DISPATCHES™

Insights On Brand Development From The Marketing Front

POSITIONING FOR PRODUCTIVITY

> *"So, remember that rising productivity means getting more output for less input."* (Anonymous)
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> *"It's not the daily increase but daily decrease. Hack away at the unessential."* (Bruce Lee)
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> *"The less effort, the faster and more powerful you will be."* (Bruce Lee)

There's an old chestnut in some companies—especially popular among the company's operations folks—that the term "marketing productivity" is actually an oxymoron. Obviously, more tenured members of a company's Manufacturing or Logistics function have come to regard themselves as the true productivity drivers within the organization. And conversely, the Marketing folks are nothing more than big spenders…a drain on company productivity.

To be sure, many marketing organizations fail to either calculate or report on the ROI of their spending and investments; and these failures don't exactly help in creating the impression that Marketing cares about productivity. But here's the irony: virtually every marketing organization that we have worked with or know about is faced with the same unrelenting trend—to do more with less, both less money and fewer people. That clearly sounds like an urgent call for productivity!

So, there's no question that Marketing has got to get into the ROI-accountability game. Not merely to demonstrate how they can increase productivity while doing more with less, but also to establish and enhance real *relevance* to the company. You might think that accomplishing these things starts with setting up the measurement tools and systems to track and report on the volumetric results of various marketing initiatives—relative to the spending each entails. And you would not be wrong to think this. But we think there is an even better starting point for delivering marketing productivity: the Brand Positioning Strategy.

Brand Positioning, really? That's a "master strategic document"; what has it got to do with more efficient use of the company's dollars and cents? Actually, it has **lot** to do with more efficient utilization of **all** the company's resources. Unfortunately, not so many senior management types appreciate just how much. As it turns out, there is a handful of "positioning productivity principles" that every manager (especially the most senior ones) in every company needs to know…such as:

Principles of Positioning Productivity

1. **Because Brand Positioning resources are always finite, no company or brand can afford to position against everyone in a market.** This makes *choosing* the brand positioning the real starting point for virtually any marketing productivity: "Where and for whom (since not everywhere and not everybody) do we consciously *choose* to have the brand compete…to get the best return on our limited resources?" And it makes a folly of that all-too-common senior staff boardroom dictate to a "less-than-everywhere, everyone" proposed brand positioning, "Make the positioning broader, bigger—we need BIG volume!" It makes a folly of it because going broader and bigger will end up wasting those few resources the company **does** have against low to no-return prospects.

2. **Not all customers or consumers are equally valuable; therefore, selecting the maximum-opportunity market segments to target is paramount.** Along similar lines of thinking regarding limited resources, the choice of which market segments to invest against (as the brand's positioning target) is a most critical decision. Selecting too many segments or, worse yet, ones the brand has little or no chance to win within, makes generating desired ROI near impossible. No, to get to true marketing productivity, it is the marketer's responsibility to calculate for the selected positioning target segments such things as:

   --Volume & Profit Opportunity (with ROI)
   --Potential Lifetime Value to the Company
   --Ability of the Product to Satisfy Customer Needs
   --*Ability to Deliver a Meaningful Point-of-Difference (P-O-D)*

3. **Focusing on the needs the brand can "win with" is Job 1.** Following on from the above, it is simply not enough to position the brand with customer or consumer needs that it can satisfy with a meaningful P-O-D. To get to the highest odds for marketing productivity, it is also absolutely essential to omit, delete, toss out from the brand positioning those "class-effect" or cost-of-entry needs that obfuscate and clutter things…to ensure *crystalline focus against the needs that really matter, the ones that drive the behavior which, in turn, will deliver more volume and profit output.*

4. **Carefully and regularly analyzing key competitors' positioning moves helps to safeguard the brand's productivity.** When you're counting on gaining even more volume from the brand's positioning target-segments, nothing upsets that apple cart more than a surprise "attack" against them by one of your key competitors. That's why it's so important to monitor and check out with customers any perceived competitor positioning moves. Sure, most marketers are aware of

major competitors' initiatives—particularly product news or innovation. But not so many marketers (along with their senior managements) *insist upon* a literal articulation of key competitors' current brand positioning strategies…for thoughtful review during every Strategic Planning cycle, at a minimum. Such a review provokes reasonable guesses of where the competitor might move next; and this can really help prevent a sudden loss of some of the brand's "productivity base."

5. **Creating, sustaining, and building Brand Loyalty is, really, the driver of marketing productivity. No Brand Loyalty, no productivity.** The *ultimate* purpose of any brand positioning strategy is to gain loyalty. That's it. With loyalty, the brand not only sustains an attractive base of on-going business, but it also develops a growing army of brand advocates—surely now, in the age of social media, so very, very valuable. Said another way, the goal of a brand positioning is **not** to generate modest sales among people who will purchase, consume, prescribe, use your brand once in awhile; no, the goal of a brand positioning is to feed and fuel an ever-growing stream of business among *true believers in the brand*. It is so much easier to gain more output with even less available input among such a cadre of true brand believers!

So, getting back to the two Bruce Lee quotes at the start…clearly, he was not talking about marketing or brand positioning when he said these things. But, knowing how intensely competitive the man was, he was obviously talking about *winning*. His advice to cut the unessential, to reduce and focus the effort surely applies well to any brand—and especially to the company's senior management overseeing that brand—aiming to *win in the marketplace*. A "bigger, broader positioning target" is not better; it's wasteful, even irresponsible. Loading a brand positioning with seven or eight customer or consumer needs (only two of which the brand can satisfy better than competition) is not more comprehensive; it's totally unfocused, leaving the brand to stand for nothing in particular. Take a tip from Bruce—he knew something about winning!

Is your brand positioning strategy pulling its weight in the marketplace? Read Chapter 3, Mis-Positioning Brand Positioning, in **AVOIDING CRITICAL MARKETING ERRORS: How to Go from Dumb to Smart Marketing**. It will identify those critical positioning errors that suck productivity and, importantly, point the way to developing a more productive brand positioning strategy. It's that smart! Learn more here: http://bdn-intl.com/avoiding-critical-marketing-errors

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