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Positioning: A Summary

The idea that by communicating, in some medium, using relative ideas which are understandable to the audience you are trying to contact, your position, within the market place, can be created. This takes into consideration yours and your competitors strengths and weaknesses and the message conveyed by both.

How do we get through the clutter and noise to make ourselves be heard? The best way is to be established is to be considered **FIRST** in your field (example of Lindbergh, who was first to fly the Atlantic solo, who was second?) Naturally people tend to rank things. The Number 1 will take advantage of this, but there are also advantages seen in being #2 (Hertz #1, Avis #2..”we try harder”). Positioning teaches us how to deal with our relative place on the ladder. It is important to know not to go ‘head to head’ with an established leader but instead to exploit both your and their strengths and weaknesses to your advantage.

Positioning also teaches the crucial role of where we fit in the market and how to advertise accordingly. A follower must find a way around the perceived leader(s) and find a weakness and exploit it (Bayer *Aspirin* vs. Tylenol *Non Aspirin*... here is a case in point where the larger co. Bayer did not see the writing on the wall till it was too late and lost out big time as a result). The larger co. had a massive market but failed to see the danger of this new product. It is important to not forget the consumers of the product are the best judges of where and how well the product is doing.

“*What’s in a name?*” This is a common enough idea. Shakespeare continued “*a rose by any other name would smell as sweet*” but in today’s over communicated world this is not true. In reality name recognition is everything. One mistake often made is to abbreviate the name. This can only be done, if ever, when the company is already very well known (IBM, 3M). To abbreviate a name, even although it may be somewhat well known, can be fatal to the company (General Analine and Film became GAF... and what a gaffe that became). Better to bite the bullet and make a complete name change than to abbreviate. The name has to at least imply the company position or if possible tell the prospective audience what that company has to offer, thus it’s better to be called *Newsweek* than *Time* (*Newsweek* implies both the frequency and the fact it’s news, *Time* says nothing relevant). To see which way the wind is blowing and change before the storm hits is better again.

The next problem often come across is the *Line extension* problem. This happens when a company decides to go ahead and market a line of goods based on a name which has a market presence already. This almost always spells disaster as instead of expanding the market share it eats into the existing share of its own market. Unfortunately this is not apparent for some time as there is a lag created by the time it takes to reorder as the retail outlets will stock their shelves in anticipation of the sales that don’t happen. Remember when we add an extension to the house name we are liable to mislead and confuse ...

(Bayer Aspirin and Bayer Non-Aspirin, if Bayer = Aspirin = Pain relief, then what does Bayer Non-Aspirin equal?). Marketing people sometimes think this can be a cheap way to advertise, but generally it's an expensive flop.

House names are also in this *Line extension* category and can be seen as just another way to decrease market share (Procter & Gamble have consistently, with their name brands, outsold Colgate Palmolive with their house brands). Again this all goes back to the idea that the name implies or states the companies position. This even goes further to where the name becomes the general name of that product (*Band Aid, etc.*).

Advertising campaigns are only successful when they are planned around the audience not the product. This may take some research to discover what is their position but a careful look generally sees the obvious. The company generally gets confused by their perception, their inability to change or their willingness to change too quickly, their greed or arrogance, or their lack of forward planning. Positioning is the perception of the company as seen by their prospective audience. This has to honestly view how the prospects see themselves in relationship to the offered product or service. Of course Positioning teaches you to own your special niche or area. Prospects don't buy they choose, this implies at least 2 choices, so why you? The answer of course is Positioning. Knowing who you are, why you're there and what you're offering. You may not be the biggest, the best etc. but if you can be positioned correctly to meet the needs of your prospects then closing the deal is easy. Positioning also allows you to understand your limitations. You may not be able to afford a nationwide campaign but you can target your resources, with good research, to make your campaign effective and profitable, thus enabling you to make a phased approach to a successful campaign. Positioning teaches to plan for the long haul.