

Strategic Brand Management

Prepared by Dr. Perihan Salah

MKT733

Brand Positioning

Lecture 3





مجموعة جامعة
الجميع الذكية
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Strategic Brand Management

Lecture 3

MKT
Brand Positioning

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Chapter

03

LEARNING OBJECTIVES

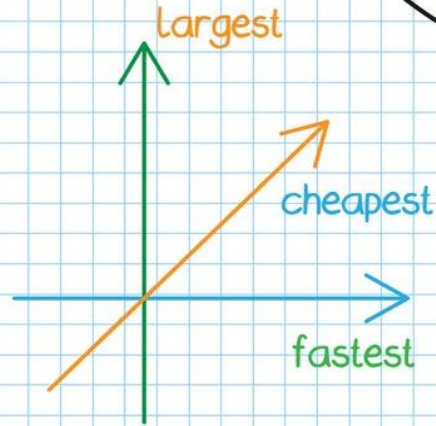
- Identify the four components of brand positioning
- Describe the guidelines in developing a good brand positioning
- Explain brand mantras and how they should be developed

Identify
COMPETITORS
in the
MARKET



% Market Share

Where are they
POSITIONED?



Decide on provider's
POSITIONING
relative to rivals

BRAND



POSITIONING

Look for
MARKET
GAPS



Develop a
UNIQUE SELLING
PROPOSITION



COMMUNICATE ...



... to the CUSTOMER

Two questions often arise in brand marketing:

1. What makes a brand strong?
2. How do you build a strong brand?

These questions help in understanding customer-based brand equity.

Chapter

03

Brand Positioning

Positioning requires defining ideal brand knowledge structure and establishing points-of-parity and points -of differences(POD) to establish the right brand identity and brand image. Unique POD's provide a competitive advantage and the reason why consumers should buy the brand

Brand Positioning

**Basic
Concepts**



STEP
01

Target Market



STEP
02

**Nature of
Competition**



STEP
03

**Points-of-Parity and
Points-of-Difference**



STEP
04

Basic Concepts

- **Brand positioning:**
 - Act of designing the company's offer and image so that it occupies a distinct and valued place in the target customers' minds
 - Finding the proper "location" in the minds of consumers or market segment
 - Allows consumers to think about a product or service in the "right" perspective



Target Market



Market segmentation:

- Divides the market into **distinct groups** of homogeneous consumers who have similar needs and consumer behavior
- Involves identifying segmentation bases and criteria:
 - **Criteria:**
 - Identifiability
 - Size
 - Accessibility
 - Responsiveness

Consumer Segmentation Bases

Demographic

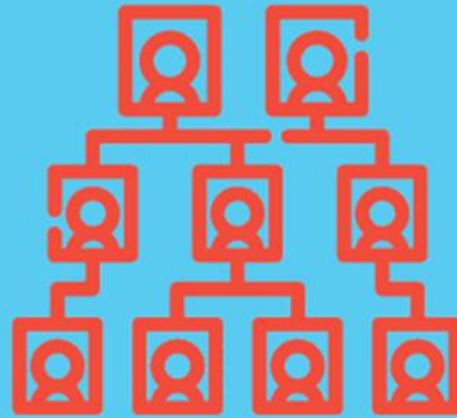
Income

Age

Sex

Race

Family



MARKET SEGMENTATION

Behavioural

User status

Usage rate

Usage occasion

Brand loyalty

Benefits sought

Psychographic

Values, opinions, and attitudes

Activities and lifestyle

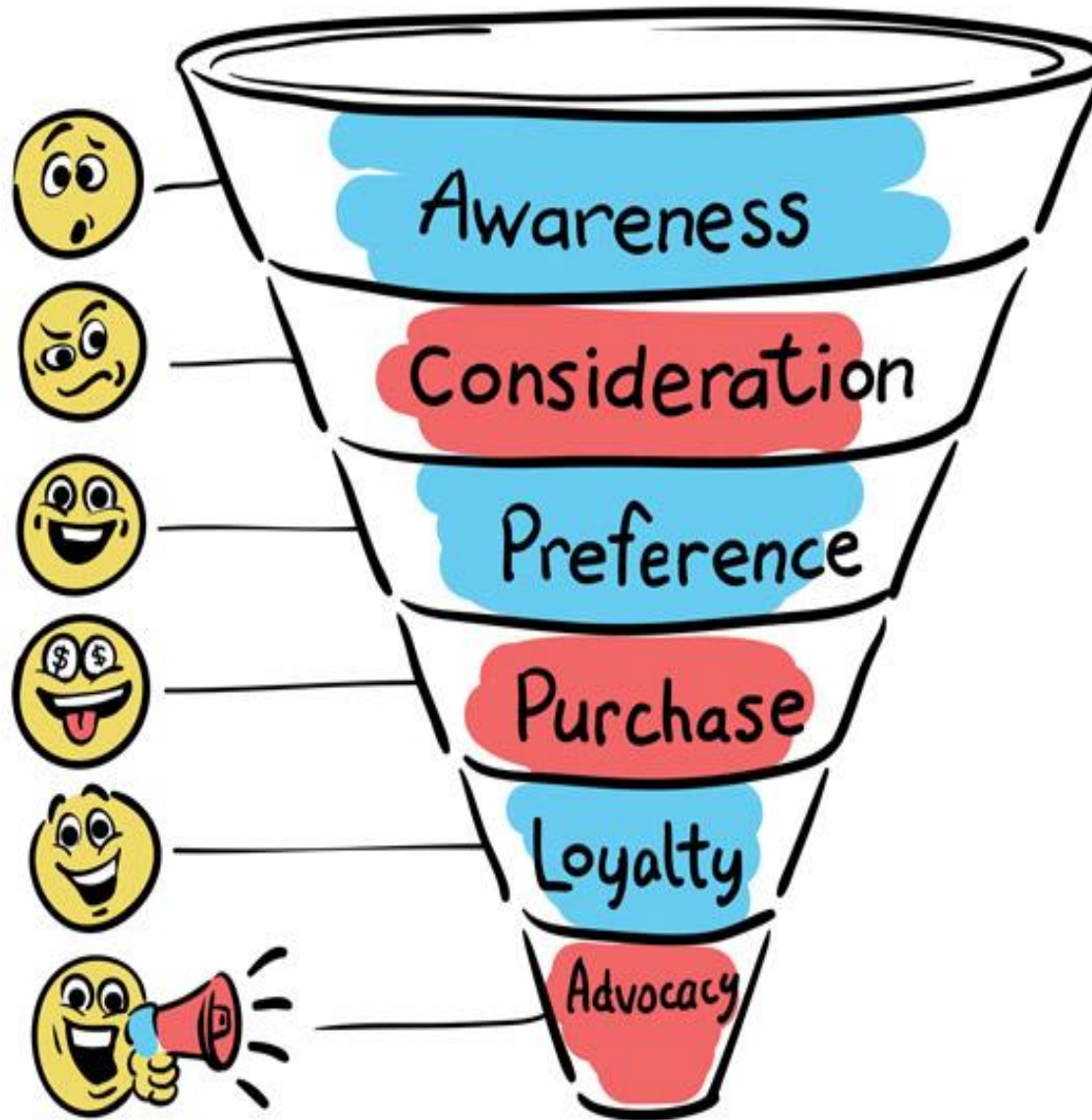
Geographic

International

Regional



Customer Purchase Funnel



Competitive analysis: consider a whole host of factors including:

- resources,
 - capabilities, and
 - likely intention of various other companies
- in order for marketers to choose markets where consumers can be profitably served.

Indirect competition:

By going beyond attribute level to benefit level (such as hedonic benefit), also clothing designers found that consumers spend more on home furniture and electronics. So they started to find new POD with other clothing competitors.(example, Zara, Timberland)

Indirect competition:

Even if a brand does not face direct competition in its product category, and thus does not share performance related attributes with other brands, it can still share more abstract associations and face indirect competition in a more broadly defined product category.

Multiple frames of reference:

How many brands available and the intended brand compete them.

Result of broader category competition or the intended future growth of a brand

- **A competitive analysis:** group of factors:
 - Resources, capabilities, and intentions of other firms to choose markets where consumers can be profitably served.

McDonald's Brand Positioning

For individuals looking for a quick-service restaurant with an exceptional customer experience, McDonald's is a leader in the fast-food industry.



ebaqdesign

- **A competitive analysis:** group of factors:
- When choosing a market, marketers must consider:
 - Indirect competition
 - Multiple frames reference (broader category competition)



Green Cola

Wed at 8:21 PM · 🌐

New Edition !!!

Amazing natural flavors

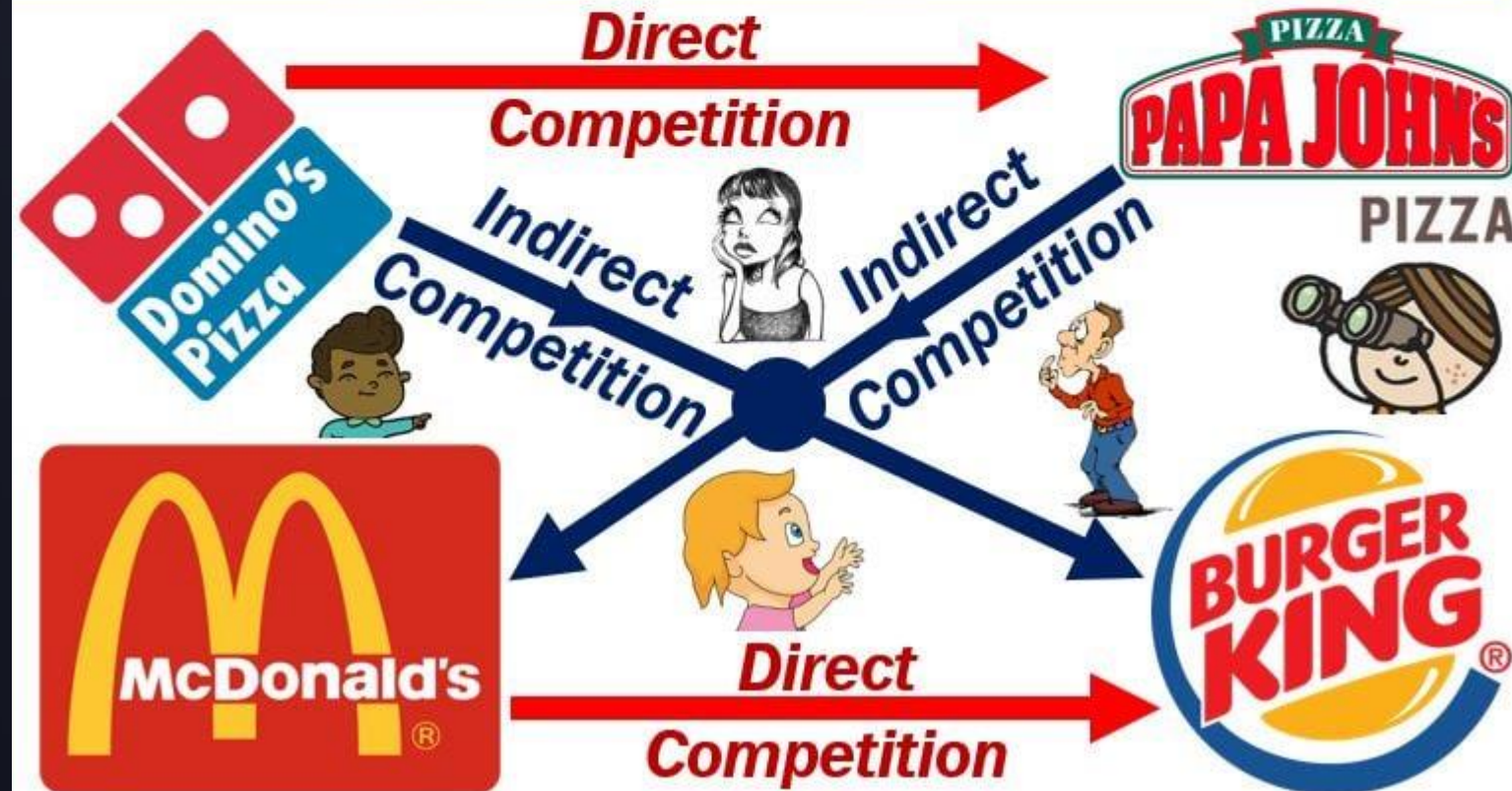
✓ sweeteners from Stevia Plant , low calories , without aspartame or any preservatives.



Indirect Competition

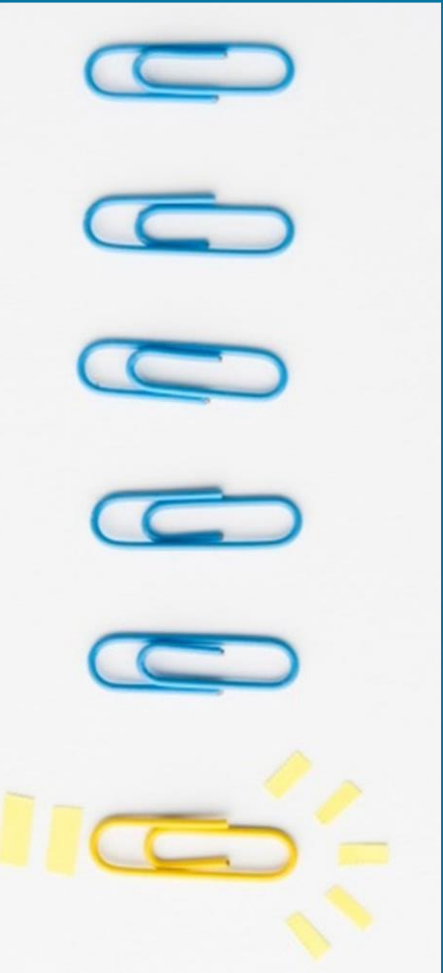
Competition among companies that sell different types of goods that target the same customer group and satisfy the same needs.

Indirect
competition

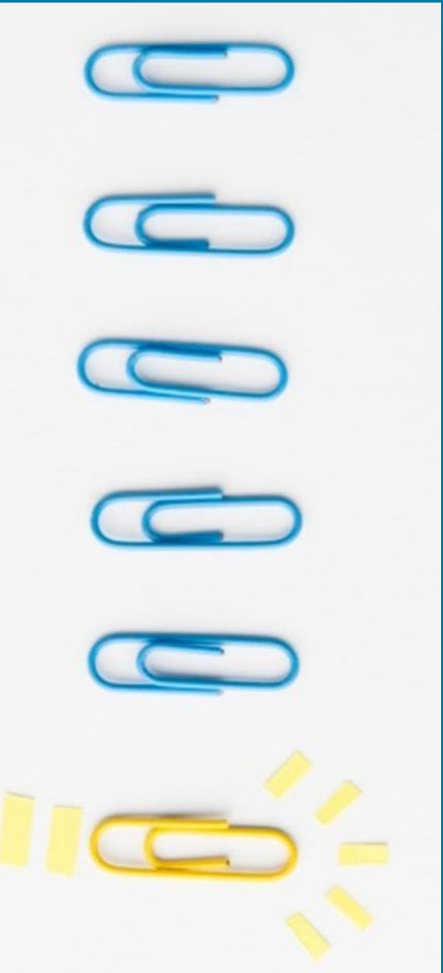


Multiple frames reference





- Points-of-difference associations (PODs):
 - Formally defined as attributes or benefits that consumers strongly associate with a brand, positively evaluate, and believe that cannot be found to the same extent with a competitive brand
 - Functional-performance related considerations
 - Abstract-imagery related considerations
- Points-of-parity associations:
 - Not necessarily unique to the brand but may be attributes shared with other brands



Three types of associations are:

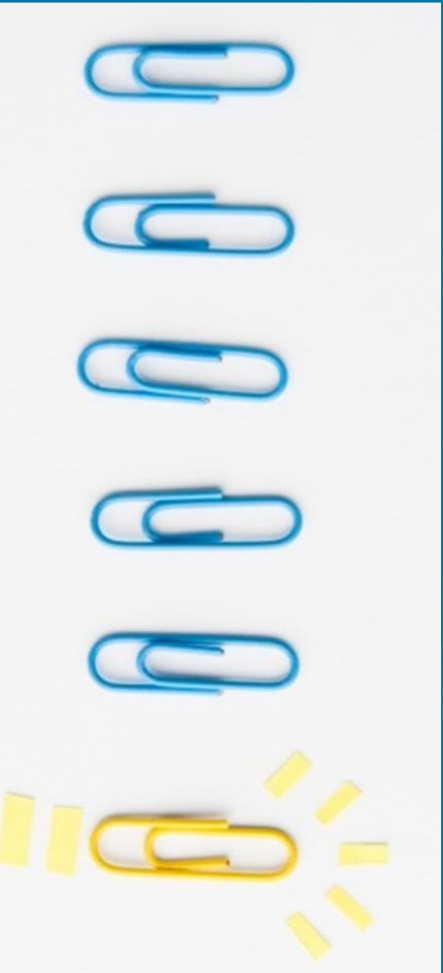
- Category points-of-parity: necessary conditions for brand choice
- Competitive points-of-parity: associations designed to negate competitors' points-of-difference
- Correlational points-of-parity: potential negative associations that arise from the existence of other, more positive associations for the brand

Points-of-parity versus points-of-difference:

- Unless certain points-of-parity can be achieved to overcome potential weaknesses, points-of-difference may not even matter.
- There is a “zone” or “range of tolerance or acceptance” with points-of-parity.
- Points-of-parity are easier to achieve than points-of-differences.



To Sum up ...



- To appropriately position a brand, marketers should:
 - Identify their target customers
 - Analyze the type of competition they might face in the identified market base
 - Identify product features and associations that are different or like their competitors

Pepsi vs. coca cola



	Coke	Pepsi
POD	Joy, family moments, happiness, American dream	Sweeter taste, young target, adventure, fun
POP	Refreshment, historical brands, symbols, and contemporary.	



POINTS OF DIFFERENCE	• Positioned as a food that satiates hunger • Not too expensive • Targeted towards heterosexual males • Many ingredients • Associated with athletics and intensive activities	• Promotes healthy lifestyle • Offers a wide range of chocolate products • Priced higher than competitors	• Targets Men & Women of all ages • Low prices • Nestle offers other confectionery products
POINTS OF PARITY	• World renowned brands • Advertising Platforms • Most recalled chocolate brands • Innovative Product categories		

Brands	Points-of-Parity (POP)	Points-of-Difference (POD)
 "A fresh way to express yourself"	Mint candy Packaging size varies Similar size Similar price Fresh taste	- Colourful - Variety of flavours - Unique shape and texture - The only mint that makes you cool since 1960 - Van Melle founded in Breskens, Netherlands.
 "The breath freshener"		- Green solid colour - It contains <u>Actizol</u>, an active ingredient to eliminate mouth odors - Global brand of gum and mints positioned as a breath freshener.
 "Candy with directions"		- Fight cough, soothes sore throats and cools nasal passages - Hall brothers founded in Great Britain

Defining and Communicating the Competitive Frame of Reference



Choosing Points-of-Difference



Establishing Points-of-Parity and Points-of-Difference



Straddle Positions



Updating Position Overtime



Developing a Good Positioning

Defining and communicating the competitive frame of reference by:

- a- communicating category benefits, marketers use benefits supported performance and imagery associations.
- b- choosing point of difference: a brand must offer a credible reason for choosing it over the other options. The brand must be seen as desirable because target consumers must find POD personally relevant and important, deliverable by supply the benefit with the right way to communicate the target market, also the challenge is to find a viable, long-term basis for differentiation. (example, Head and Shoulders)
- c- establishing points of parity and points of difference: in creating POP and POD, the main challenge is positioning is the inverse relationships that may exist in the mind of many consumers.

Defining and communicating the competitive frame of reference by:

d- straddle positions: occasionally, a company will be able to straddle two frames of reference with one set of points of difference and point of parity. In these cases, the point of difference in one category become point of parity in the other and vice- versa for point of parity. (find POP and POD with two main competitors)

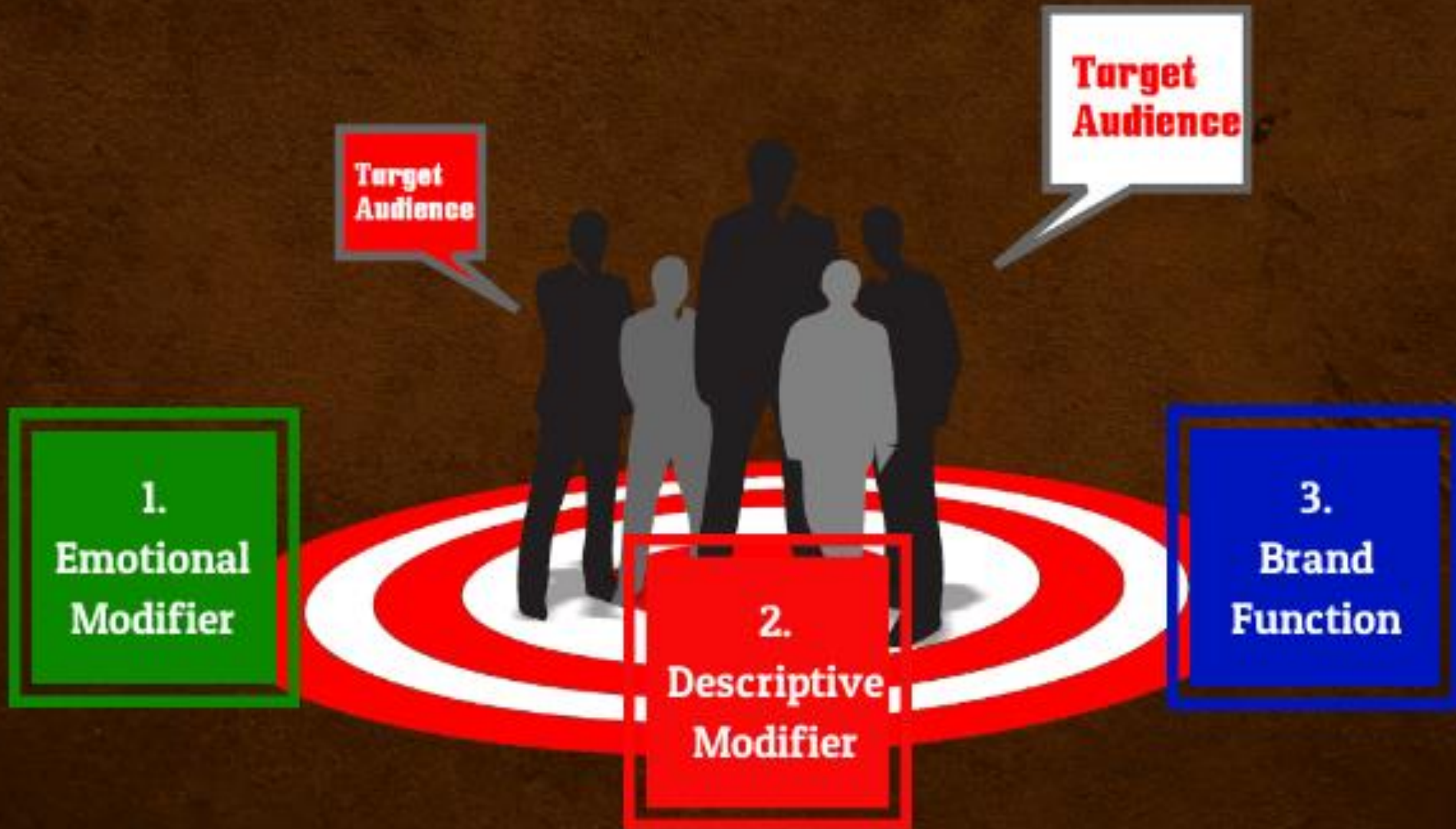
e- updating positioning over time: with an established brand, an important question is how often to update its positioning. As general rule, positioning should be changed very infrequently, and only when circumstances significantly reduce the effectiveness of existing POP and POD. The common market opportunities are laddering which is market challenge is how to respond to competitive action that threaten an existing positioning. while reacting by establishing new POD.

f- developing a good positioning: first, develop good positioning has a foot in the present and a foot in the future. Second, identify all relevant POP. Should reflect a consumer point of view in terms of benefits that consumers drive from the brand

- Brand positioning describes how a brand can effectively compete against a specified set of competitors
- **A good product positioning should:**
 - ▣ Have a “foot in the present” and a “foot in the future”
 - ▣ Identify all relevant points-of-parity
 - ▣ Reflect a consumer point of view in terms of the benefits that consumers derive
 - ▣ Contain points-of-difference and points-of-parity that appeal both to the “head” and the “heart”

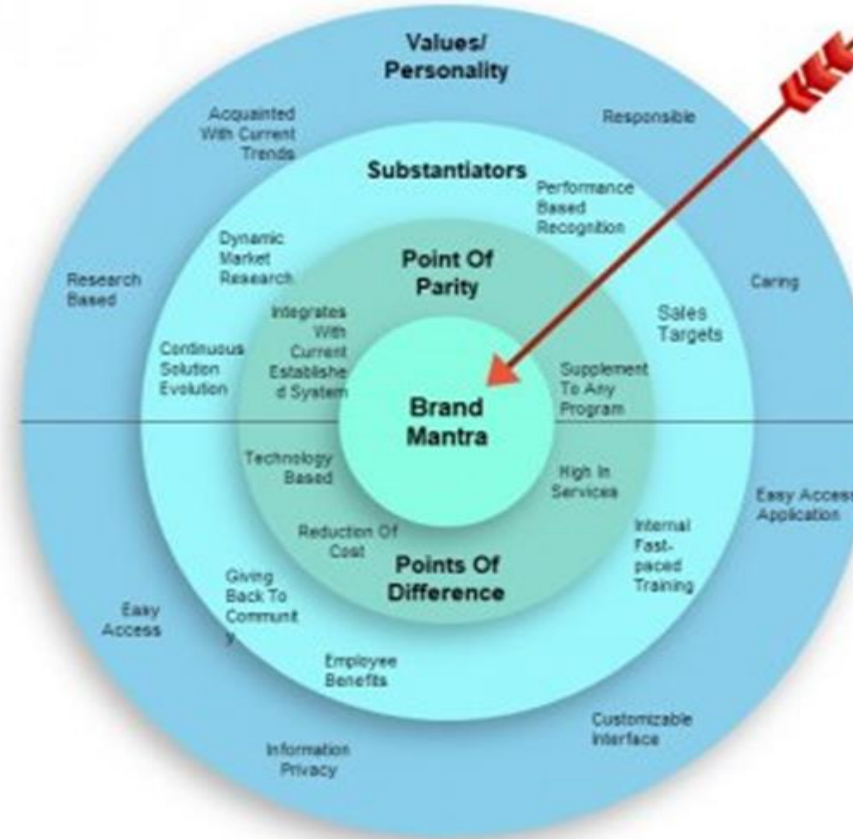
What's Brand Mantra?

Of What Value Is It To Your Brand?



Defining a Brand Mantra

- As brands evolve and expand across categories:
 - Marketers will want to craft a brand mantra that reflects the essential heart and soul of the brand



Brand Mantra Dynamic Market Research

- This slide is 100% editable. Adapt it to your needs and capture your audience's attention.
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Designing a Brand Mantra

Implementing a Brand Mantra

□ Brand mantra

- Short, three-to five-word phrase that captures the irrefutable essence or spirit of the brand positioning.
- Provides guidance about:
 - What products to introduce under the brand.
 - What ad campaigns to run.
 - Where and how the brand should be sold.

Designing a brand mantra

- A good brand mantra should provide:
 - **Brand functions:** Nature of the product or service or the type of experiences or benefits the brand provides.
 - **Descriptive modifier:** Combined with brand functions, helps delineate the brand boundaries.
 - **Emotional modifier:** Determines how a brand provides benefits and in what ways.

Implementing brand mantra

- Should be developed at the same time as the brand positioning.
- Requires more internal examination and involves input from a wider range of company employees.
- Based on core brand associations, a brainstorming session can attempt to identify PODs, POPs, and different brand mantra candidates.

Designing a brand mantra:

- A good brand mantra should provide:
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 - **Descriptive modifier:** helps delineate the brand boundaries
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BRAND	EMOTIONAL MODIFIER	DESCRIPTIVE MODIFIER	BRAND FUNCTION
	Authentic Luxury Delight Natural Convenience	Family Friends Athletic	Drink Refreshment

	Emotional Modifier	Descriptive Modifier	Brand Function
	Authentic	Athletic	Performance
	Fun	Folks	Food
	Fun	Family	Entertainment
	Ultimate	Driving	Experience

Brand Mantra is not a tagline !!!

Brand	Brand Mantra	Tagline
Nike	Authentic – Athletic – Performance	Just Do It
Disney	Fun – Family – Entertainment	Where Dreams Come True
BMW	Ultimate – Driving - Machine	The Ultimate Driving Machine

To Sum up...

- A good brand mantra should:
 - Communicate the category of the business to set the brand boundaries and clarify what is unique about the brand
 - Be simple, crisp, and vivid
 - Stake out ground that is personally meaningful and relevant to as many employees as possible

Brand Positioning Strategy - MacDonald's

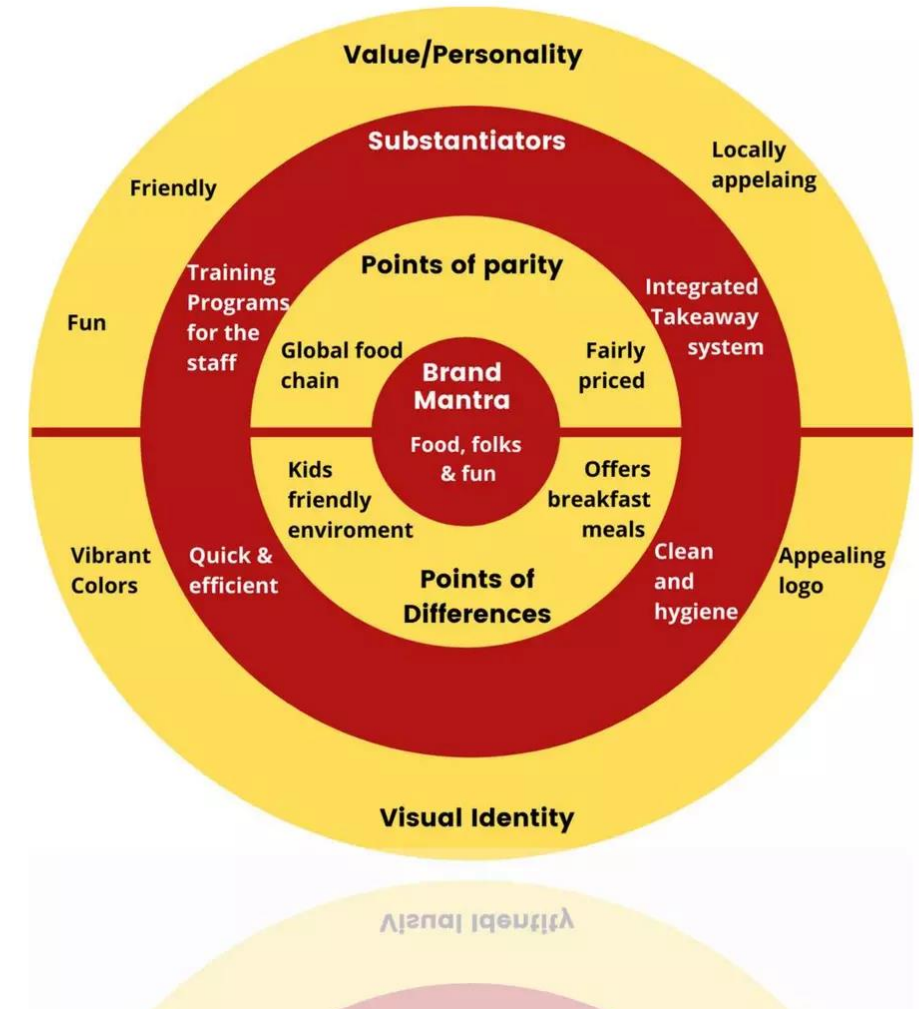
By - Vatsal Sachdev



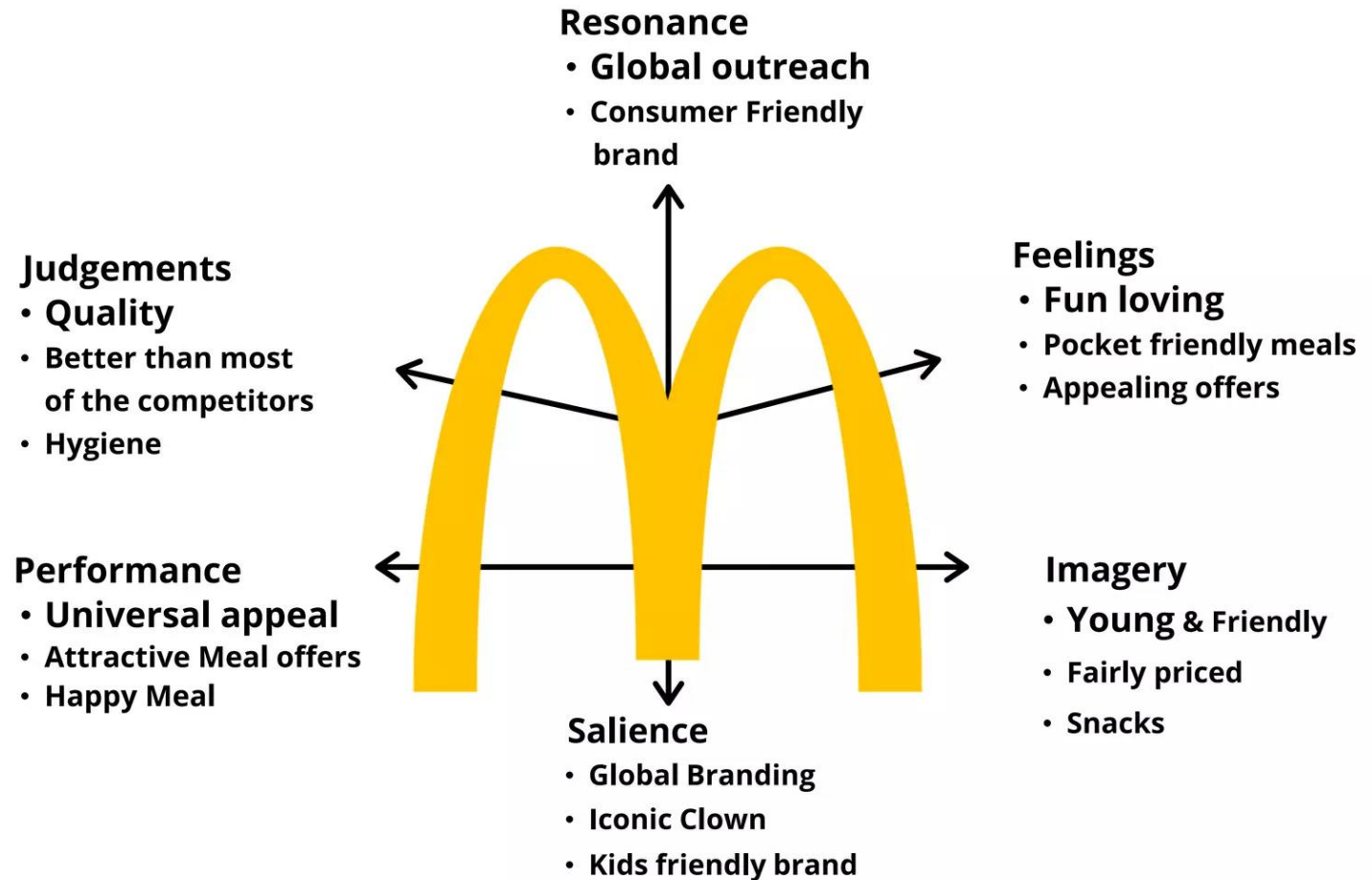
Bulls Eye Model - Mcd

Key takeaways

- Kids friendly Brand
- Appealing Marketing strategies - Iconic clown
- Fairly priced
- Vibrant color Scheme



Resonance Model - Mcd



Brand Elements - Mcd

- I'm** - Integrated management
- L** - Locally appealing
- O** - Outreaching customers globally
- V** - Variety of Meals
- I** - Iconic clown
- N** - Never gives up on customer satisfaction
- It** - Internationally trusted brand



**Thank
You!!**



- Identify the four components of brand positioning
- Describe the guidelines in developing a good brand positioning
- Explain brand mantras and how they should be developed



To Sum Up...

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Thank You

