toward the given product. Hence, product positioning should be assessed by measuring consumers' or organisational buyers perceptions and preference for the product in relation to its competitors (both branded and generic).

Product positioning is determined based not only upon perception - perceived similarly to other products- but also on consumers' preferences for it (overall preference as well as preference under various conditions). This is so as customer behaviour is a function



of both perception and preference and also because buyers may differ with respect to both perception and preference.

Whether one uses perceptions, preferences or both as a basis for product positioning, the identification of the appropriate set of brands and products is most important.

Identifying a broad set of competing items is quite crucial, since it constitutes the stimulus set for the positioning study. In designing the stimulus set, it is sometimes desirable to include two types of products and brands-brands in the same product class and products and brands outside the physical product class that may be used by consumers as substitutes for the product in question. For example, in a study of soups, one could include a set of different soup brands, forms, types and flavors as the primary set, as well as home made soup and a set of soup substitutes such as sandwich, salad and coffee.

After identifying the relevant set of brands and products, the consumers' perceived brand positioning is determined by eliciting-

- consumers' perceptions using a variety of available procedures for similarity measurement
- consumers' preferences -overall and under a variety of usage and purchase conditions
- both perceptions and preferences.

9.2 POSITIONING STRATEGIES

You need to keep it in mind that the design of a positioning strategy involves a number of considerations.

Perceived positioning of the current products by each of the firm's relevant market segments.

Market Segmentation Considerations

In view of the heterogeneous nature of every market, the real value of product positioning is revealed only when the positioning is Coupled with an appropriate market segmentation strategy. This is because differences do exist among segments and hence, comprehensive analysis and subsequent strategy would require positioning by segments and not just a single positioning for the total market.

Product Line Considerations

Since most firms have multiple products, the positioning decision of any given product should take into consideration the place the product occupies in the firm's product line as perceived by consumers and the firm's other relevant stakeholders. Also, it should try to reduce consumer's confusion among the various products and each product should be differentiated on some dimension relevant to the target market. This reduces product cannibalization. Product line positioning should not be limited only to the firm's own products but should consider also the product line of its competitors.

Alternative Bases for Positioning

In developing a positioning strategy management can use a number of alternative bases for **positioning**. **These include Positioning on specific product features.** Price and specific performance features are often used as a basis for positioning. Product feature positioning can range from specific tangible benefits such as MRF's formula car tyres "The power of knowledge" of the economic times.

Positioning on benefits, problem solution or needs strongly linked to product feature positioning is benefit positioning which describes product's benefit to the consumer. For example, in positioning hair dyes, their specific benefits like no side effects, more effectiveness, easier administration etc. are given with little concern for the chemical ingredients that lead to that benefit.



Positioning for specific usage occasions: Related to benefit positioning is the positioning for specific occasions. Consider for example, MAGGI 2 minute noodles' when a snack is required as fast as possible and 'Kellogg's Cornflakes for breakfast'.

Positioning for user category: A few examples of user-based product positioning are "Pepsi's Generation next" and Raymond's "The Complete Man" More detailed 'user' positioning can be seen in the case of Electrolux's fully automatic washing machine whose user's as those with "hands that are creamed lotioned and nail polished, and those who are sophisticated and intelligent that they would consider it insulting and way below their manicured dignity to turn more than one knob."

Positioning against another product : This positioning strategy ranges from implicit to explicit. Examples of implicit positioning are the 'attribute charts' of Cars and TVs. An example of implicit positioning is 'Thomson presents what is missing in other televisions', without naming the competition. More recently, direct comparison of brands had become common as in the visual advertisements of Pepsi and Coca-Cola starring cricketers. This form of comparison with a direct competitor is aimed at attracting customers from the compared brand by head-on positioning against the competitor.

The other form of positioning based on brand comparison is not at the hope of attracting the customers of the compared product but for using the comparison as a reference point for establishing one's own comparison. Before launch, TELCO positioned Tata Indica by claiming the following features - Maruti Zen's size, Ambassador's internal dimensions the price of a Maruti 800 and with running cost of diesel.

Product class dissociation: Such positioning is somewhat less common but is effective when introducing a new product, which differs from the typical products in an established category. At the brand level most successful anti-product class positioning is that of 7-up with is 'Un-cola' positioning.

Hybrid bases: Product Management could use a hybrid approach incorporating elements from more than one basis for positioning.

Activity 1

Pick up six FMCG products of your choice and identify the basis for their positioning.

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Selecting a basis for positioning

From the different basis of positioning the best choice depends on the characteristics of the firm, product, market and environmental setting. These include: -

- The firm's market position. Is the product a leader or contending number two, or one of the smaller brands?
- The positioning used by current competitors.
- The compatibility of the desired positioning with consumers' needs, wants, and current perception of the product's positioning versus its competitors, and the given product class.



- The 'newness' of the basis for positioning.
- The resources available to convey the positioning effectively and its compatibility with firm and marketing strategy.
- The firm's desire for an innovative versus "me too" image
- The legal environment, i.e., likely legal action against the proposed positioning.

9.3 TOOLS FOR POSITIONING DECISION MAKING

Psychologists have developed techniques of positioning objects in a two dimensional "virtual space" using perceived similarities or dissimilarities among the products or brands. These spaces were developed using overall observation of products rather than the list of product characteristics such as features or attributes. Consumers are allowed to perceive about the attributes on their own. Such 'virtual spaces' constructed were referred to as "perceptual maps". The techniques used for deriving perceptual maps were labeled as "Multidimensional Scaling (MDS)". MDS methods were used extensively in the positioning decision making. In fact MDS is a set of techniques developed by the mathematical psychologists, which portrays the relationships among products, brands, firms or other objects of interest on a geometric space. In reality the perceptual space would be a multidimensional space, because the consumers evaluate the product on number of attributes or features. These attributes or features may be physical or perceived by themselves would eventually act as evaluation criteria for purchase. Developing a graphical representation of the relative positions of products or brands has the following advantages.

1. Space can be used to portray the product attributes significant to the consumers.
2. Relative strengths and weaknesses of the products/brands can be evaluated on the specified product attribute dimensions.
3. Entire set of products can be seen and perceived together based on their similarities or differences. Hence, the competitive positions of different products can be analysed better.
4. Space may be used to locate the preferred position, identify opportunities for new products or brands as well as promotional strategies.

In fact use of perceptual maps in positioning decision making has brought in qualitative change in the process, Subsequently number of techniques have been developed for portraying multidimensional spaces. Statistical techniques come in handy to draw perceptual maps. Some of the methods frequently used are regression analysis, discriminant analysis, correspondence analysis, factor analysis, conjoint analysis and so on. However, the perceptual space drawn from each method has very different meaning from that of others. Hence, the perceptual maps drawn using the data collected for different methods from the same set of consumers, may or may not coincide exactly. On the other hand it provides lot of flexibility in the usage in terms of matching the method. with decision making context, product characteristics, consumer profile etc.

Primarily the multidimensional scaling methods differ based on the nature of the input data. One main difference in the input data is that of attribute ratings or overall product similarity/ dissimilarity. The second major difference is that the input data can be perceptual or preference ratings. In the following sections we would concentrate only on the two methods of perceptual mapping namely, attribute based (AB), and similarity based perceptual maps.

Attribute Rating Method

Consumers are presented with a full set of product attributes and asked to rate them on each attribute of every product/brand included in the analysis. There are four critical steps developing a perceptual map using attribute rating methodology.



1. A set of products which are competing in the market has to be selected for evaluation. Based on the objectives of the study, product attributes are also generated. For example, the attributes can be product classes like, mutual funds, writing equipments, two wheelers etc.
2. At this step perceptual data has to be collected from the consumers. Very often questionnaire surveys are used for this purpose. The collected data can be organized in to a set of matrices. Consumers are required to either rate or rank all the alternative products on a particular attribute. Alternatively, the data can be collected on each of the attributes across all the products. A typical "data cube" would look like the structure shown in the Figure 9.2.1. The matrix shown in the figure is the data collected from a single prospective customer for different brands of pens on the specified product attributes. And there will be similar matrix for every respondent to make the data cube. At this stage it is important to verify that the perceptual maps are drawn for every segment separately. This is necessary because the vital assumption behind using perceptual mapping techniques is that all the customers who have responded have more or less similar perceptions about the product alternatives. Hence, care should be taken to construct separate perceptual maps for every segment.

The third step in deriving perceptual map is selecting the perceptual mapping techniques, like factor analysis, MDS, or others. However, procedure of using a specific technique for drawing a perceptual map is beyond the scope of this reading material. Typically in a attribute based perceptual mapping the ratings are subjected to factor analysis. The most important underlying structures (Factors) are abstracted using the statistical procedures and used as coordinates in the perceptual map.

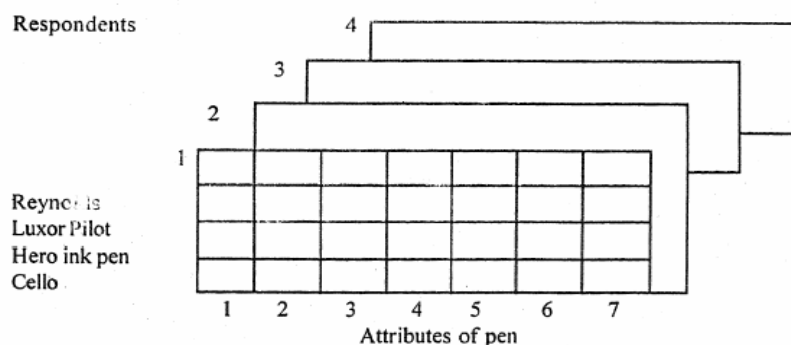
There are certain limitations in using attribute based perceptual mapping methods for some product categories where the definition of product attribute is difficult, for example, products like soft drinks, perfumes, deodorants etc., are competing on attributes like, taste, fragrance, fizz, etc., which are extremely difficult to verbalize. In such type of product evaluation contexts overall similarity based methods would be preferred in the attribute based methods.

Table 9.2.1: List of Attributes for different brands of pens

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Attributes	Reynolds	Luxor Pilot	Hero ink pen	Cello
Smoothness in writing				
No leakage				
Grip				
Easy to refill				
No smudging				
Clip for holding				

Figure 9.2.1 : Data set generated through Attribute Based method



Adapted from Dolan 1991.



Activity 2

Nome four major small passenger cars that would fit into Attribute Rating Method. And list out the product attributes for evaluation.

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Overall Similarity-based Method

The significant difference between attribute based methods and overall product similarity (OPS) based methods is the input data. In OPS based methods the perceived similarity or dissimilarity between different products is conceptualized into psychological distance. The respondents are asked to make judgements about the overall similarity or dissimilarity among the products presented to them.

The first step is to identify the product / brand alternatives of interest for evaluation. Usually the competing products are chosen for evaluating the consumer perceptions. Care should be taken to familiarize consumers with the product alternatives. For strategic decision making a broader set of products/brands are considered and in case of tactical decisions more closer alternatives are included in the evaluation.

Respondents are presented with all possible combination of the product alternatives as pairs. For example if there are five products then the respondents have to evaluate 10 pairs $n*(n-1)/2$. For example if five brands of after shave lotions have to be evaluated, namely old Spice, Park Avenue, Blue Stratos, Nivea , and Premium. All the ten combinations presented below are given to the consumer to evaluate them and obtain ratings based on similarity or dissimilarity. For example the question is posed as below:

Following are the ten pairs of after shave lotions in the market. Please rate the pair according to the similarity of the two brands on nine points. Most similar pair is 1, and the least similar pair is 9.

Pair 1	Old Spice	—	Park Avenue	_____
Pair 2	Old Spice	—	Blue Stratos	_____
Pair 3	Old Spice	—	Nivea	_____
Pair 4	Old Spice	—	Premium	_____
Pair 5	Park Avenue	—	Blue Stratos	_____
Pair 6	Park Avenue	—	Nivea	_____
Pair 7	Park Avenue	—	Premium	_____
Pair 8	Blue Stratos	—	Nivea	_____
Pair 9	Blue Stratos	—	Premium	_____
Pair 10	Nivea	—	Premium	_____

- Alternatively consumers may be asked to rank the pairs based on similarity on the descending order. That is the most similar is given the rank 1, and the most dissimilar is given the rank of 10. If the number of product /brands included for evaluation is small, direct ranking is easier. If the number is large it is easier to collect



the ratings for individual pairs separately. The collected data are used to construct the similarity matrix. Such a matrix will be symmetric because of the major assumption in data collection that there is no difference in the perceived distance between products A and B and between B and A. Typical distance matrix would look like Table 9.2.2. In this method also it is important to draw a separate perceptual map for every segment for meaningful interpretation and use in decision making.

Table 9.2.2 : Distance Matrix

	Old Spice	Park Avenue	Blue Stratos	Nivea	Premium
Old Spice	1				
Park Avenue	4	1			
Blue Stratos	6	3	1		
Nivea	8	5	4	1	
Premium	9	7	5	3	1

The matrix is presented based on hypothetical data.

- 3) Deriving the perceptual map using several algorithms available for the purpose. Generally the algorithms develop the map by maximizing the inter spatial distance between the dissimilar products and minimizing the spatial distance between the similar products by searching on the several dimensions.
- 4) Based on the distribution of products, the dimensions of the coordinates have to be identified by the researcher. This is one of the major disadvantages of this method. Further, for the algorithms to operate effectively at least eight alternatives have to be included in the evaluation.

At the out set there are certain advantages and associated disadvantages in choosing either of the method. Table 9.2.3 provides a broad comparison of these two methods.

Table 9.2.3 : Comparative analysis between AD and OR based perceptual mapping methods

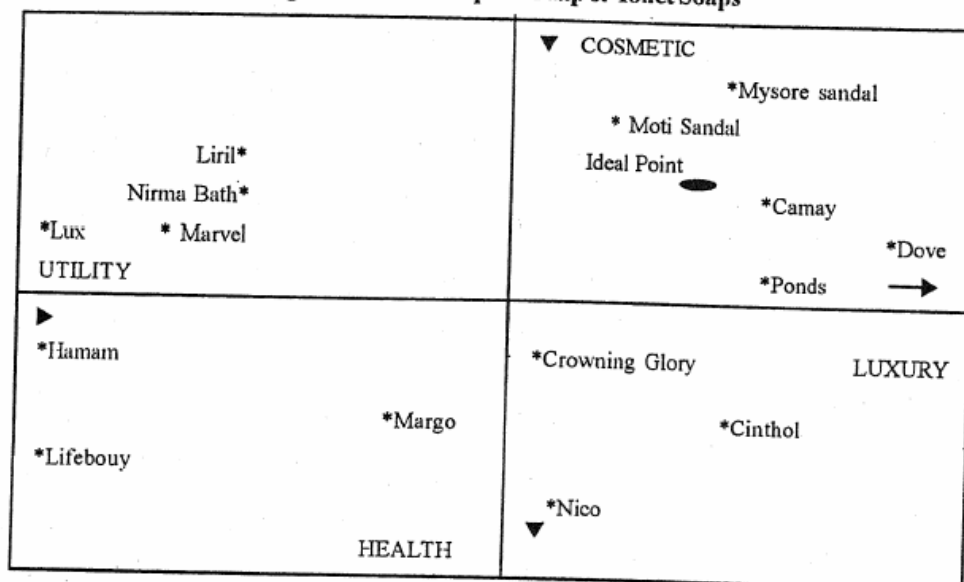
	AB	OR
Input data	Attributes have to be identified Ratings on attributes for different products	Respondents are free to define similarity between products Overall similarity ranking
Methods used	Factor Analysis Discriminant Analysis Conjoint Analysis	Multidimensional Scaling
Output data	The products are located on the perceptual space on the defined axes	Relative product position Interpretation is left to the researcher
Suitable for	Products or services for which the attributes are hard and can be clearly verbalized	Products or services for which defining and verbalizing attributes is difficult

Source: Dolan 1991.

9.4 HOW TO USE PERCEPTUAL MAPS FOR DECISION MAKING

A hypothetical perceptual map of toilet soaps is portrayed in Figure 9.2.2. If you took at the locations of various brands of soaps carefully. The vertical dimensions are named as cosmetic and health, and the horizontal dimension is identified as utility and luxury.

Figure 9.2.4 : Perceptual Map of Toilet Soaps



General guidelines for positioning strategies are:

- 1) Closer the two products or brands on the perceptual map, they are perceived by the consumers as similar. Hence, those two products are more likely to compete with each other. For example Mysore sandal and Moti Sandal, and Liril and Nirma Bath are very close to each other, hence, they would compete closely in the market.
- 2) If the company's product is closer to the "ideal point" on the perceptual map, and other products are away from the ideal point then the probability of purchase of the **product** closer to the ideal point is higher. Example Camay and Moti Sandal are closer to ideal point, and Lifebouy is quite far away from the ideal point.
- 3) Product is isolated on a relevant dimension, then it shows that the consumers perceive the product as unique. Nico is a stand alone product in the health dimension may be because of its medicinal properties.

Perceptual maps help in evolving various alternatives and deciding specific strategies for positioning. For example:

- Moving the product or brand more closer to the ideal point. This decision can be implemented by product development, redefining the product offerings, focusing the communication and so on. In fact the implementation would involve careful integration of the whole set of product in market strategies.
- Moving the ideal point closer to the company's product. It can be mainly achieved by communication and promotion strategies. However, it is a Herculean task because shaping belief structure of the consumers would be very difficult.
- Developing a new product to fill in the gap on the perceptual map.

It is important to note that consumer perceptions and preferences may undergo a constant change because consumers receive information from the market continuously, new products are being launched, consumers themselves learn about newer things. Abstracting consumers perceptions and preferences in to a perceptual map can capture only the static picture. Hence, it is essential to monitor the market and changing consumers perceptions periodically for effective decision making.

9.5 POSITIONING OF A BRAND

Besides selecting a suitable brand name for a product, another important decision which a marketer has to take is regard to a product, the way you will like your Product/brand to be perceived by your consumer.



In order to be successful a marketer has to effectively communicate his product to his prospect. you have to make sure that through your communication your product is Seen, Heard and Accepted by your consumers.

The Art and Science of making your message seen, heard and accepted by another human mind is what positioning is all about. When you apply this concept to your communication messages for your brand so that your brand is Seen, Heard and Accepted by the human I mind of your prospect, you are actually positioning your brand. Naturally, if your message about your brand has been seen, heard and accepted by your prospect. You have succeeded in building the desired perceptions about your brand in the mind of your prospect which has led him to accept and adopt your brand.

Positioning is a powerful approach to communication. It is a concept which is as old as product differentiation and market segmentation. However, it was only in 1972, when two advertising practitioners A] Ries and Jack Trout paid attention to this phenomenon of positioning. They tried to highlight its importance in communication and attempted to give it a conceptual base. Therefore, researchers and practitioners alike have probed into this subject to develop it further and to give it a more comprehensive conceptual base.

Positioning is away of determining and achieving a place in the perceptions of the consumer, relative to the competitors.

In fact, you will not be able to appreciate the importance of this approach or the Advantages of using this approach till you are able to understand what is the nature and degree of problem that you are faced with, when you wish to communicate with another human mind, to influence with another human mind about your product so that your product is not only seen, heard but accepted by this other human mind. '

Today what we have is **an over communicated society**. If you were to switch on your television set before any famous serial you have anywhere from 25-3jminutes of advertising built out of 10seconds to20seconds commercials. We had on an average about 30Minutes of advertising before the serial 'MAHABHARAT. A few years ago this was not the case. *As* time progresses, We amount of communication, we have to receive, continues to grow

With such a heavy usage of advertising, some of us might even turn down the volume of our T.V set, during the commercials and wait for the actual serial to start.

Well, anyway this is how the **Human Mind Functions** - when attacked indiscriminately with stimuli from outside, it shuts itself off (Perceptual Blocking). The human mind could probably be compared to a dripping sponge which cannot absorb any more and if it must, it has to be at the cost of what is already there. We suggest you go back to Block 3 (Understanding Consumers) of course MS-6 (Marketing for Manager).As you know, mind selects only a tiny fraction finally gets in (Selective Exposure and Selective Retention). Mind distorts information that* is not consistent with their needs, values and beliefs (Selective Distortion).you see what you expect to see-Take two suit length from a roll of a famous brand say 'Raymonds'. On both put the same price – let one of them carry the famous brand name 'Raymond' on the other invent and put a name. Ask your friend to choose one of them -you know what he will choose!

Mind goes .first impressions, by recommendations (Opinion Leaders). People like to jump to conclusions.

If you are presented with an incomplete idea, your mind ho-an urge to complete it according to your beliefs, values and motives.

When a number of stimuli attack the mind-how does tile mind cope up with it? It will group them and perceive them as unified wholes. Say you have been on a holiday for a few days to a hill station. When you come back and someone asks you how was the holiday-pat comes the reply 'very exciting'- 'good or merely alright'. There may have been a 1-2 exciting days, when you say 'alright'. Thus, mind goes by generalities.

To understand the problem of communication further just sit down and think for a moment the number of media options, we had in India about two decades ago and what we have today. A few years ago, we had only one channel oil TV, today innumerable

Media Options '



are Multiplying. The number of manufacturers and products offered by them are multiplying. Computers in India, are in the fore front today, we have a vast number of computer companies offering a variety of software and hardware. There is virtually a Product Explosion. To cope with this situation what we get in more and more of Advertising **Input**. Ironically as the use of advertising goes up, its effectiveness goes down. How do you cope with this virtual **Media, Product and Advertising Explosion?**

How do we make a lasting impression on such a mind?

The best approach to take against this back drop in order to communicate effectively is to Over Simplify Your Message. Make your message more and more clear, remove the confusion from them. "Don't use Creek and German, when you want to talk to an English Man." Use Simple Words. Talk in the language of people you want to communicate to- if it is a common man, use common man's language and so on.

Don't hide your idea in words, be clear about it. To highlight this statement, we draw your attention to watch advertisements which have appeared in HINDUSTAN TIMES DAILY in the beginning of October 1990, end of September 1990.

The Titan Quartz advertisement headline which is set out in simple type reads

"Next time he offer's to buy you a saree, Suggest Titan Quartz instead.

You have just a few seconds

As a marketer, you could probably write a book on your product for your consumer. Don't worry, you will not need to do so, your customer is in a hurry. That's not all, you also need to be quick if you want to create an impact. On the television, you probably will have a shot of 10 seconds or may be 20 seconds to talk to your consumer, while going through the print media may be just split of a second to be seen, a few seconds to be heard and may be a few more seconds to be **accepted or rejected** by the consumer.

You therefore in order to effectively place your brand, have to communicate carefully- **choose the message which has** best chance to get into your prospects mind -;which your prospect can understand, which beholds his attention, gives him a reason to read. It should also provoke a thought process in his mind and should create a distinct image, a position for your brand in his mind.

The message can create an unfavourable position or a favourable position. A favourable position is one which changes his attitude towards your brand leading him to accept it. Say Al Ries and Jack Trout, when you start viewing your communication task in this way, you tend to get valuable leads.

To communicate successful **we need to touch the base with realism about what is already there in** the mind of the prospect. What matters is what really gets in and what impression it builds in your prospects mind. Therefore what you should do is, you into your prospects mind and start concentrating on what is really-getting in into his mind rather than what you are actually sending. To effectively communicate you look for the solution to your problem not inside the product, not even inside your mind. "You look for the solution to your problem inside prospects mind. In other words, since so little of your message is going to get through anyway, you ignore the sending side and concentrate on the receiving end - You concentrate on the prospect.

You try to understand the perceptions in the mind of the prospect about your product, about the competing product or may be even the prospects general perceptions about life, other persons and other objects and the perceptions he has about himself as a person. You thereafter see the possibility of various permutations and combinations of these perceptions which when merged and enhanced through your communication can result into distinct, sharp images for your product in the prospects mind thus making a favourable position for your product. Thus you reaffirm the connections that already exist in the mind but also enable your message to stay in your prospects mind, creating a position for your brand. To advertise effectively or to communicate effectively.

Easy way to get into the mind and the hard way to get into the mind. The easy way to get into the mind is when you are first. If asked to recall your first day to college, t you will be able



to do it. Actually when something is first, it leaves an imprint in your mind - the experience is something like the first encounter between a new born baby and its natural mother. First impressions have a way of staying. The hard way to get into the mind is when you are next. And if your brand is not the first brand in a product category, only by using the concept of positioning can it successfully get into your prospect's brand choice set.

'MAGGI NOODLES' was first to get into the mind, the easy way. The hard way was for its competitor 'FAVY NOODLES'.

9.6 WHAT DO YOU WHEN YOU ARE FIRST?

The first thing you do, when you are first is, you should be prepared to tell others, about it. The next thing you should do is to communicate the fact to others. Only when you do these two things will you be First to enter your prospect's mind. We would like you to recall the story of **Amerigo & Christopher Columbus**-As you would know Christopher Columbus was first to discover America but he kept his mouth shut because he wanted to hunt for-gold. Amerigo was the second person to discover America, but he was quick to do two things:

- i) He called his new discovery of land as a Separate **Continent**- This is equivalent to your getting prepared to tell others, how you are first.
- ii) He advertised about his new discovery by writing a lot about it. In fact his writings about this got translated into 40 languages - This is equivalent to your communicating your message of being first to others.

Coping with the product explosion

You have learnt, how our over simplified mind functions and how, it would cope with the assaults from the outside stimuli. How does such a mind cope with the virtual product explosion that continues to take place? Earlier, we have mentioned for instance that in a relatively new field like computers, in India, we have about 200 companies operating each one, with a product range. How would a consumer go about choosing a brand of **Television** with about 20 options on land?

The process is simple - he will group, he will eliminate, and he will rank -till he can narrow down options to his final choice. Let us try to understand this process through two Figures 4 and 5.

If you intend deciding to buy a television. The focus of your mind will move on to televisions and not washing machines and televisions. In this sense your mind has grouped televisions into ONE CATEGORY. Brands you have not heard about get eliminated on their own (1).

Your mind vaguely moves over the brands you have heard of and are shown - those that your mind cannot recall get eliminated further (2).

The process continues and you send a few brands into a penalty box-those that are not acceptable to you on *the prima facie* (3). The mind narrows down on a few brands how would it deal with them?

Typically the human computer ranks the brands, if we were to imagine a ladder inside the mind (figure II). Each brand could be imagined placed on a rung. The one which is acceptable on the top most rung and others follow the order in which the human mind has RANKED THEM. We have earlier said that the human mind cannot deal with more than 7-8 units at a time.

Assume that the mind cannot deal with more than seven units at a time. If you have fourteen brands to choose from and you are consciously made aware of them, how would your mind react? One simple way is to eliminate the brands -may be your mind will permit seven brands to enter. The other way is group them on some basis. You may land up with groups of two brands each. The process will not stop-between the two brands in each group you will land lap having 1st choice and the 2nd choice.

Therefore we say the mind groups, the mind eliminates and the mind ranks.



gnou
THE PEOPLE'S
UNIVERSITY

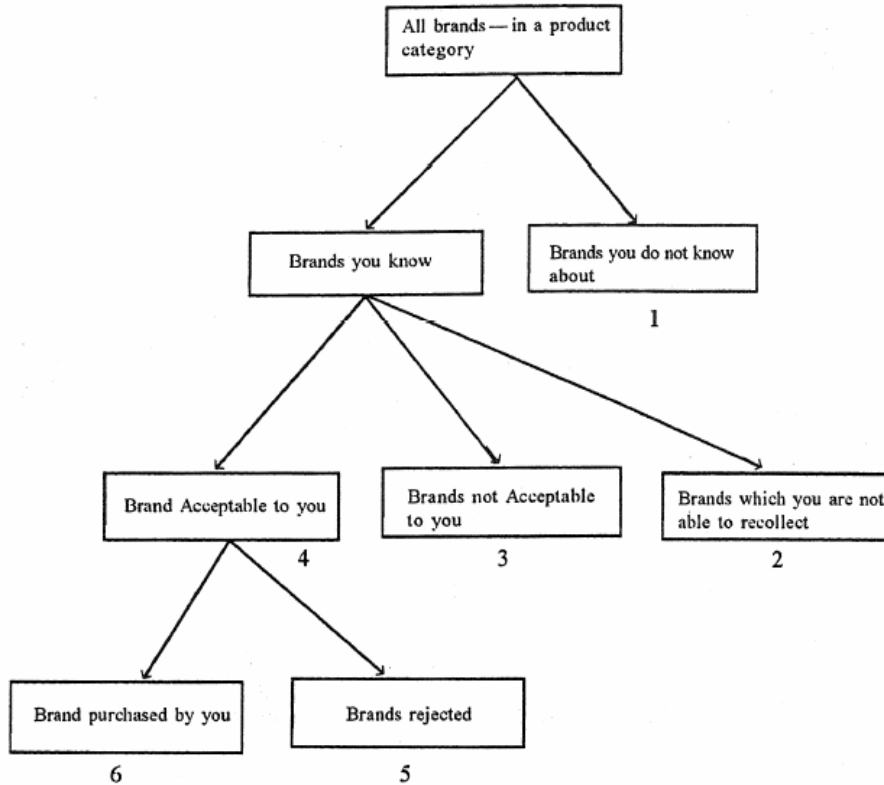
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Arriving at an evoked set from all brands in a product category



**Figure 3 : The Media Explosion - the Advertising Explosion the Product Explosion
Imaging those Little Ladders in your Head**

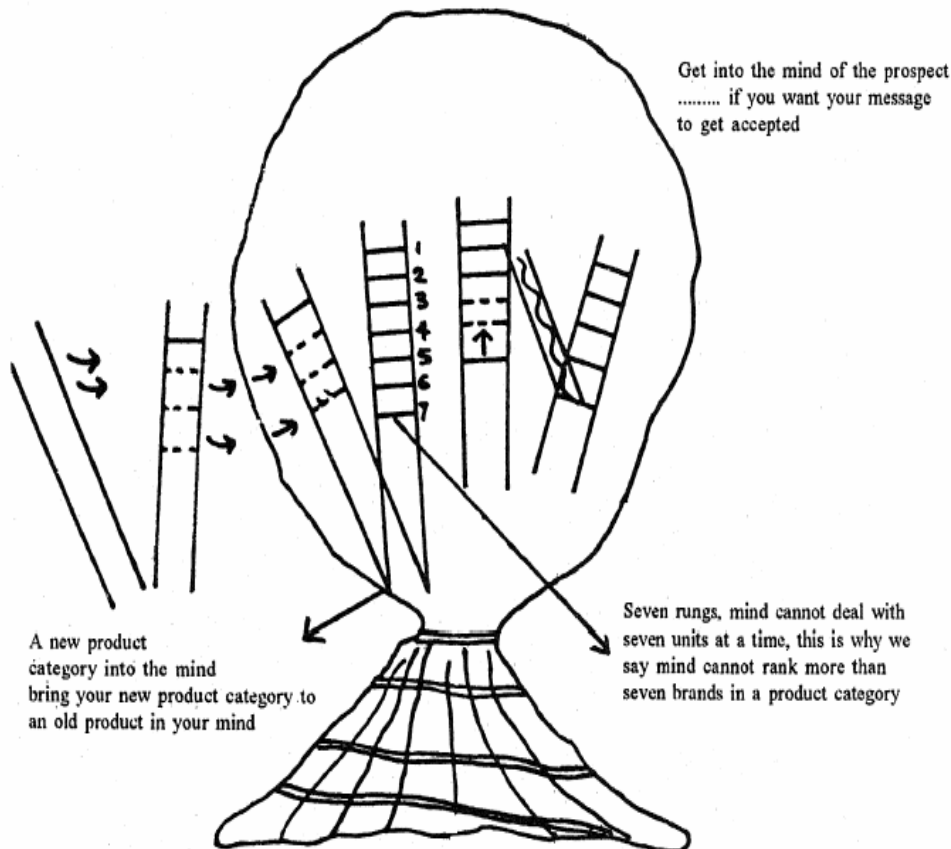


Figure 4



9.7 THE MIND ELIMINATES VS. THE MINDS RANKS

We think, you will agree with us that for a brand to get eliminated is a riskier situation than its falling into your mind ranking. If the brand is in box 4 of Figure II, it has a better chance to get to box 6.

Now, if your brand is in box 1, we think it has the best chance to go to box 6, provided you have the resources skill to **Position** it.

The point that we are trying to drive home is - "That once your mind is set it is very difficult to change it".

People in communication business and advertising business look at this statement with respect and humility. When finding a way to communicate i.e., when they are trying to 'position' their brand they are careful. They recognise that there are some images and some perceptions they probably will not be able to change, and there are some 'positions' they really cannot capture or let us there are some 'positions' which are difficult to capture. It is this logic that makes advertising people not-go "**Head on**" with competition and if they must, they know that it is an uphill task.

Getting back to imagined ladders figure 4 -and applying Me logic stated above, we say that sometimes it is nearly impossible to dethrone the leader i.e., it is difficult to dislodge the brand which is on No. ; rung. Sometimes when it is possible it is not worthwhile because of the enormous amount of advertising blast required or the risk involved.

9.8 POSITIONING: PRODUCT DIFFERENTIATION: MARKET SEGMENTATION

Before we continue to build the concept process of positioning with you, let us spend sometime to understand the degree to which the three concepts: Positioning, Product Differentiation and Market Segmentation relate with each other?

1) **Positioning Creates Product Differentiation**

Positioning creates a '**Position**' a place for your brand in the mind of your prospect. Your prospect is going to recognise your brand in the basis of the position you create for it in his mind. He is going to distinguish your brand on the basis of this position. Your prospect is going to distinguish your brand from the other competing brands on the basis of the 'Positions' each one of them has in his mind. In other words your prospect is differentiating brands on the basis of positions. We therefore say, **Positioning Creates Differentiation.**

The positioning strategy for **New Godrej Fridge** is creating a position on the basis of cooling from five sides (five side funda, fastest thanda). If the position is secured in your mind-you will differentiate this brand of Fridge on the basis of positions.

Now a word with you over here-Is Godrej Fridge the only **Fridge** that cools from five sides? Of course the answer is No. But probably **Godrej Fridge** is the first **Fridge** to Forcefully build that position.

What should be understood is that while the manufacturer/the Agency's has identified that position should be built on the basis of **Five Side Cooling. The Creative People have added Immense Creativity to the positioning idea to make the commercial standout.** As has been said earlier, don't hide your positioning concept in words, be clear.

2) **Product Differentiation Helps Positioning**

Product differentiation can be created in a research development laboratory. You-can have a well differentiated product from the works, but if communication does not work for it, you



can have an "undifferentiated position" or may be no position at all in the mind of your prospects. David Ogilvy the world known celebrity in advertising has said "The more you know about it (your product), the more likely you are to come up with a big idea for selling it". He goes on to say that "when I got the Rolls Royce account, I spent three weeks reading about the car and came across a statement that 'at sixty miles an hour, the loudest noise comes from the electric clock'. This became the headline, and it was followed by 607 words of **factual** copy."

In effect David Ogilvy, the advertising practitioner is telling us that product differentiation helps in positioning the product. He is also hinting that positioning relies on one or two perceptions, the strong perceptions, as marketers we must search then in the mind of your prospect.

3) When you talk to a group- it becomes a segment

Through our course material, we are talking to you. We are communicating with a group of about seven thousand students, this becomes a **Segment**. Every communication/ advertising has to address a **Segment**. Naturally when you have to communicate with a group of prospects- a segment, you have to get into their minds to know how they perceive *you*, your competition and your messages. Segment is not a component of positioning, segment is what you are communicating with using the powerful and scientific positioning approach.

4) Intensity increases with narrow targets- segmentation and fragmentation

Well, if you were to address only WOMEN for a product- you can show the advantages she can drive out of your product **You are 'Talking to her'- only**, If you were to address **Men and Women** for a product you have to be careful to at least avoid highlighting something for women which c-ⁿut your 'men' customers off.

What we learn from above is that as you narrow down your targets, as you continue to segment the audience you continue to increase the intensity of your messages. **in** a very competitive situation, the only way to win perhaps would be to narrow down your focus which shall afford to create a 'distinct position'- 'separate position' perhaps for a narrowed down target.

You may have seen one of the recent commercial on TV for Coca Cola - they show the soft drink being consumed among the semi urban and small town folks with a rural kind of a setting. They have not only a rural setting in mind but also the 'middle class'. They have narrowed down this niche, at the same time they have been actually suggestive, not permitting the urban customer to be lost. However, the emphasis is on a 'rural middle class' customer.

If your competition has a big pie i.e., big market share- the way to grab the share is to **Fragment** his pie by identifying a sub-segment in his segment and increasing the intensity of your messages through targets.

5) Same product can be positioned differently for different segments

'Milkmaid' the condensed milk from Nestle was been targeted at different segments at different times. The point to note is that **PRODUCT** and **THE PACKAGING** have remained unchanged. Without changing the product and the pack an advertiser have established communication with different segments by using the positioning concept.

They have created '**Different Positions**' in the mind of prospects for their product through positioning and repositioning the Product.

- i) MILKMAID at one point of time was positioned as creamer for tea and coffee. They managed to create discrete image a position in the mind of prospects by using the following headline:

`Rich and creamy'
makes the tasty difference

MILKMAID

They have shown a 'cup of tea' and a "mug of coffee" in the advertisement.



What have they done in effect through this advertisement?.

They have created a 'distinct image' for this product as a creamer. They have created a 'POSITION' for milkmaid in the mind of prospects that of a CREAMER.

- ii) "Milkmaid" was at another point of time positioned as a substitute for milk.
- iii) It was also positioned as a 'Topper on fruits and puddings'. The advertisement shows sweet dishes with condensed milk poured on them. The headline reads "Top it with **Milkmaid**". At the bottom of the advertisement they write

"RICH and Creamy
Milk-maid"

and below this **in** smaller type they mention the words "makes the tasty difference".

- iv) In the advertisements that followed the above, they pronounce the use of milkmaid in sweet dishes. They show 'Souffle' a sweet dish in a bowl which is not just Topping with Milkmaid, but actually milkmaid gets into the sweet dish. Also the copy "**Rich and Creamy**" are dropped and the copy "Make the tasty difference" gets replaced with "**You can do wonders with Milk-Maid**".

Through this advertisement the advertisers are aiming at enhancing the perception in the mind of prospects for milkmaid as a product to be used in making sweet dishes they are building a perception that milkmaid can do lot more in sweet dishes than just using it as a topper. They are enhancing the 'Position' of milkmaid in the mind of prospect from a 'Topper' to a 'Position' of a sweet dish ingredient. They have thus successfully **Repositioned the brand**.

6) **Rematching Product to position**

Supposing you are about to launch a new brand of bath soap and your research reveals that you can comfortably carve out a niche amongst the middle class urban women in the age group of 25-30 years, Who are very sensitive about their skin. You want to position the soap as "which keeps the skin young". You might like to turn back to your R & D team asking them to add something in the soap which can reinforce your position. You may also ask your packaging people to design the packaging to match your position. Rematching product to a position is good marketing.

We have a classic example from USA in cigarettes 'The campaign of the century' as it has been called- the campaign for MARLBORO CIGARETTES. In 1954, with six filter-cigarettes in the country, the share for filter cigarettes added up to 10%. Filter cigarettes were not in vogue and 'MARLBORO' a filter brand of cigarette was perceived as a brand for women. The filter of the cigarette even had a red tip, so that lipstick marks may not be noticed. The package looked pink and had a feminine look.

Phillip Morris, the company who owned the brand wanted to explore the male segment market with this cigarette. The agency now wanted to reposition the brand and wanted it to be perceived it as a **Virile Masculine Brand**. They developed an advertisement with a 'cowboy' smoking the cigarette. **To match this positioning change they changed the pack to red colour and used a more Aromatic Blend of Tobacco. In effect they rematched the product to position.** The 'cowboy' advertisement said "you get a lot to like in Marlboro - Filter, flavour, slip-tap box". The cowboy in the advertisement projected and suggested the virile, rugged masculinity. Incidentally -from 14% market share in 1954 in the USA today Marlboro is the largest selling cigarette in the world.

7) **You Need a New Position-when you invade into another product category to expand your market.**

We would like you to take a look at the new advertisement of **Lakme Winter Care Lotion**. The headline of the advertisement reads- "**stead thus ad and discover why you will never use Cold Cream again**".

It carries on to say-

New Winter Care Lotion

The non-greasy way too fight 'winter dryness' and it ends saying 'so much more than cold cream'



They show a young girl in the advertisement with a look of concern. They show the pack also and next to pack the copy reads **"Costs no more than the Cold Cream"**. In the body copy they say "It is a cold cream moisturiser in one". In the copy they reason out how it is superior to a cold cream. What are they doing through this advertisement, through this communication? They are trying to reposition the Lakme winter care lotion as a better alternative to cold cream. They are invading into the cold cream to expand their market.

8) Matching Position to Segment

Sometimes your product does well in a segment for which it was originally not meant or not conceived for. Well if this happens, you need to reinforce this through good positioning. You will like to create or strengthen the position in the mind of the prospect. We will like you to recall the launch of MARUTI `VAN' (as it was initially positioned). This vehicle was initially positioned and advertised as a `VAN'. It was a product developed to compete with the vans, The Standard and the Bajajs. However, it was found that it was being bought as a substitute for a car and thus it was actually competing with the Ambassador and the Fiat. Maruti Udyog responded to the position customers gave in their mind to their Van. They renamed the product as `OMNI' and repositioned it as the most spacious car on the Indian roads.

The Horseless Carriage- The car

When you want to move in on a new idea, you need to relate it with something that is already in the mind. Creating something altogether new in the human is very difficult, if not possible. When the first car was developed it was called **"The Horseless Carriage"**. By calling it as **"The Horseless Carriage"** the car was related to a carriage, by calling it `horseless' the inventors of the name succeeded in telling the prospect that it did not require a `HORSE' to pull.

Could they have not simply called it `car'? Well the answer is they could have. But then imagine the effort that must have gone in explaining as to what a car is. In advertising terms it would have required a heavy budget. Pause for a moment to think over the confusion it would have created. They would have had to beat around the bush and would have again gone back to relate it to a carriage.

When you want to move something new in the Human Mind, don't forget to relate it to something that is already there.

Please go back to Figure 1. We have shown as the left side a ladder being moved into the mind, the base of this ladder is standing on the base of another ladder show that when you are moving in a new product category altogether-in terms of ladders, it is like moving in a ladder which on the base of another ladder. The first brand which moves in along with a new product category obviously has a great advantage.

9.9 SOME CLASSIC POSITIONING EXAMPLES

Let us take a look at some classic positioning examples. This will help you to develop a deeper understanding of how positioning works.

The "UNCOLA" Position

It is being named as the uncola position, this kind of a positioning strategy first used in the USA by 7-UP, which was not a Cola Drink.

Originally 7-UP was used as a mixer with hard drinks. However, the market for mixers is much smaller than the soft drink market. In the soft drink category Coke and Pepsi put together commanded a 70% market share. Obviously, for any soft drink a dent into this 70% share of Colas could give enormous boost in sales. 7-UP was positioned as an Uncola drink i.e., as an alternative to Colas. Thus if you have tried a cola and you want to break the monotony try an `uncola', try a 7-UP.

What are you trying to do, if you were to imagine the above in terms of ladders?

(Figure III). You are actually jumping from the ladder of mixers onto the ladder of Colas.



How are you doing this?

You are linking your product to "bat is already in the mind of the prospect. In this case by saying that 7-UP is an **Uncola Drink**, you are making it to be perceived as an alternative to a cola drink.

Where is 7-UP today?

Today 7-UP ranks third in soft drink sales in tile world.

CITIBANK'S unfixed deposit scheme

We have an Indian example of this strategy '**Citibank's Unfixed Deposit**' Scheme. Citibank keeps advertising this scheme quite regularly, we believe you have seen the advertisement (for a quick look at tile advertisement, you may refer Hindustan Times newspaper on page 15 of 17th September 1990).

The headline reads "**Don't let the Money Lie Lazy in a savings or Current Account**". The subheadline reads "Earn higher interest and the freedom to withdraw with Citibank's Unfixed Deposit." The copy says "Citibank's unfixed deposit doesn't let you money laze around. It earns interest as high as a fixed deposit. While you continue to operate it like your savings or current account."

Now by linking the "**Unfixed Deposit**" scheme to the '**Fixed Deposit**' scheme, you are actually jumping from the '**Current Account and Saving's Account** ladder (category) to the '**Fixed Deposit**' ladder (category). Your original product is a saving's account which is now going to be perceived as a 'Deposit' as a better alternative to the '**Fixed Deposit**'.

The "Against" position

Sometimes in the terms of imagined ladder, you are on a bottom rung. The gap between you and the next brand above you is enormous. You would wish to reach right on the first rung of the ladder, but then this may require a leavy budget. It is also possible that even when backed up by a leavy budget, the chance of dislodging the brand above are bleak. The brand above has a very strong position.

Let us say you are a poor third or a poor second and the gap between you, 'the poor second' and 'the rich first' is enormous say you have 20% market share and the leader commands 80% market share. Closing the gap is a big aspiration for you. How do you do it?

Climbing up the ladder to close the gap between you and the next brand above you--by moving the rung itself i.e., 'Dent a Cars' Market in the U S.

There can be a number of way, of closing this gap. Let us discuss classic example from the 'Rent a Cars Market in the US'. We sincerely hope that this will enhance your imagination for applying positioning to real life marketing situations.

'Avis' was a poor second in Rent a Cars. Hertz was the undoubted leader with a major share and a strong position. Avis came out with a novel advertising campaign- in fact this was the beginnig of using comparisons with competition in advertising.

The headline of the advertisement read "Avis is only No.2 in rent a Cars. So why go with US?" The first line of the copy said "we try harder" and then they went on to explain how they tried harder and then they ended the copy by saying "the line at our counter is shorter."

Now what are the important elements of this positioning strategy?

- i) We call this as against position, because Avis has recognised the strength of Hertz position and has not gone ahead with a "I lead on" attack with Hertz.
- ii) '**Hertz**' the No. I brand has a very strong position and an enormous market share.
- iii) Avis has '**Related itself to Hertz**'. Related itself to something what is already there. The mind has not going accept something which is absolutely new. Tile mind is more receptive, if what you say is related to a previous experience, is related to a belief inside the prospect's mind, is to a motive or an expectation inside the prospects head..
- iv) The line is shorter at our counter'. Turning your weak point into a source of 'Strength. Obviously, if you are not No. I and put No. 2*, the line has to be shorter at your counter is the common man's logic. This is what he expects. After all, the mind gives by generalities.



Now can Hertz turn around and say that the line is also shorter at their counter? It may be- but who entered 'first' in your mind with this idea-obviously **Avis**.

Well if Hertz turns around and says him is shorter at our counter also- how does the over simplified. react back-on Hertz loosing business.

- v) It is a difficult task to dispute this statement of Avis by the communication specialist of Hertz, not that you cannot dispute it, but you do not know in which direction the water will ultimately flow. *Elvis has* done something which **Hertz cannot Easily React Back to**.
- vi) Was Avis really trying harder? Don't make us laugh = Even if they were trying it would not have helped them. What helped them was that they built that perception, that image and that position. What matters is not objectively reality, what matters are the perceptions of your prospect.

9.10 INGREDIENTS OF A LEADERSHIP POSITION

How do you get to be a Leader?

Firstest with the mostest

At least nine leaders out of ten, became leaders in their product category because they were the 'firstest with the mostest' They were first to enter the prospects mind. With their leavy resources at hand and clear communication strategy, they not only managed to enter the mind first but so built the First Strong Position in the mind.

When you first, recall what we told you earlier:

- i) be prepared to tell others, how you are first;
- ii) communicate to others how you are first, be clear have an over simplified message;
- iii) don't forget to relate it to something what is already there in the mind;
- iv) to occupy the 'first position' is one thing to make it a 'first strong position' is another- for this you need resources and the skill to use these resource-this is what we mean by the term 'MOSTEST'.

The instability of equality

If you are first to launch a product and if very chose to your heels, there is another brand being launched- it is a different kind of a marketing situation'.

The situation could be called as 'fluid'. While you are the first to launch the product, close to your heels is another brand. This brand could steal the march from you.

Sperry Rand was the first company to launch a computer, chose behind their heels was IBM. IBM managed to steal the march. How? They put in a little extra effort, when the situation was fluid, before Sperry Rand could actually **Strengthen** their First Position. History tells us that in such a situation the brand which puts in a little extra effort, the brand which runs a little faster, will get ahead. History also tells us that when you steal the march, in this kind of a fluid situation you have an enormous advantage.

When two brands are close, one or the other sooner or will get ahead and the gap between the two widen and the brand which got ahead could remain the Icing for years. Therefore, we say that amongst equals, the situation is instable.

How do you maintain your leadership?

Recently Philips India has made a strong effort to maintain their leadership. The author thinks it is a classic example of maintaining your leadership. **Phililiw- -Auid lids** run a special campaign for this and have released a series of advertisements in the dailies recently. For your benefit we quote some dates and page numbers on which these advertisements have appeared in Hindustan Times.

Hindustan Times Daily

- i) 17th September 1990 (page 7);
- ii) 20th. September 1990 (page 17); and
- iii) 21st September 1990 (page 19).

Philips India talks through each advertisement, about one of their significant achievements. In advertisement No. (i) the head line reads "**Every Body Knows Who Cave The World The**



X-ray, Right? -they give you a few choices, mind you all international names, calling you to guess the right name. They and the advertisement, with a very brief copy exploding the myth for you- that it was Philips who invented the X-Ray tube. They end the copy with a sub-headline "for years, we've been inventing the future."

They continue to re-strengthen in your mind the leadership position, through a number of advertisements, each time talking about a new invention by them followed by the same pattern of copy. Finally they released a full page advertisement in Hindustan Times on 24th September, 1990 (page 13), summing up their significant achievements. In this ad, it is interesting to note that the last subheadline of their copy "For years, we've been inventing the future" becomes the headline. The copy ends with a subheadline "I am Philips. I am tomorrow."

Hindustan Times Daily

- i) 25th September, 1990 (page 17);
- ii) 26th -September, 1990 (page 16);
- iii) 27th September, 1990 (page 5);
- iv) 28th September, 1990 (page 17) and
- v) 29th September, 1990 (page 16)

Philips India to reinforce their leadership position, released the above five advertisement-all different but with the same concept. It is interesting to note that in these advertisements, "**I am Philips. I am Tomorrow**" becomes the headline-this was a subheadline of the full page advertisement in which they summed up their significant achievements.

In each advertisement, they bring a spokesperson to talk to you is what Philips today and how the future lies in Philips. The copy is brief. Four out of five spokespersons are their employees and the fifth is one of their dedicated dealers. The first advertisement shows the Chairman and President of their parent company at Netherlands- in the next ad the Chairman of the Indian company talks to you.

We have taken you with us through a part of the campaign being run by Philips India to maintain their leadership-the undoubted leader in quite a few product categories.

We now come back to our original question as to how do you maintain your leadership position. When we discuss this with you, we sincerely hope, you will relate the concept to the Philips campaign already discussed with you.

When you are a leader-

You Rub it in: See how Philips is rubbing their leadership position into your mind. Indirectly by saying we are the people who invent the future. They do not say they are No. 1, they just rub it in.

React Rapidly: Philips India is reacting rapidly as the other campaigns attempt to close the gap. They don't sleep, they react.

Cover All Bets : You might say that what Philips invented was not invented by Philips India in your mind. So what they do they cover the bets - they bring in the human element, they start with the chairman of their parent company talking to you and then the people behind Philips India in India talk to you. A definite attempt to make you associate them with their parent company.

Do not disturb the enormous mental space already occupied

Nirma is a name associated with detergent. Nirma bath soap, the recent launch is bold move, it can disturb the mental space that Nirma occupies your mind as a detergent. Some questions that are bound to be asked by the Consumer in his mind and if they go unanswered convincingly, the mental space shall get disturbed. How can a soap, 'Nirma' bath soap be a good detergent?

A dangerous proposition. It is safe to avoid such a game for a marketing man, if he has a choice.

Enhance Your Product Category

If you are a leader, cutting into a very poor second will not really give you growth. Growth will come if you consciously attempt for the growth of the market as a whole. We suggest



that you ponder of over the 'Lakme Winter Care Lotion' example quoted earlier. Think over what Maggi is doing in the noodles category and you would get to understand this idea a little better.

Change can Dethrone the Leader

How did 'Nirma' managed to get into the detergents market against the giant 'Surf'?

Nirma responded to the changing needs while Surf slept. Before Surf could think of acting, it was too late; Nirma had already captured the position and build the strength around it to hold that position.

The market was growing at the low price end. There were consumers who wanted to use a detergent instead of a soap but could not afford. The market was changing, Surf could have launched a low price detergent and obviously it would have succeeded - Nirma would have been nowhere:

Strength of a Brand - Size of Market Share

The strength of a brand lies in its market share and not its size. Noodles is a small market compared to biscuits. Britannia may have a longer turnover than Maggi but Maggi as a brand is stronger than Britannia - it is the leader.

9.11 POSITIONING OF A FOLLOWER

If you are not a leader, nine chances out of ten, it would be a better strategy to build the No.2 position for yourself FIRST.

Well, if you are also not the No.2 brand, someone else has already occupied that position, then what do you do? Nine out of ten chances, it would be a better strategy to fragment you leader's pie or find a 'hole' in a 'creneau' which the leader has left and has not covered it up.

There is no point going head on with the leader until you have a strong reason, a very strong reason in your product to make the consumer switch over. Even if you have a strong reason behind your product- there is no point going head on with the leader unless you have a big reasource of money and talent to back you up. Even if you had all this, we still say there is no point going head on with the leader until unless you have the guts to take a defeat because the element of hack will probably favour the giant. Do not get disappointed, you can go head on with the leader. If you have all and a great **Positioning; Idea**, we will discuss this a little later with you. Let us discuss what you can do when you are a follower.

Do you copy the leader?

If you do, you are not awaking a mistake, you are not falling into a trap, you probably are making a Fatal Mistake- Ninety-nine out of hundred times the consequences will be fatal. You marketing noise, your advertising Hangama will probably be remembered and recalled for the benefit of the leader.

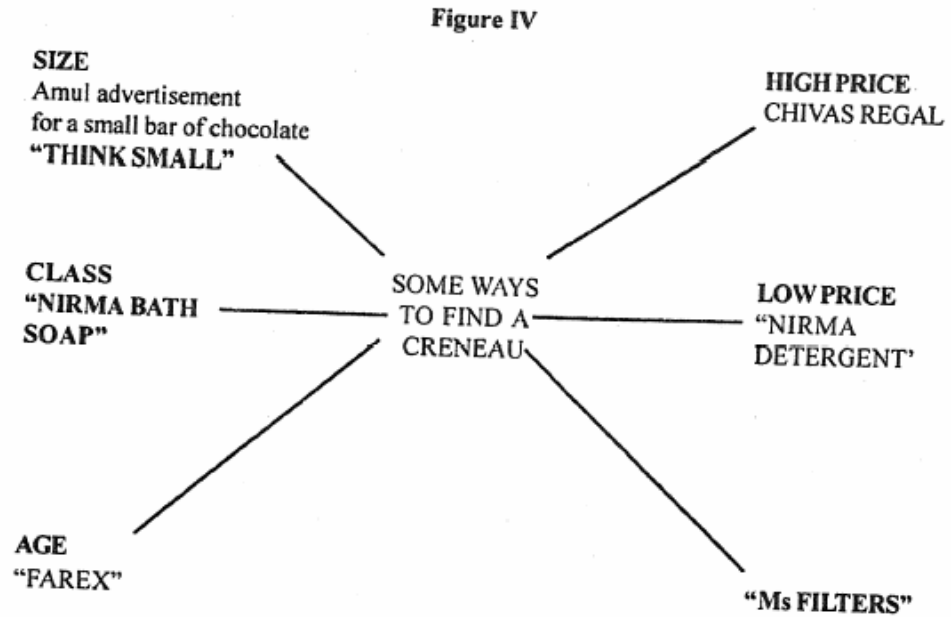
Can you afford to copy at leader?

Yes, when the situation is fluid. When the battle is between equals. When the consumer has still not awarded that No. 1 position to anyone. You have the capacity and guts to pour in far greater than your competition and your competition cannot or does not react back. But then, if you are equals, in all probability your competition will react back and with probably equal noise if not more. Therefore, it will be a better strategy to do something better, differently faster and stronger and cover the bets to take the head. There is no point getting into a betting game.

If you are a follower a better strategy as we said is to find for a creneau, which your leader has left uncovered. You will have to Scan the Brand already there in the market. You will have to Scan the Consumers **Mind**. You will have to get into the mind of the consumer, know his perceptions and find a weak point, where you build a Strong Small Fortress for yourself.



Figure IV shows a few ways to find such holes; it also gives some examples, study these. Do not close your mind there can be many more ways:



Size

Amul Chocolates have identified a 'creneau' a 'niche' for themselves by launching a small bar of chocolate. Cadbury also has a small bar, but they have not built a position around this. Amul is the **First Brand** to attempt to build this position. They are continue to release very effective advertisements to build this position. The headline reads "**Eat Small**" with a picture of the minipacks. This is followed by a sub head line "Amul Milk Chocolates in **Mini Packs**". A very brief copy in large type says "Sometimes its fun to have a little less of what you love a lot." (for your immediate reference see Hindustan Times Daily of 3rd September.1990 on page 6).

High Price

There are consumers who think that high price gets them quality. There are others, who have an urge to be classed at the top. High price attracts both. '**Chivas Regal**' the premium world wiskey advertised "Drinking Less?"-"Then Drink Better"! Just five words of copy with a bottle of **Chivas Regal Shown!**

Low Price.

Nirma detergent is a class examples of this strategy against Surf. We have already discussed this with you.

Sex

We are sure that you have heard of the new brand of cigarettes launched for women in India "**Ms Filters**". Women have been smoking other brands, now we have an exclusive brand for women. An excellent concept. But then you must also have the skill of building a ' strong small fortress for yourself. Those women, who smoke and read this, will get the point across to them faster.

Age

You can have a brand focused on a particular age group. ' Farex' I for infants, it could as welt have been for old people or for convalesing patients.

Class or Segment

'Nirma bath Soap' is focused on workers, unlike 'Lifebouy'. This brand is attempting to fragment the large pie of the leader with a clearer focus on a subsegment of this large pie.



9.12 REPOSITIONING THE COMPETITION

There comes a time, when you are not satisfied by just being a follower with a small share. you want to compete for a larger share and you have the resources to do it and your product offers you strong reasons to do it. You might also not be able to find a much to get into the prospect's mind because your competitors have been smart enough to cover all bets.

Well in both the cases cited above what do you do? You Reposition the competition. Now what is meant by that term?

What is being suggested is that 'You change the position of competition' you weaken the position of competition. You shift the position of competition so that you can create a position for yourself, so that a hole occurs through which you can move in.

How do you change the position of competition? How do you reposition the competition?

Obviously you cannot change the position of competition by talking about your product. The objective is to change the perceptions that the prospect holds for the competitive product. How do you do it? You do it by talking strongly about your competitive product, strong enough that will change the perceptions that the prospect has had for **years for your competitor**. Now you have to find a weak point and this weak point should be a strength in your communication backed by your product.

Before we deal with this subject further, we want you to recall the **Bvo Scandal**. You know Campa Cola and Tripp disappeared from the market for sometimes. Why? It contained Bvo. There was a lot of noise about the harm that BVO can cause to health. 'Rooh Afza' made a strong move – it came out with a campaign to reposition soft drinks. One of their advertisements did exactly this. The headline read "**Buy a soft Drinks and Get These free**" the advertisement carried on to tell you what you get free? "**Peptic Ulcers, Tooth Enamel damage, Tumours, Heart Disease, Behavioural Problem, loss of Appetite and Possibly cancer**"

Then the ad spoke about the goodness of Rooh Afza (Hindustan Times of 13th June 1990).

Quickly the competition reacted back. BVO was gone. Canipa and Tripp returned about the same time without BVO. Rooh Afza did not stop its pursuit to reposition the competition and bang they came out with another advertisement (Times of India dated 14th June. 1990). The headline read "Shocking facts. **Healthy Alternatives**". They talk about nine more chemicals in a soft drink *and* the harms these chemicals can cause -the copy says "Here's the chemical cocktail YOU get with every soft drink". The ad talks about the goodness of the Healthy Alternative.

What we have dealt with you is an example of repositioning the competition. What is Rooh Afza doing in this-campaign? They have a strong reason to back there. They are talking something about the competition. Which will change the perception a prospect has for a soft drink. Something which will change the '**Position**' the soft drinks have in the prospect's mind.

Thereafter they quickly offer the 'Healthy alternative', When you move out an old idea from the mind (that soft drinks are good), you can move in the new idea (that Rooh Afza is good). It becomes easier because the prospects actively look for something that can fill the, 'vacant place', 'hole' created by the old idea moving out. However, you can do this "better, if you can demonstrate this fact - seeing is believing.

Well, when you reposition the competition and if you succeed the competition will not be able to repair that damage so easily. Repositioning is a strong move, it should be backed with strong reasons,

There are other examples also of this kind of a strategy being followed here. If you look around, you should find other examples.



Activity3

Select 2 examples of leading consumer products and services. For each of them define the positioning that they have chosen. How successfully the position has been exploited.

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9.13 SUMMARY

The discussion in this unit started by defining the concept product positioning. Various bases used for product positioning lie, attribute positioning, value positioning, competitive positioning, usage positioning etc. are presented.

In the subsequent section the main tools for positioning decision making are introduced briefly. Though there are several other methods only attribute based perceptual mapping method and overall product similarity based perceptual mapping method have been discussed. Further, general guidelines for positioning decision making are discussed. It is necessary to 'remember at this stage that product positioning one of the crucial decisions that marketing managers take. As it determines the several other offers from the company, and depends on the consumer perceptions thy, product positions can not be changed frequently. Hence, the positioning decision requires fairly high level of involvement of the managers. While positioning a brand care should be taken as what details need to be communicated for effective positioning of the brand more so when you are the first to hit the prospects mind. Besides, positioning remarkably helps as an effective tool for market segmentation and product differentiations. Ingredients of leadership positioning are also touched upon for better understanding. An attempt is made to understand the concept of repositioning the competition if the firm has a will and vision to recreate a new image for the firms offerings.

9.14 SELF-ASSESSMENT QUESTIONS

- 1). Discuss the term 'Positioning' of a product in the Indian context. What makes segmentation strategy have a direct implication on the positioning strategy.
- 2). Discuss the alternative bases for product positioning available for a firm with suitable examples. Do you propose any other basis, if yes, substantiate your answer.
- 3). What are the various tools available for positioning decision making. What care and caution should be exercised in employing these tools.
- 4). Discuss the concept of positioning in the context of marketing of social programmes in India.
- 5). How does the concept of position suggest marketing strategies for the market leader and the follower?

9.15 FURTHER READINGS

Lilien, G. L., and A Rangaswamy (1998), *Marketing Engineering: Computer Assisted Marketing Analysis and Planning*. Adison-Wesley, Reading, Massachussts.

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