



POSITIONING

Product Differentiation

- Most competitive advantages lasts only a short time. Companies therefore constantly need to think up new ***value adding*** features and benefits to win the attention and interest of ***choice rich, price prone*** consumers.

Differentiation

- It is the act of designing a set of meaningful differences to distinguish the company's offering from competitors.

How can you differentiate?

- Differentiation can be done in various ways depending on the industry and product category.
- Differentiation can occur in one or more of these areas – product, services, personnel, channel, image.

Product Differentiation

- Form
- Features
- Performance
- Conformance
- Quality
- Durability
- Reliability
- Repair ability
- Style

Services Differentiation

- Ordering Ease
- Delivery
- Installation
- Customer Training
- Maintenance and repair

Personnel Differentiation

- Competence
- Courtesy
- Reliability
- Responsiveness
- Communication

Channel Differentiation

- Trade
- Direct

Image Differentiation

- Identity – what the company wants to project
- Image – what the public perceive
- Image can be enhanced by using, symbols, media, atmosphere, events and employee behaviour

Relevant Differentiation

- Differentiation must be meaningful and relevant to the consumer. So it should satisfy the following criteria
 - Important
 - Distinctive
 - Superior
 - Preemptive
 - Affordable
 - profitable

Positioning

- The act of designing the company's offering and image to occupy a distinctive place in the consumer's mind.
- Positioning normally takes one position in the mind. More than one, the company runs the risk of customer credibility and dilution of positioning

Positioning Strategies

- Attribute
- Benefit
- Use or application
- User
- Competitor
- Price/quality

Developing and Communicating a Positioning Strategy

- Treacy and Wiersema propose that a business should follow four rules for success
 1. Become best at one of the three value disciplines.
 2. Achieve an adequate performance level in the other two disciplines.
 3. Keep improving one's superior position in the chosen discipline so as not to lose out to a competitor.
 4. Keep becoming more adequate in the other two disciplines, because competitors keep raising customers' expectations.

Developing and Communicating a Positioning Strategy

- Positioning: How many ideas to promote?
 - Unique selling proposition
- Four major positioning errors
 1. Underpositioning
 2. Overpositioning
 3. Confused positioning
 4. Doubtful positioning

USP

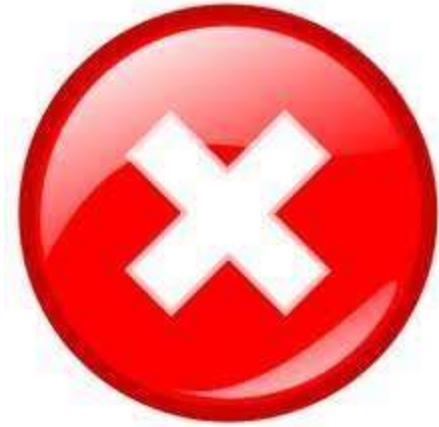
- This should be exclusive to the product and make a significant relevant impact to the consumer

Positioning Error



There are various positioning errors, such as-

- ❖ **Under positioning**
- ❖ **Over positioning**
- ❖ **Confused positioning**
- ❖ **Doubtful Positioning**



Under positioning

- ❖ Failing to present a strong central benefit or reason to buy the product.
- ❖ occurs when customers cannot readily identify the brand or the brands features. The product must stand out in the mind of the consumer



Example: solar lamp

Over positioning

- ❖ marketers makes the product too special, so the potential customer group becomes too small.
- ❖ It means that buyers believe that the product is meant for a very select audience because it is premium priced.

Example: Aqua Sure



Confused positioning

- ❖ By claiming two or more benefits that contradict each other.
- ❖ Too many benefits or claims, or when the brand attempts to position in too many segments.

Example: NeXT computers



Doubtful Positioning

- Claiming a benefit that customers will doubt that the brand can actually deliver.

Example: Fair and Handsome





THANK YOU



Any questions please?