

DISPATCHES™

Insights On Brand Development From The Marketing Front

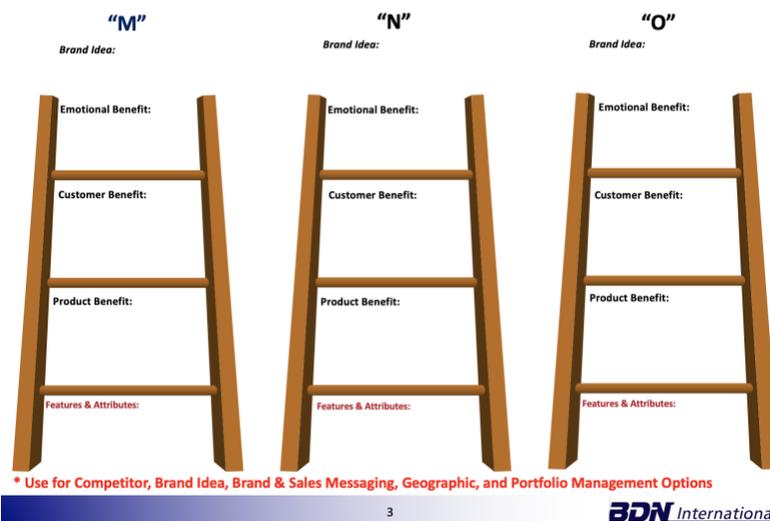
APPLYING THE BENEFIT LADDER TO ACHIEVE A COMPETITIVE ADVANTAGE

We recently shared the purpose and importance of developing a benefit ladder. Additionally, we identified how to create one correctly. For a refresher, click here: <http://bdn-intl.com/climbing-the-benefit-ladder>.

In this issue, we share ways to apply the benefit ladder to enhance your strategic thinking and help identify ways to make your brand more competitive.

Creating a brand ladder is incomplete unless we make it comparative. With what? Our competition, of course. Our goal is not merely to fill in a template but to use it to guide our thinking in developing relevant, meaningful benefits from competition. We want to use our benefit ladder to help create customer preference for our brand.

Comparative Benefit Ladder*



Competitive Benefit Ladder

So, the first way to apply the benefit ladder is to compare it with our key competitors. This comparison requires that we infer our competitors' benefit ladder from everything they do—advertising, website, press releases, customer research, etc. Be careful not to inflate your brand's features and benefits nor to understate your competitors!

Upon completion of a comparative benefit ladder, we then compare and contrast what we see, addressing the following questions:

- Are there any differences in product features and attributes, product benefit, customer benefit and/or emotional benefit?
- To whom (target customers) are any differences relevant and meaningful?
- Which, if any differences, lead to POP (Point-of-Preference) among target customers?

What do we do if we don't have relevant and meaningful differences? It's back to the drawing board. The market doesn't need more "me-too" offerings—as we already live in an "age of sameness and abundance"—except for genericizing and driving down prices for the category.

Alternate Brand Idea and Benefit Ladder Options

There are other uses for the benefit ladder since it allows us to compare and contrast, helping us to improve our competitiveness. Another application is to apply it during the brand positioning development phase. We use the benefit ladder to compare alternate Brand Ideas and benefits, and support for those benefits. Quite simply, you create a comparative benefit ladder based on alternate Brand Ideas you are considering. You can compare one option against the other using the questions posed above. How does option "M" compare with "N" and "O," and so forth?

Brand and Sales Messaging

Our brand and sales messaging must choose from targeting different customer "behavior" segments and within each different "mindsets" that contribute to their choices. For example, if our brand needs to "switch" competitive users, the messaging will differ from if we pursue "adoption." Switching requires that we demonstrate that our brand is a better choice for the target customer. On the other hand, if it's adoption that we are seeking, our messaging needs to be about the importance (or "benefit" if you prefer) of prescribing or using something the target customer hasn't.

However, we're not just dealing with a customer behavior segment; we're also dealing with attitudes (i.e., mindsets) that lead to the behavior. Accordingly, we need to create benefit ladders that deal with the different customer mindsets.

Let's be perfectly clear; we cannot be all things to all people. We will have to choose. If we don't, we will obfuscate or dilute any relevant, meaningful differentiation and dilute our resources. These are prescriptions for failure!

Geographical Messaging

We can also apply the benefit ladder to messaging geographically. What say we!?! Messaging will vary based on our customer behavior objective and mindset for various geographical regions and, even, countries. As already mentioned, the messaging will be different for stimulating switching versus adoption. Messaging created in developed

countries for switching will fail in those emerging economies where the customer behavior objective is adoption.

Portfolio Management

There are many companies that have a portfolio of brands or product lines in the categories and therapeutic areas in which they compete. For example, Procter & Gamble (P&G) has two entries in the antiperspirant category, Secret and Old Spice. AstraZeneca has several brands to help manage diabetes. Johnson & Johnson Company's McNeil Consumer Pharmaceuticals has several product lines and forms under the Tylenol umbrella brand. There's Tylenol Cold & Flu Severe, Tylenol 8-Hour Arthritis Pain, Children's and, separately, Infants' Pain and Fever, Tylenol PM, to name just a few. Many come in alternate forms (e.g., caplets, pills, liquids). Your company likely has either multiple entries or product lines too.

Portfolio management aims to increase overall category (or therapeutic) market share and minimize cannibalization. In other words, we want to take share from competitors, not our businesses. Thus, we can also use the comparative benefit ladder to examine whether we are sufficiently differentiating each from the other to achieve our goal of competing in a broader market without unduly cannibalizing other brands or product lines in our company.

A Final Word (or More)

Applying the benefit ladder won't give us the answers, but it will generate a thoughtful dialogue and identify issues that lead to the customer research to address them. It will improve the likelihood of generating preference for our positioning, our messaging, and our brands.

Interested in improving the likelihood of marketing success? Read Richard's most recent book, **AVOIDING CRITICAL MARKETING ERRORS: How to Go from Dumb to Smart Marketing**. Learn more here: <http://bdn-intl.com/avoiding-critical-marketing-errors>

Best wishes,
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