



THE 5 FUNDAMENTALS OF GREAT BRAND POSITIONING

Design great customer centric
brand positioning



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What is a Brand?

Our world has evolved significantly in the last decades. It is no longer enough to promote products and features (as in the good old sixties). Today, customers want to establish a relationship with the suppliers and products. This relationship can only emerge if the brand connects emotionally as well as functionally with the customer.

Brand creation is a fine mix of science and art. But whatever direction or process used, there are 5 fundamentals that always need to be taken into account.

“Great Brands no longer happen by chance.”

Remember though that while great Brand positioning may be crafted, it will always remain an aspiration. The only reality that matters is how the customers ultimately perceives the Brand.





Fundamentals of a great Brand Positioning

Great Brands resonate with customers because they are designed around the customer. This requires brand owners to make several strategic choices and later have the discipline to adhere to these during execution. These choices can be summarized in 5 core questions that need to be addressed:

- **Target:** For whom is the Brand intended?
- **Insight:** What is the tension, frustration, or unmet need that is driving the opportunity?
- **Competitive Framework:** What other brands or solutions would the customer consider?
- **Benefit:** What is the unique promise the Brand offers both functionally and emotionally?
- **Reason to Believe:** What compelling proof supports the benefit?

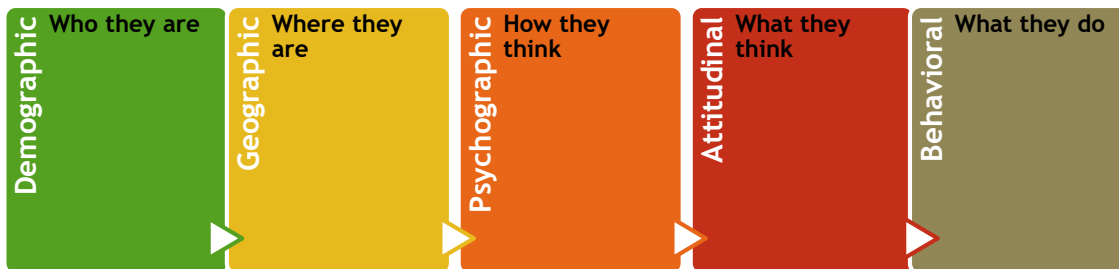




Target the Right Customer

While all the 5 steps are critical, this decision will also impact all the subsequent choices. Targeting is critical for 2 reasons : not all customers are equally valuable and financially, you just cannot afford to **not** to target.

For a long time, targeting was solely based on relative easy accessible criteria. They have since evolved to required deeper understanding and insights of the customer.



By detailing out these areas, slowly the ideal customer will emerge and visualize him/herself. All the various aspects of the target customer should be summarized into a Customer Persona who will be the reference for the Brand.

There are certain aspects to be considered while narrowing in on your target customer.

- Do all the individuals within the target segment behave the same? And differently from the other segments?
- Are there enough target customers to justify the focus?
- Are you able to access them and if so, are you able to influence their behavior?



Customer Insight

Theodore Levitt, late professor at Harvard Business School, coined the famous quote *“People don’t want to buy a quarter-inch drill. They want to buy a quarter-inch hole!”*

Marketers can no longer afford to assume that the customer will make the logic leap from features to benefits. Hence the emergence of the **FAB** approach in the early eighties (Features-Advantages-Benefits). Levitt's 1/4 inch diameter is the feature and the hole is the benefit.

In today's world where the competition is for customer attention, the process needs to be taken a level further. *Why the customer needs a hole in the first place? Is it to add shelves to organize a garage? is it to hang a long overdue (and often reminded) painting on a wall?*



The potential benefits of your Brand offer needs to be linked into a strong identified (and validated) customer insight.

Forget **FAB** and think more **FABI**:

- **Feature:** facts or characteristics about your Brand
- **Advantage:** are what the features actually do
- **Benefit:** the reason that matters to the customer or what they value
- **Insight:** the underlying customer tension that the Brand solution will release



Competitive Framework

There are two aspects to be considered.

1

The first is to actually understand who the competition actually is. This may sound simple but too often companies tend to focus on the industry segment instead of the customer. This leads to a narrow vision of competing products within the same sector. In reality though, a competitive framework viewed through the customer lens may lead to a completely different perspective.

Consider how Southwest defines the competitive framework as any point to point ground travel and how this has shaped their value proposition and communication strategy.

The second reason is to drive sharper differentiation. Without the clarity of the framework, the temptation will be to try to differentiate from all competing solutions. Not only will this dilute the Brand positioning but it will also lead to a very confusing and ultimately less credible messaging.

2



Benefits

Benefits come in different forms and shape. As “*rational*” beings the temptation is to map out the Brands focusing on the tangible benefits. However, at the end of the day, the intangible benefits actually drive the purchase decisions (yes, even in business to business environments).

Tangible Benefits	Intangible Benefits
Functional: what the brand does for the customer	Social: how the brand allows the customers to connect with others
Economic: what the brand means in terms of money and time	Psychological: how the brand allows the customer express themselves or feel better.

A great brand positioning should always contain of a mix of tangible and intangible benefits.

“Stop telling consumers what you do and start telling them what they get and how it will make them feel.”

Graham Robertson



Reason to Believe

Unless the corporate brand has created such a strong equity that it overshadows the product offering (think Apple), in most cases the customers need to create a degree of trust with the brand.

There are some obvious sources of reasons to believe.



Emphasizing on few reasons is critical and the selection will ultimately need to be linked back to the target customer selected.



Next Steps

Brand Positioning is the process of developing and ultimately owning a competitively differentiated space in our customers' minds that clearly fulfils an unmet need or resolves a tension they have.

Positioning is the internal strategic guidance for the Brand, affecting all Brand decisions.

A great Brand Positioning is more than just a statement. It should comprise of an entire tool kit (often bundled into a Brand Book) :

- Brand Persona
- Customer Journey
- Brand Character and Framework
- Brand Positioning
- Value Proposition
- Brand Guidelines



Santa Marketing believes that it is time to transform marketing so that it supports business growth. This transformation relies on impactful, fast and cost efficient marketing approaches.

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