

DISPATCHES™

Insights On Brand Development From The Marketing Front

IT'S TIME TO THINK DIFFERENTLY ABOUT DIFFERENTIATION (PREFERENTIATION!)

"But couldn't any other brand in the category also say that?"

--Familiar Marketer Critique

From time to time in the past, we have proposed that perhaps it was time to replace the Chief Marketing Officer (CMO) with a newer, more expansive (and competitive) leader-role: the Chief Differentiation Officer (CDO). And we identified a few areas, beyond the product and its brand positioning strategy, wherein the CDO might make the most differentiating impact. Whether or not this new role catches on, though, there is one thing we're convinced *must* catch on: expanding the longstanding—and rather narrow—boundaries of what legitimate brand differentiation comprises. In other words, it's time to think differently about "differentiation."

The longstanding and rather narrow view of brand differentiation tends to comprise two elements of the brand positioning strategy, the Benefit (more typically, in fact, the *product benefit*, or what the product *does*) and the Reasons Why—features, attributes, ingredients, modes-of-action and so on. So, when designing a positioning strategy, if neither of these includes something meaningfully differentiated from other brands in the category or class, then the positioning is said to be undifferentiated as typically expressed in the words up above, "But couldn't any other brand in the category also say that?" Naturally, no brand-builder wants to propose, let alone implement, an un-differentiated brand positioning strategy. But in this era, when so many products can do much the same thing quite well and even in roughly the same way, relying upon product benefits and reason-why features are usually no longer enough—to *create* and deliver the brand differentiation we want.

This means, then, looking in other places to ***create meaningful differentiation***. More to the point, the question should not be, "But can't anyone else also say that?" Instead, the question ought to be, "How might we serve up our 'class-effect' benefits differently?" to create a differentiated identity for the brand. Here are some typically under-appreciated ways to serve up meaningful differentiation—and win:

1. **Appeal to a differentiated target customer.** We have recommended this highly strategic approach for years now, and yet we continually encounter pent-up

resistance to it. It would be easy to ascribe that resistance to most senior management attitudes, namely, that when you compete in a given category or class, you go after the same target prospects that your competitors do—that's how you gain share.

However, we've come to believe that there is an even more credible reason for **not** choosing a differentiated target. Despite all the advances in customer-linked technology, way too many marketers (and their management) still don't know how to or don't invest the time to select an attractive but differentiated target. And what's an attractive but differentiated customer target? For starters, one that other brands have either overlooked or, more likely, flat-out failed to appeal to effectively.

Take entry-level and teenage girls in the feminine protection market. Every marketer knows the potential value of capturing someone who enters a market for the first time or early on; it's still regarded as one of the best ways to gain a lifelong customer. But until the *U by Kotex* brand came along ten or so years ago, no leading san-pro brand had ever successfully won over a significant percentage of teens (including the Kotex brand itself). They simply could not escape their decades-old, stereotypical ways (i.e., blue liquid demos and white bathing suits) of presenting their "class-effect" benefits of absorption, protection from embarrassing leaks, and of course, confidence. *U by Kotex* not only focused squarely on the teen demographic but, even better, they created a true-to-life brand story that also "nailed" the prevailing teen psychographic... "Period BS Callers," who had no patience or interest in blue dyes and white outfits. The *U by Kotex* products performed as well as other leading brands (as in they had no product differentiation); it was the positioning target customer that provided the winning differentiation.

An overlooked or poorly addressed target group is one kind of potentially attractive but differentiated target customer. But there's an even better one: *that target group that one of your key competitors would be most uncomfortable going after*. The classic example of this dates back to the Cola Wars of the 1980s between Coke and Pepsi here in the US. Listen to this excerpt from the Brand Pepsi Positioning Strategy (1988): *The objective of our "Leading Edge" strategy is to position Pepsi as the brand reflecting the high-tech, sci-fi, musically-oriented, modern, innovative, youthful energy of contemporary youth. Such a position aims at not only a critical demographic (highest per capita cola consumers), but also a psychographic which Brand Coke, due to its older, tradition-based positioning, cannot easily or comfortably imitate.*" It was this concentrated focus against a "comfort-differentiated" target that took Pepsi to new share levels.

2. **Create an insight-based, different customer benefit.** There's perhaps no better current example of this in action than what the Snickers brand accomplished in

evolving its original "Snickers Satisfies" product benefit, over time, to its recently-past "You're Not You When You're Hungry" customer benefit. Of course, having so well-established what the Snickers product does (staves off hunger, tastes indulgent), the brand might have gone with a more pedestrian what-that-gives-the-consumer, or customer benefit—something along the lines of being able to perform or to stay focused. But neither of these benefits is anywhere near as productive as the insight-based customer benefit of "getting back to being a pleasurable, sociable you." No wonder so many consumers—all over the world—found the brand and this benefit so captivating: no matter who you are or where you come from, when you get hungry and can't eat a meal, you're no fun.

- 3. Express a categoric or "class-effect" benefit in a meaningfully different way.** Especially when it comes to the brand's customer benefit, we are more and more convinced that **this** is where marketers and their teams should invest the bulk of their time. Many healthcare brands follow the same pattern—transitioning from what their product does to what that means for the healthcare professional. Such a typical pattern goes something like this:

Product Benefit: Fills thinning lip tissue and lasts up to 6 months (class-effect);

Physician Customer Benefit: So you can make your patients' lips look beautiful (also class-effect).

But consider how the relatively new lip filler from Galderma, *Restylane Silk*, has chosen to serve up, effectively, the same Physician Customer Benefit in a new, much more compelling way for the customer:

Physician Customer Benefit: *Restylane Silk*—so you can create for your patients' lips the same "divine proportion" look that the great masters did.

Such a change not only elevates the perception of what the physician can provide her or his patients, but it also speaks directly to how so many of these dermatologists and plastic surgeons perceive themselves—as artists.

These are merely three ways that today's brand-builders can create differentiation when their product performance fails to deliver real differentiation. Quite often, we ask our clients what resource they have that offers them the best opportunities for winning differentiation. The obvious answer eludes them frequently. It's simply this: their creative thinking.

PS: Going back to our opening suggestion to hire a CDO (Chief Differentiation Officer) and not merely a CMO (Chief Marketing Officer), we now think there is an even more desirable hire—a CPO, or Chief "Preferentiation" Officer. Creating a meaningfully different Brand Positioning and translating that throughout the brand's marketing is one thing, but it's yet

another to convert that differentiation into real preference—which, when you think about it, is what really, really drives purchase and consumption.

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