

POSITIONING, DE-POSITIONING & *THE POSITIONING MATRIX*™

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1.1 Defining the Importance of Positioning

Simply put, 'positioning' is the science of controlling and influencing consumer decisions about a specific brand. Positioning is the single most important element that assures brand success. Done right, brand success is virtually assured. Done wrong, or not done at all will ensure failure. Positioning has a major impact on all aspect of marketing, including SEO, ads, social media, and site content.

The concept of positioning is widely accepted as the single most important factor determining the success of establishing a brand (or product) as the **preferred** brand in the mind of the target consumer, and it is the basis of all strategic planning undertaken on behalf of specific brands by all the world's leading advertising and marketing agencies.

The premise of why positioning is so critical is guided by the following determinants:

1. For every product or brand in any category, consumers assign a mental preference ranking, resulting in any given consumer believing that brand X is the 'best' brand for them in the category being considered. For example, John may believe that Crest is the best toothpaste for him, and Jane may believe that Sensodyne in the best toothpaste for her. It follows that John will buy Crest, and Jane will buy Sensodyne.

The objective of any brand is to attain the 'Number 1' position in the mind of the largest number of target consumers, thus making the brand the largest selling brand in that category.

2. While there is room for a top 1, 2 or 3 brand in any category, there can only be ONE number 1 brand; thus, positioning is the science that helps a brand achieve this state.
3. There are only TWO ways to become a number 1 brand in any category:
 - a. Beat up the number 1 brand, or...
 - b. Create a new category, which by default makes you the number 1 brand

The most successful consumer brands in every category have always opted for the second path: allow others to spend the large dollars required to pave the way and then create an ancillary category with an entirely new and bold positioning.

Instead of being a small fish in a big pond, it's much more successful to create a new pond (and thus be the biggest fish in that pond), and then grow the pond – forcing other brands to go on the defensive, while you take an increasing share of their market away from them.

1.2 You Cannot Easily Change Beliefs, So You Have To Influence Perceptions

Consumers BEHAVE based on their beliefs:

- ▶ Vegetarians don't eat meat, because they BELIEVE it's not right (either for health reasons, or for animal cruelty reasons), or for some other reason.
- ▶ Consumers repeat buy and use their favorite brands because they BELIEVE these products work just fine for them; there's no urgency to change.

Beliefs are almost impossible to change once they are fully formed.

But beliefs don't just happen... they are built on a series of user experiences, consumer education, and marketing that creates INFLUENCES, which occurs during the "brand selection" phase where PERCEPTIONS add up to finally solidify into beliefs.

PERCEPTIONS are easy to influence, and when deployed smartly, the science of positioning and de-positioning can BOTH:

- ▶ Influence a consumer in your direction BEFORE they have formed a belief about one of your competitors, and/or...
- ▶ Create DOUBT or DISSATISFACTION (the ONLY 2 factors that can almost always change a belief) about the competitive product the consumer is coming to believe in, or already believes in

1.3 How This Is Done

Two examples will suffice to show how this works (but more than 50 years of market research show that **EVERY successful brand has adopted this approach**).

EXAMPLE 1: MOUTHWASH

First formulated by Dr. Joseph Lawrence and Jordan Lambert in St. Louis, Missouri in 1879 as a surgical antiseptic, **Listerine** was given to dentists for oral care in 1895 and it was the first over-the-counter mouthwash sold in the United States in 1914.

According to Freakonomics:

Listerine, for instance, was invented in the nineteenth century as powerful surgical antiseptic. It was later sold, in distilled form, as both a floor cleaner and a cure for gonorrhea. But it wasn't a runaway success until the 1920s, when it was pitched as a solution for "chronic halitosis" - a then obscure medical term for bad breath.

Listerine's new ads featured forlorn young women and men, eager for marriage but turned off by their mate's rotten breath. "Can I be happy with him in spite of that?" one maiden asked herself. Until that time, bad breath was not conventionally considered such a catastrophe. But Listerine changed that.

As the advertising scholar James B. Twitchell writes, "Listerine did not make mouthwash as much as it made halitosis." In just seven years, the company's revenues rose from \$115,000 to more than \$8 million.

The Back-Story

In this way, Listerine became a clear and early example of a larger trend: **marketing campaigns inventing problems that the product is alleged to solve. This led to the science of DE-POSITIONING.**

For over 46 years Listerine was the number 1 brand of mouthwash, because they literally invented the category of 'mouthwash'. But it tasted like medicine. In fact, they used this negative aspect to claim a positioning that helped them keep the number 1 market share position for more than 4 decades: Listerine was the "taste you love to hate twice a day", and later Listerine explained its effectiveness by stating that "Listerine kills the germs that cause bad breath". Thus, Listerine staked the "medical science" positioning for their product.

In the late 1950s, another liquid antiseptic decided to make a play for this significant category. By giving their red, cinnamon-tasting liquid to dentists, they assumed consumers at the shelf would say "hey, that's the stuff my dentist uses, so it must be good". The product (Lavoris) failed miserably – for one reason: the "medical science" positioning was already claimed by Listerine, which worked fine for consumers – they didn't NEED a new mouthwash, they already had one that worked just fine.

Lavoris made the mistake of trying to be a "better mousetrap", and forgot that trying to unseat a number 1 brand is almost always an exercise in failure. If they had used positioning and de-positioning science properly, they could have claimed another positioning that was as-yet unclaimed, and won the mouthwash war. Lavoris tasted good, especially compared with the medicinal flavor of Listerine. But tasting good is not a core component of a mouthwash, which is intended to clean your mouth and breath, so they did not use this strategy.

In 1966 another company (Proctor and Gamble) introduced Scope. Essentially there was no difference chemically between Scope and Lavoris. But P&G used positioning science effectively. Their positioning claim was THREE WORDS that in a matter of 90 days placed Scope in the number 1 position: "FIGHTS MEDICINE BREATH". This is one of the most successful DE-POSITIONING campaigns in marketing history. They DE-POSITIONED the market leader by creating DISSATISFACTION around the fact that Listerine tasted like hell, even though it worked.

Reasoning (correctly) that they could not claim the medical / science position of Listerine and win, they literally created a new category: "good tasting mouthwash", and not only became the number 1 selling mouthwash in the world, they also caused Listerine to react defensively (spending hundreds of millions of dollars) to introduce good tasting Listerine formulas.

By creating a new category ("good tasting mouthwash"), which was NOT based on the core desired effect of a mouthwash, Scope won the war quickly, decisively and very profitably.

Their new category appealed to the ASPIRATIONAL (not functional) aspects of mouthwash-using consumers. It was easily assumed by the market that any mouthwash would have at least the basic function of cleaning breath, but the market had never seen a mouthwash that actually tasted good.

EXAMPLE 2: PERSONAL COMPUTERS

Everyone knows that IBM virtually invented the category of Personal Computers (PCs). While there were kit computers before then, none took hold in the market. IBM's 5150 was the first truly personal computing system. And it worked fine (given the technology capabilities of the day). Even at a huge price tag, it was an enormous success, virtually selling out upon its announcement. From a computing standpoint, it had everything a small computer could have for its time.

By introducing the 5150 (the "IBM PC" as it was called), IBM literally invented the category of PCs in the public mind.



IBM 5150 – First IBM PC – 1981

The Back-Story

But the IBM PC had several drawbacks that would be its un-doing. It was very heavy (over 30 pounds with all its components).

It required at least 3 separate components (computer, screen and keyboard), all of which required wires to connect to each other. You could not easily move it from one place to another. And this was the opportunity that enabled Apple to become the giant it is today... all based on positioning... and mostly on DE-POSITIONING to be DISRUPTIVE in the minds of IBM PC users.

While it had been in existence since 1977, Apple Computers (as it was called back then) had been working on developing a computer operating system that would outclass the IBM operating system by miles – better graphic interface, faster performance, color screen capabilities, and more software applications.

But NONE of these functional aspects became the positioning that helped Apple win the early PC wars.

The first breakthrough personal computer that catapulted Apple to stardom was the Macintosh, introduced in 1984 – 3 full years after IBM staked claim to the PC positioning.

The Macintosh did NOT attempt to market itself as the “better mousetrap” (or the “better PC”); that would not have worked. They used positioning science to create an entirely new category (and DE-POSITION the IBM PC): while IBM owned the **Personal Computer** niche, Apple created and claimed the niche positioning of the **PORTABLE Personal Computer**; it had integrated the screen and the computer into a single unit, weighing less, required less wiring, and being capable of actually being taken home on the weekend.

PORTABILITY was not, back then, a necessary functional requirement of a PC; it was an **ASPIRATIONAL** element of consumer convenience – it thus did not have to compete against IBM for the PC market, it created and this owned its own unique category – and who wouldn’t want to bring their computer home on the weekend? It even had a plastic cover and a handle on top.

Again, the strategy of creating a new category that fulfilled consumers’ **ASPIRATIONAL** desires for the product while **DE-POSITIONING** made it a winner, without having to compete financially against an entrenched giant.



Apple Macintosh – 1984

4. Consumers have perceptions about EVERY brand – either a perception arrived at entirely by the consumer (in which case they may or may not come to the conclusion you want them to), or arrived at by the consumer due to the influence imparted by the brand’s marketing and positioning.

The choice is to let consumers come to a perception about your brand with, or without your control.

Obviously the choice is simple – YOU must control those factors that influence and create consumer perceptions. And this is done entirely through the marketing science of positioning.

5. Positioning is expressed in terms of a 'Positioning Platform', which is a statement used by the Company as the foundation for the creation of ALL marketing and promotional messages, to ensure that the perception of consumers is uniform, and most positive for the brand.

A positioning platform is expressed in the following format:

For: (insert definition of target consumer here),
Brand X: (insert core benefit statement here),
Because: (insert reasoning and proof statement here).

For example:

For: *families with young children,*
Volvo: *is the safest SUV on the market,*
Because: *it has more side air-bags and steel struts than any other SUV.*

6. The positioning platform is NEVER used verbatim; it is used as a guide upon which all marketing messages are based.

2 THE POSITIONING MATRIX™: THE WINNING POSITIONING PLATFORM

2.1 The Positioning Matrix™

The Positioning Matrix™ is a formula which allows the creation of the perfect combination of elements to match the dynamics of the market and competitive conditions in which the product will be promoted, properly positioned, and most importantly, the competition will be DE-POSITIONED.

There are FOUR elements in a Positioning Platform that are expressed mathematically in the Positioning Matrix™:

2.2 Meaningful Benefit

The **FIRST** of the 4 critical elements that comprise a Positioning Platform must present a “**MEANINGFUL BENEFIT**” to the target consumer or prospect.

Most companies make the mistake of incorporating what they believe is their MOST meaningful benefit, but this can be a FATAL mistake. Look at this intentionally over-simplified example:

Choice 1: Our vitamin tablet will help you live longer.

Choice 2: Our vitamin tablet is easier to swallow.

Which one is a more meaningful benefit? Of course, it's 'living longer'. Living longer is clearly more important than swallowing a pill a little easier.

But it would be a **fatal mistake** to use that as the ‘Meaningful Benefit’ in building the positioning platform.

Why? Because of the SECOND critical element: **PROVABILITY**.

2.3 Provable and Easily Evident

The **SECOND** of the 4 critical elements that comprise a Winning Positioning Platform is that the “Meaningful Benefit” promised must be easily **PROVABLE** or clearly **EVIDENT** to the consumer.

It's impossible to prove that the vitamin will actually help you live longer. Who's to say you would not have lived longer if you didn't take it? There's no way to prove this benefit, and certainly not within the few minutes of the consumer decision-making process of whether to buy our product or not.

However, it IS immediately provable and evident that the vitamin is easy to swallow – just take one.

Provability makes the ‘Meaningful Benefit’ believable and give the halo effect of legitimacy to ALL your other claims and messages.

Thus, from a positioning standpoint '**EASIER TO SWALLOW**' is a significantly stronger platform than '**HELPS YOU LIVE LONGER**'.

2.4 Differentiated from the Competition

The **THIRD** of the 4 critical elements that comprise a Winning Positioning Platform is that the "Meaningful Benefit" promised must be clearly and distinctly **DIFFERENTIATED** from the competition. And the competition can be what they are using NOW or other products vying for their attention.

Differentiation is almost ALWAYS A FAILURE if it attempts to show that we are the "better mousetrap"... cleaner, whiter, brighter, cheaper, etc... these are all 'ME TOO, BUT BETTER' approaches, and they almost always fail.

Re-read the story of how **Scope** differentiated itself from market leader Listerine: not by anything that had to do with the FUNCTION of mouthwash, but by comparing the way it tasted – DE-POSITIONING the horrible taste of Listerine – and actually creating an entirely new and DISRUPTIVE category.

Where there WAS the category of 'mouthwash', Scope created the category of 'good tasting mouthwash', and thus became the category leader.

Re-read the story of how **Apple Computers** differentiated themselves from market leader IBM PC: not by anything that had to do with the FUNCTION of a computer, but by comparing the portability and consumer friendliness – DE-POSITIONING the IBM PC's clunkiness – by creating a new category.

Where there WAS the category of 'personal computer', Apple created the category of 'portable personal computer, and thus became the category leader.

It is important to note that the choice of differentiation is highly related to the single most important element: **DE-POSITIONING** the competition.

2.5 De-Positioning the Competition

DEPOSITIONING THE COMPETITION, the **FOURTH** element, is the most difficult but the most powerful element of positioning. It means making the consumer think negatively about the competition, or what they are currently using.

There are only TWO proven ways to do this:

CREATE DOUBT that the competition does, or has what the consumer REALLY wants, or...

CREATE DISSATISFACTION in the consumers' mind that the competition does it well, or well enough.

Creation of doubt and dissatisfaction opens the consumers' mind to trying something new, which assuming our product DOES what it is supposed to do, and meets the expectations set in your branding and messaging, leads to continuous use and advocacy (good reviews, telling friends, social proof, recommending, etc.).

De-positioning is the BIG home run in marketing, and especially important in the pre-launch, launch and immediate post-launch support periods.

De-positioning is achieved when you pre-empt the consumers' consideration of the competition, or motivate them strongly enough to make a switch.

2.6 Weighting the Four Elements

We will see shortly, that each of the FOUR critical elements does NOT have the same relative importance. This is dictated by the marketing and competitive environment in which we intend to trade.

3 THE POSITIONING MATRIX™: THE FOUR CRITICAL ELEMENTS

3.1 The Positioning Matrix™ – Sample Showing Elements Only

The Positioning Matrix is presented here as a sample, showing (at this point) ONLY the axis of the FOUR CRITICAL ELEMENTS:

Promises Meaningful Benefit				
Provable and Easily Evident				
Differentiated from Competition				
De-Positions Competition				

3.2 The Positioning Matrix™ – Marketing Environments

The Positioning Matrix is presented here above as a sample, showing (at this point) ONLY the axis of the FOUR CRITICAL ELEMENTS.

The Positioning Matrix also takes into account the 'Marketing Environment' in which we will be trading. There are also FOUR different marketing environments. They are shown across the top row in the next table below.

Depending on which marketing environment you trade in (and many companies cross over between two environments), we will see shortly that the weighting of each of the FOUR CRITICAL ELEMENTS will vary and be customized for YOUR specific positioning and branding.

3.3 The INTRODUCTORY Environment

INTRODUCTORY environments are when you are introducing a NEW product or category for the **FIRST TIME**. NOT the 2019 Honda Civic, but the AUTOMOBILE. They occur when you are introducing something entirely new, or an entirely new category (this is the key for competitive advantage, as it was for Apple Computers and Scope, both of whom introduced NEW CATEGORIES as their strategy - actually called a 'new CATEGORY CLASS').

3.4 The OFFENSIVE Environment

OFFENSIVE environments are when you are trying to take market share away from a competitor, or current product. This is the most common marketing environment, and it applies strongly to us as well as the INTRODUCTORY category.

NOTE: Thus, we see that there can be a mix or overlap between marketing environments, and thus the WEIGHTING of the 4 Critical Elements will vary according to the exact mix of marketing environments.

3.5 The DEFENSIVE Environment

DEFENSIVE environments are when you are trying to protect your market share from being poached away by a competitor. This is a very common marketing environment, but only affects us when we have a significant user base of customers who are vulnerable to being poached. We will have to be prepared for this, but do not have to implement it in the initial stages.

3.6 The REMEDIAL Environment

REMEDIAL environments are when you have a serious PR issue to resolve... like Cyanide in the Tylenol. When Tylenol bottles were tampered with (by a psycho) who put Cyanide in several bottles, people stopped buying Tylenol all over the country over the span of 2 days when the news broke. Tylenol invoked a REMEDIAL positioning strategy by inventing the TAMPER-PROOF SEAL we all know today on almost every drug product. This saved their ass. It's always good to plan for remedial situations, but it's very hard to predict what they will be.

3.7 Balancing the ELEMENTS with the MARKETING ENVIRONMENTS

The table shown below lays out both the ELEMENTS and the MARKETING ENVIRONMENTS, and shows the RELATIVE WEIGHTING in terms of importance of each of the elements for each marketing environment.

	Introductory	Offensive	Defensive	Remedial
Promises Meaningful Benefit	20%	40%	20%	40%
Provable and Easily Evident	10%	10%	40%	30%
Differentiated from Competition	40%	20%	10%	10%
De-Positions Competition	30%	30%	30%	20%

3.8 Factors That Will Affect Specific Weighting

Individual formulas may (and will) vary based on the following factors:

- Urgency / Necessity – as opposed to Discretionary, Luxury or Impulse objectives
- Competitive Landscape – dominance of any one player; category disruption opportunities
- Lifecycle Curve

Our specific percentage weightings and formula may well be adjusted as per brand-specific and competition-specific requirements, and to create and maintain barrier to entry and competitive advantage, but most importantly to DISRUPT THE BELIEF SET consumers have about your competition (or whatever they are using that you want them to change in favor of your product or service), and thus DE-POSITION the competition.

3.9 Living The Positioning

Positioning science, and the creation of a Winning Positioning Platform ALWAYS succeeds, but ONLY if you engage it and live it across all messaging in all media, in all formats, at all times.

It is very tempting to use brand slogans, tag lines, and clever descriptors to portray what you stand for, but these can often be thought to be sufficient. They are not.

If EVERY element of your marketing – from lead generation through nurturing of prospects through selling your products or services – does not employ powerful DISRUPTIVE DE-POSITIONING, you will waste time, money and resources, and most likely fail.

Positioning should be used to gain competitive advantage not only in branding, but across all marketing channels, specifically including websites, content, messaging, emails, paid ads, and especially across many aspects of advanced SEO.