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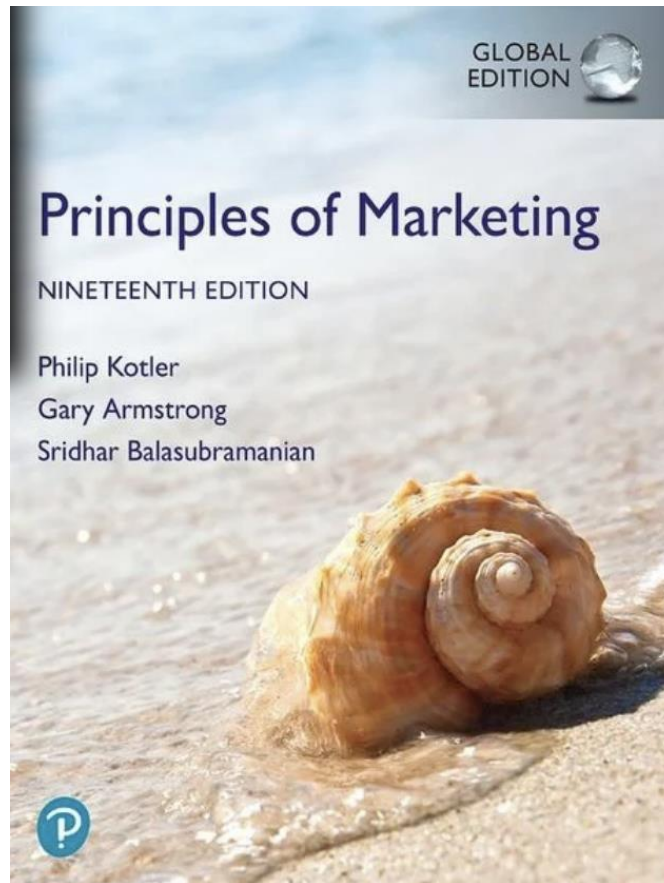
Haute école de gestion
Genève

CHAPTER 7: MARKETING STRATEGY PART 2

DIFFERENTIATION & POSITIONING

Marketing Principles 1
Anna Wehren

Principles of Marketing



Chapter 7

Marketing Strategy Part 1 Differentiation & Positioning

Learning Objectives

- 7-1** Define the major steps in designing a customer-driven marketing strategy: market segmentation, targeting, differentiation, and positioning.
- 7-2** List and discuss the major bases for segmenting consumer and business markets.
- 7-3** Explain how companies identify attractive market segments and choose a market-targeting strategy.
- 7-4** Discuss how companies differentiate and position their products for maximum competitive advantage.
- 7-5** Learn to write a brand positioning statement.

This the Heart of Marketing Strategy !

Segmentation & Targeting

Defines what customers are you serving.

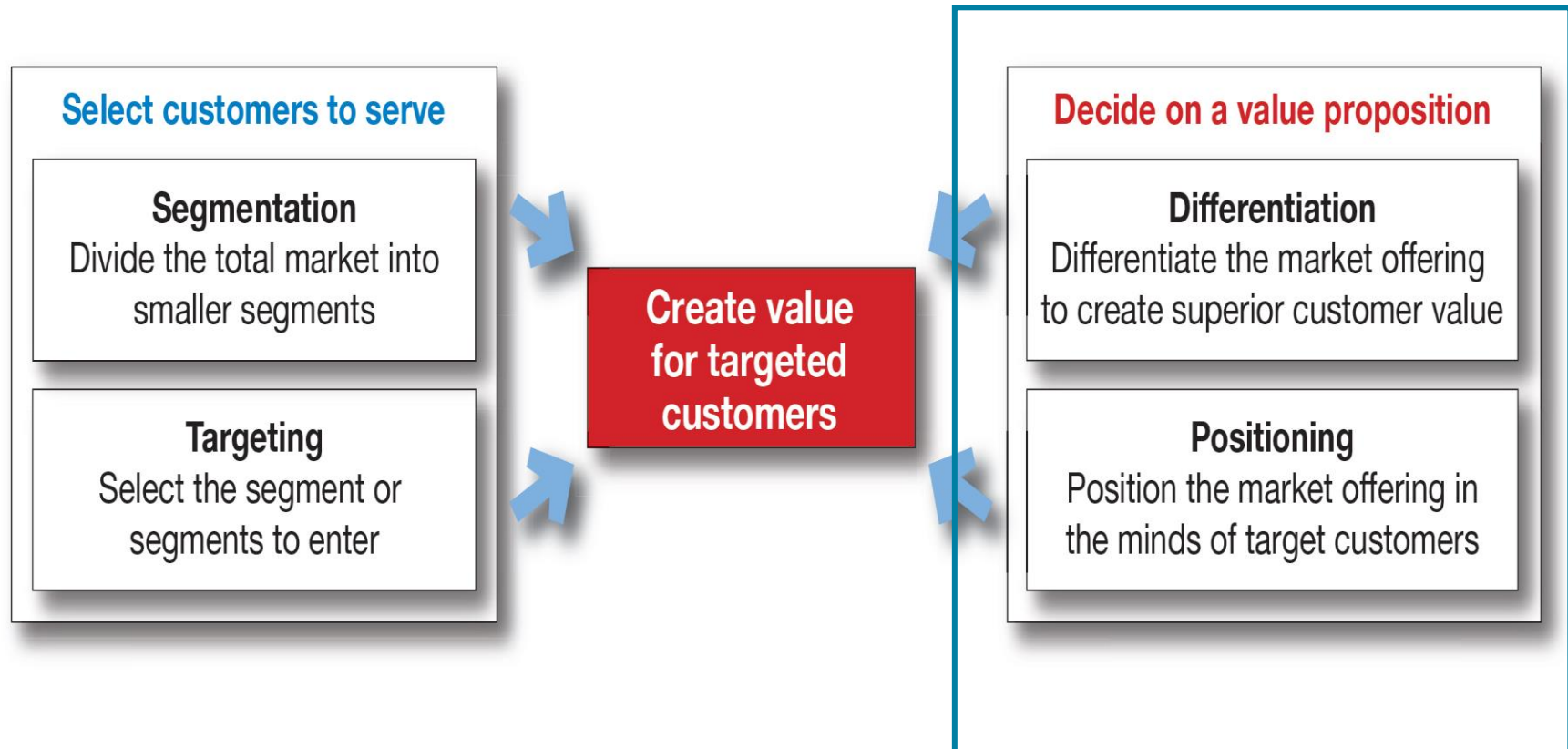
Positioning & Differentiation

Defines your brand value proposition.



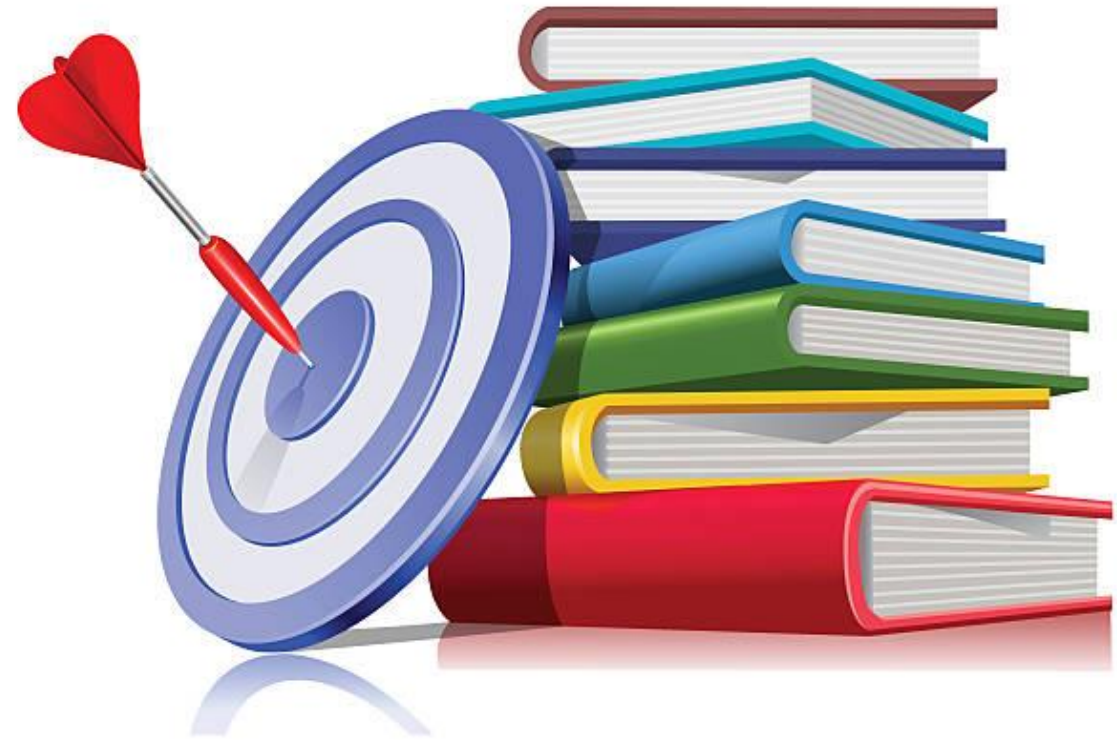
Customer-Driven Marketing Strategy

In concept, marketing boils down to two questions: (1) Which customers will we serve? and (2) How will we serve them? Of course, the tough part is coming up with good answers to these simple-sounding yet difficult questions. The goal is to create more value for the customers we serve than competitors do.



Learning Objective 4

Discuss how companies **differentiate and position** their brands and products for maximum competitive advantage.



Differentiation and Positioning

4 Steps to Choosing a Differentiation and Positioning Strategy

1. Identify a set of possible competitive advantages to build a position.
2. Choose the right competitive advantages (ownable, unique).
3. Select an overall positioning strategy.
4. Communicate and deliver the chosen position to the market (so that consumers define the brand as we want them to!).

Differentiation

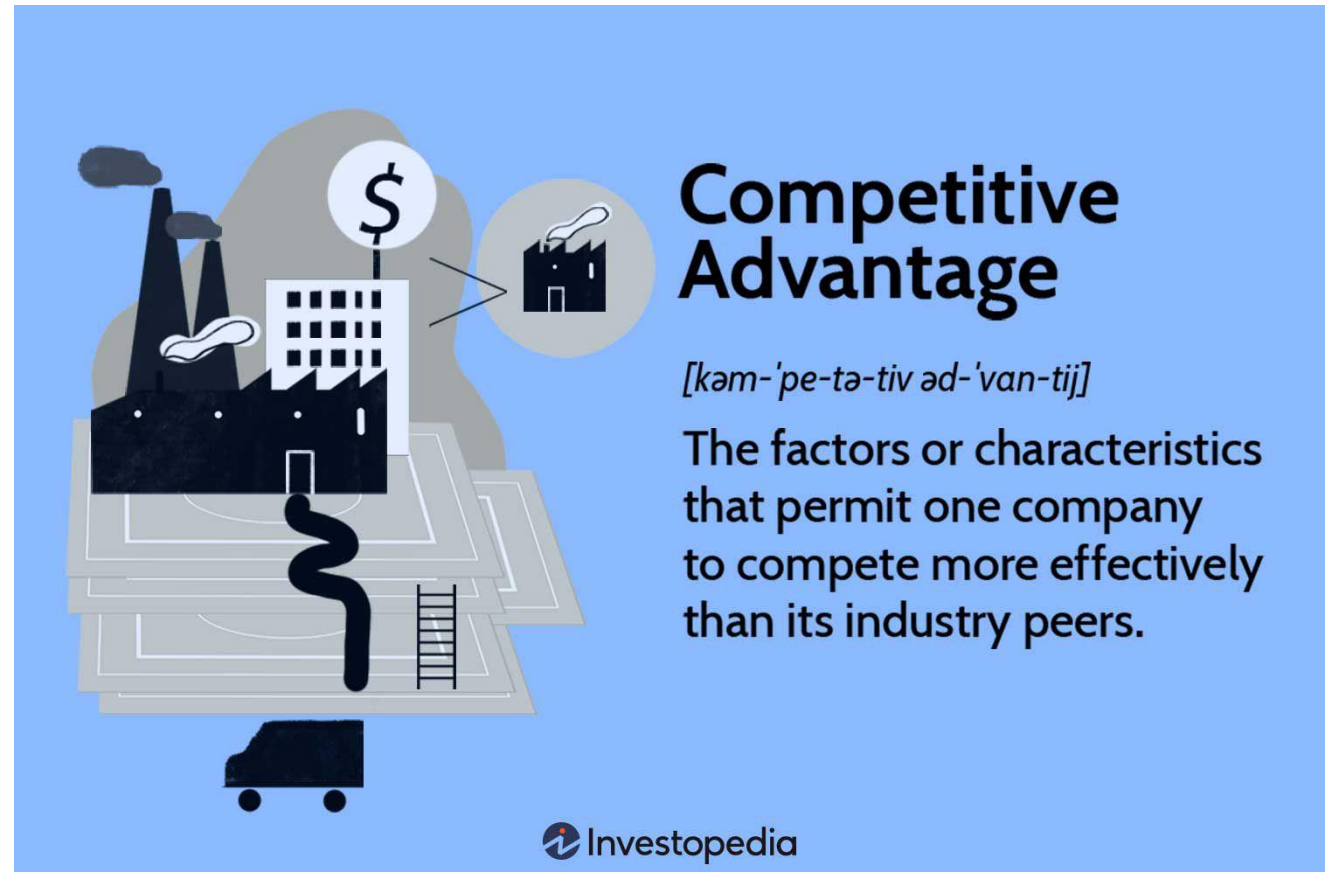
What constitutes a competitive advantage?



Differentiation and Positioning

Competitive Advantage

Competitive advantage is an advantage over competitors gained by offering consumers a unique benefit that sets your brand apart by making a tangible difference in your target audience's life.



Differentiation

Choosing a Differentiation and Positioning Strategy

Your competitive advantages must:

1. Add value to your clients
2. Be unique vs your competition
3. Ideally, challenge something in your industry

Differentiation

Choosing a Differentiation and Positioning Strategy

Your competitive advantages can be “tangible”:

Price

Product

Technology

Design

Services

Channels

Or “emotional”:

Purpose

Brand Image or Culture



Differentiation

Competitive Advantage: Product



With DiffusX technology



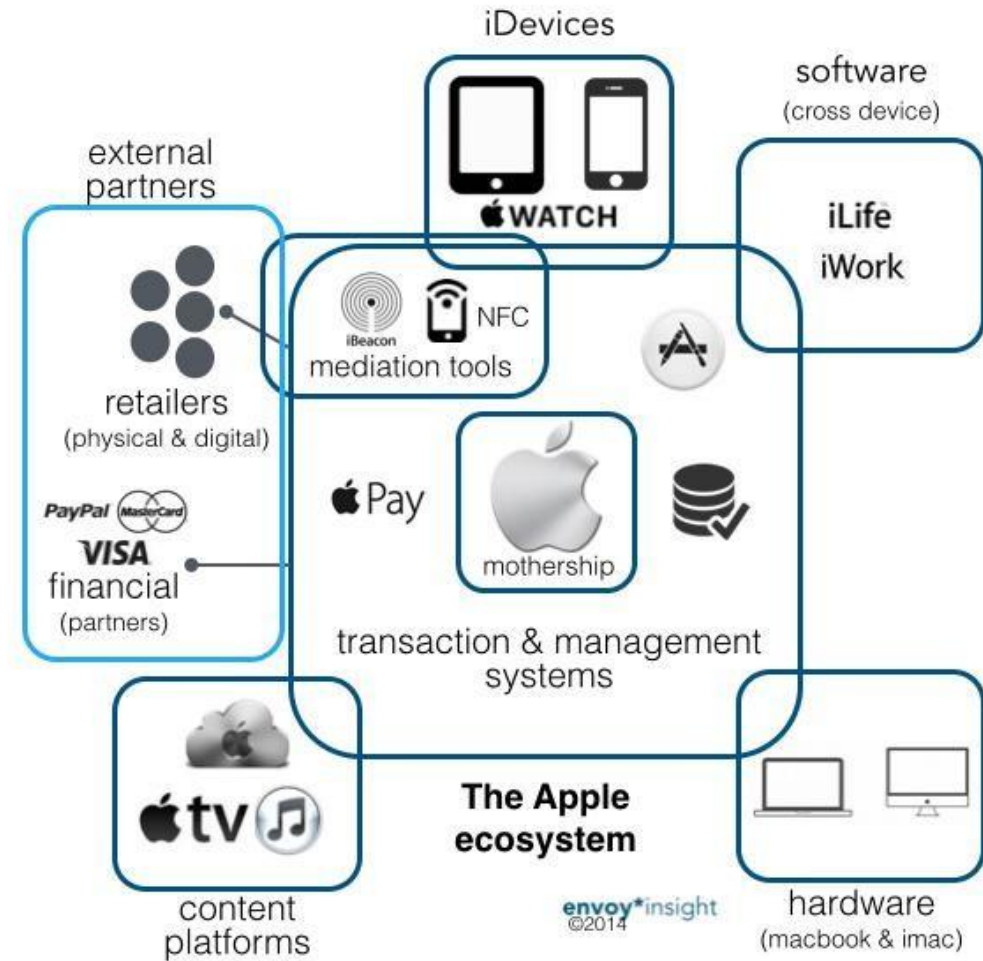
Differentiation

Competitive Advantage: Channels



amazon

Through extensive coverage in terms of product offer and markets.



Differentiation

Competitive Advantage: Brand Image



Differentiation and Positioning

Competitive Advantage: Services

Some companies gain *services differentiation* through speedy, convenient, or careful delivery. For example, Jimmy John's doesn't just offer fast food; its gourmet sandwiches are "Freaky Fast."



**FREAKY
FAST!
FREAKY
GOOD!™**

JIMMY JOHN'S
Since 1983
JJ
GOURMET SANDWICHES

● Services differentiation: Jimmy John's doesn't just offer fast food; its gourmet sandwiches come "Freaky Fast."
Jimmy John's Sandwiches

Differentiation and Positioning

Competitive Advantage: People



“If you leave us our money, our buildings and our brands, but take away our people, the company will fail. But if you take away our money, our buildings and our brands, but leave us our people, we can rebuild the whole thing in a decade”.

RICHARD REDWOOD DEUPREE, CEO P&G 1948 - 1959

Differentiation

Choosing a Differentiation and Positioning Strategy

A competitive advantage should be:

Important: The difference delivers a highly valued benefit to target buyers.

Distinctive: Competitors do not offer the difference, or the company can offer it in a more distinctive way.

Superior: The difference is superior to other ways that customers might obtain the same benefit.

Perceptible: The difference is communicable and visible to buyers.

Preemptive: Competitors cannot easily copy the difference.

Affordable: Buyers can afford to pay for the difference.

Profitable: The company can introduce the difference profitably.

Differentiation and Positioning

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Positioning

Brand Positioning

Brand Positioning refers to the way a brand is defined by consumers (ie. what's in their heads!) and should capture the unique value that a brand can bring to its customers.



● **Positioning: IKEA does more than just sell affordable home furnishings: it's the "Life improvement store."**

Used with the permission of Inter IKEA Systems B.V.



THE WONDERFUL EVERYDAY

#WonderfulEveryday

Differentiation and Positioning

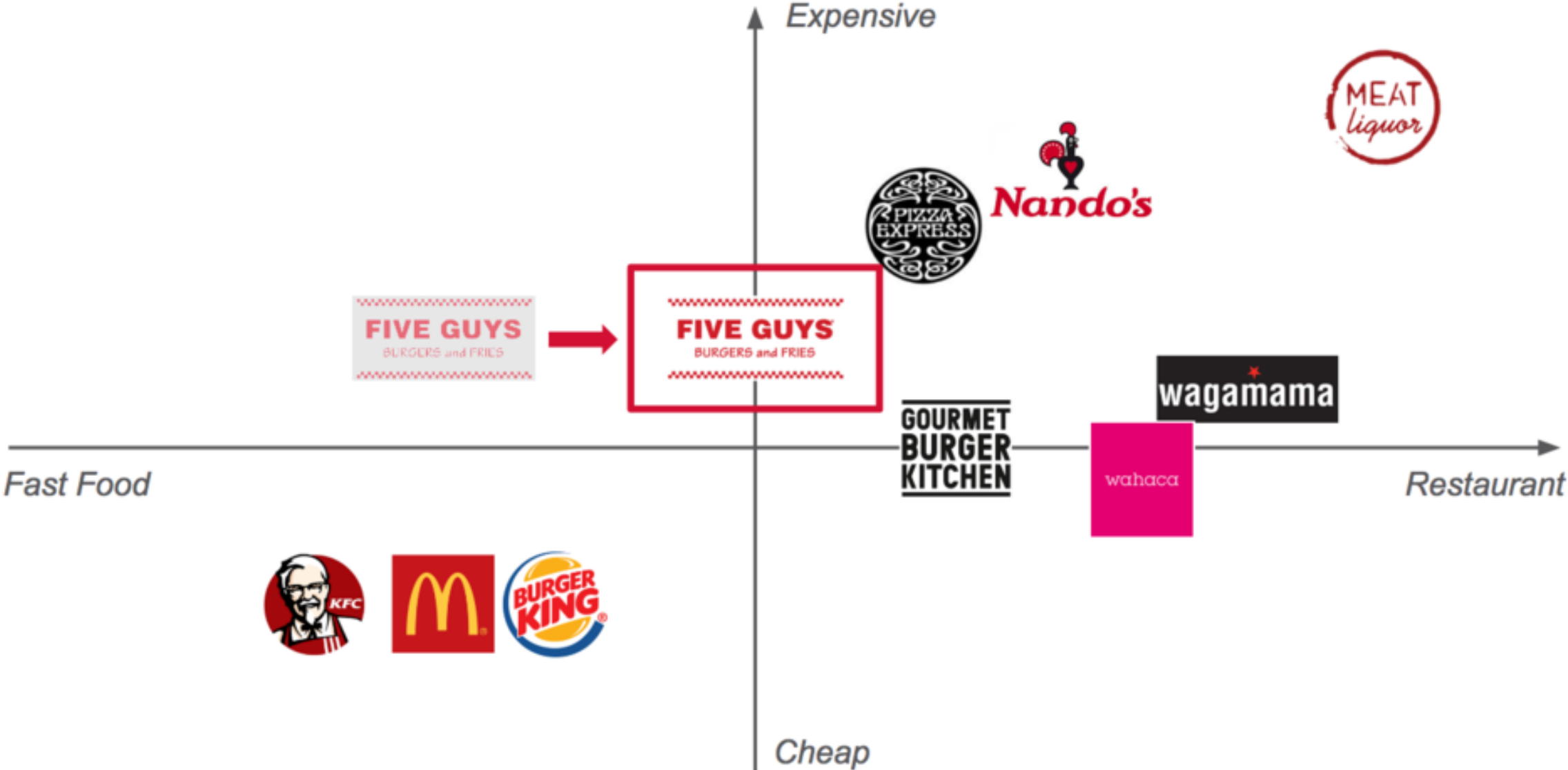
Positioning maps show consumer perceptions of marketer's brands versus competing products on important buying dimensions.



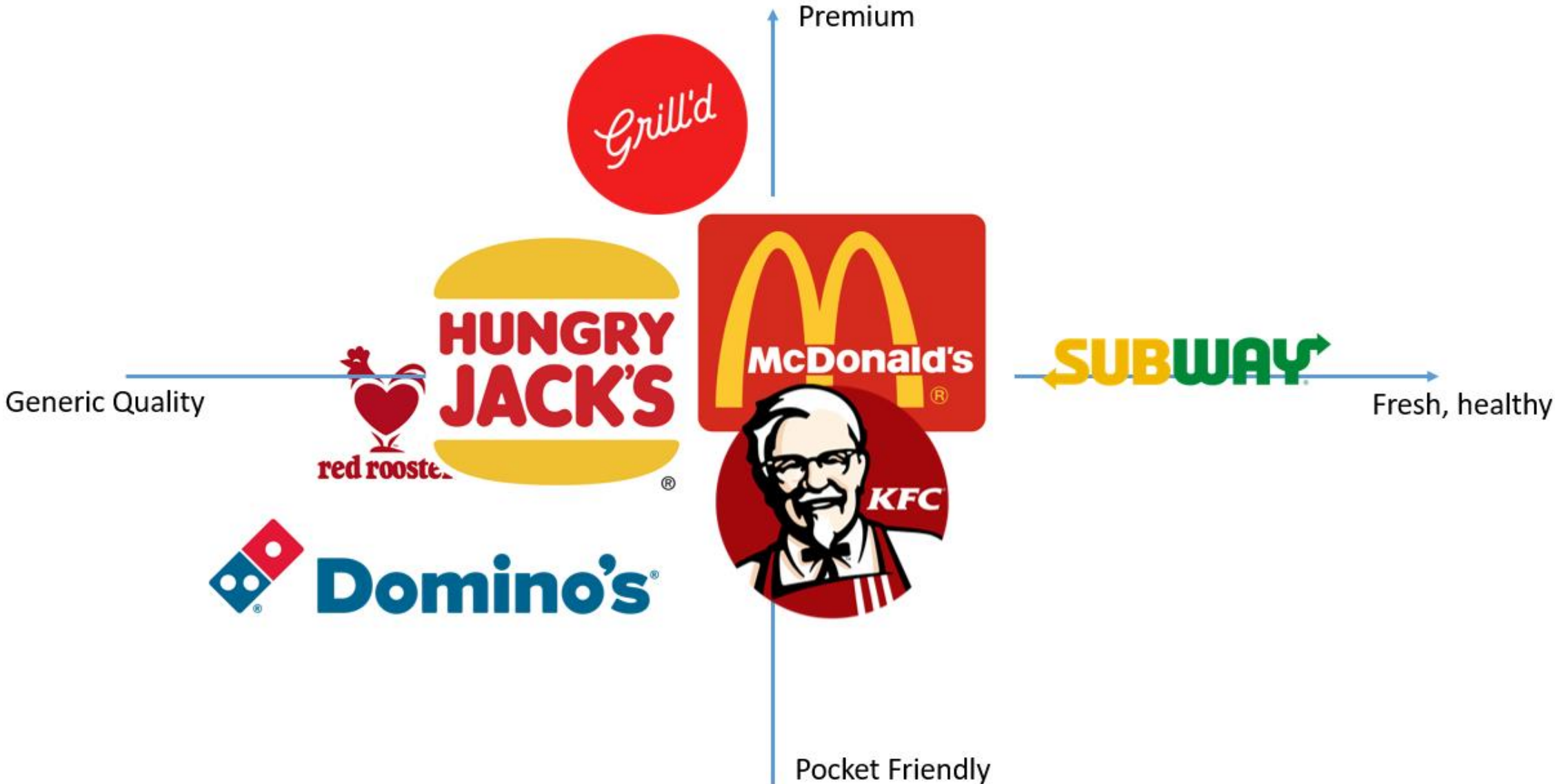
Example: Food



Example: Food

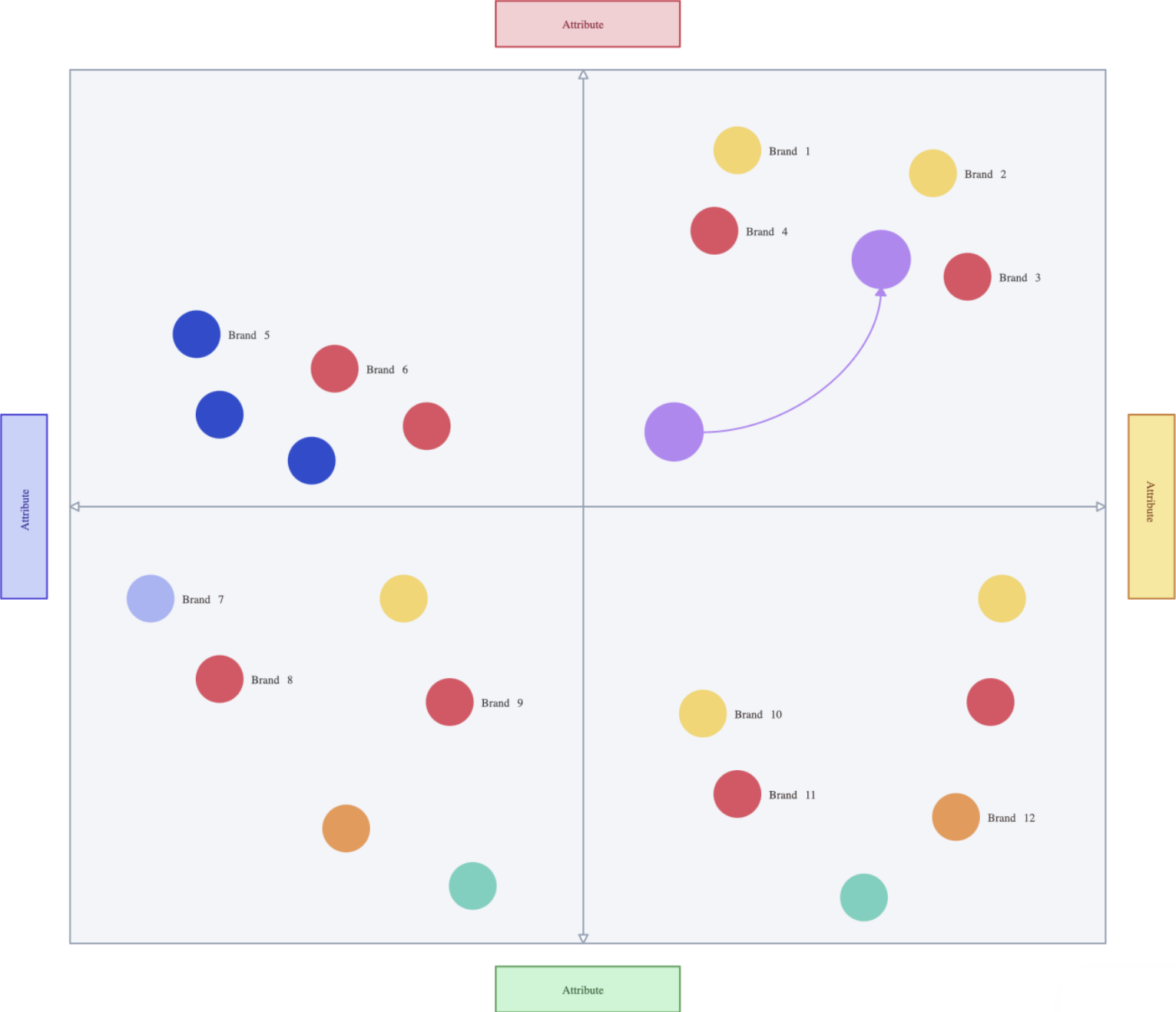


Example: Food



Repositioning

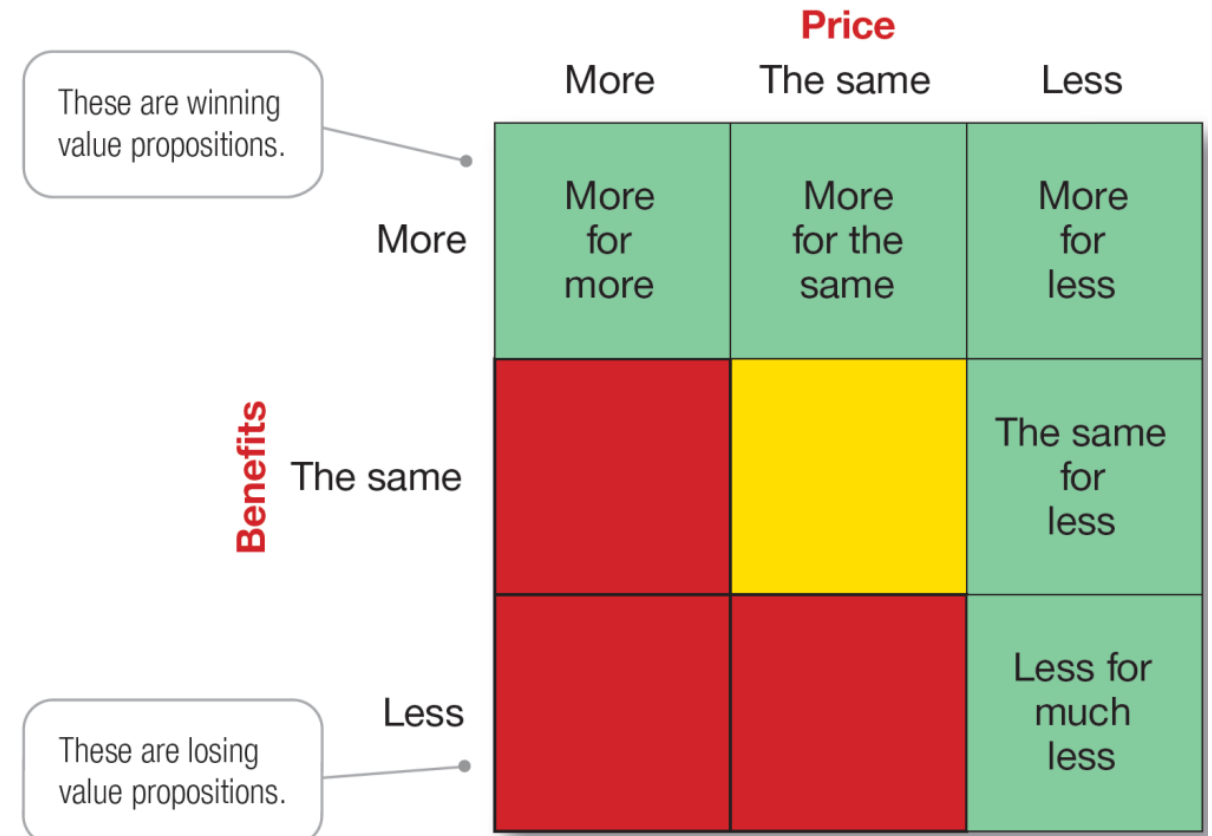
As part of their marketing strategy, brands may look to reposition themselves in a less cluttered place in the market or somewhere where they have **stronger differentiation.**



Differentiation and Positioning

Choosing a Differentiation and Positioning Strategy

Brand Value Proposition is the full mix of benefits upon which a brand is positioned.



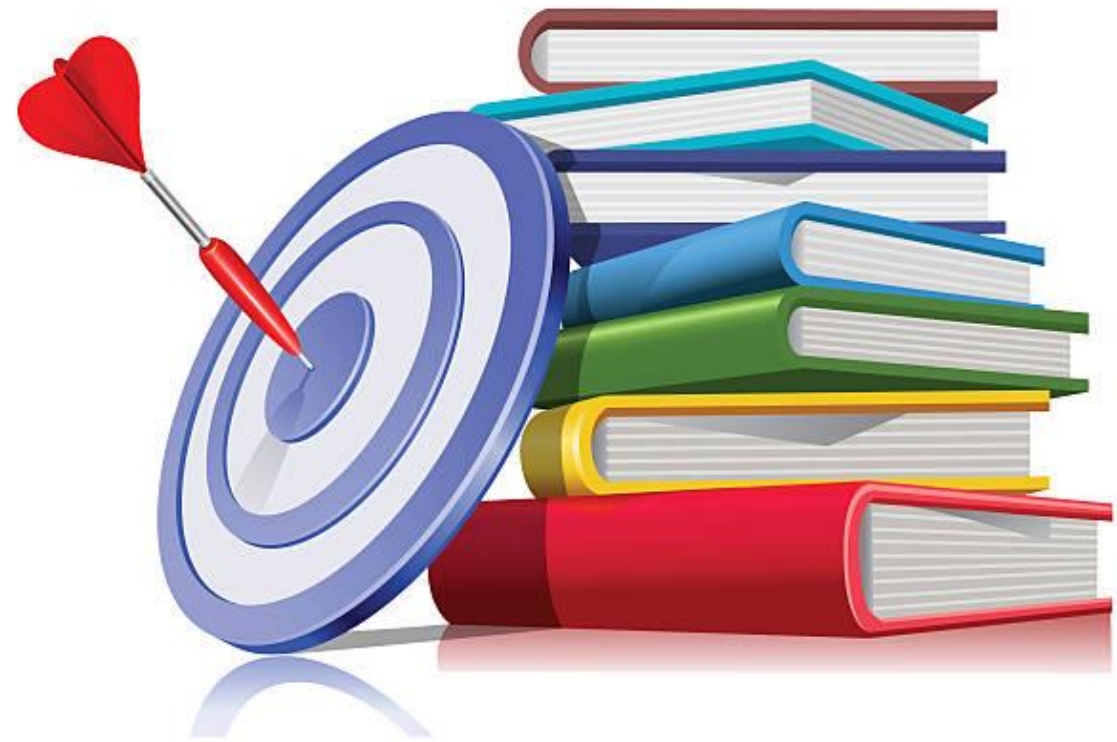
5 MARQUES QUI SE CLASHENT AVEC DES PUBS CRÉATIVES

III CREAPILLS



Learning Objective 4

Learn how to **write a brand positioning** statement.



Differentiation and Positioning

Brand Positioning

Brand (or Product) Positioning refers to the way a brand is defined by consumers (ie. what's in their heads!) and should capture the unique value that a brand can bring to its customers.

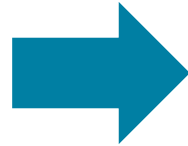


Differentiation and Positioning

Brand Positioning

Brand (or Product)

Positioning refers to the way a brand is defined by consumers (ie. what's in their heads!) and should capture the unique value that a brand can bring to its customers.



It can then be turned into a **brand promise**: what the brand promises to deliver to its customers.

Positioning Statements

How to write one

A Brand Positioning statement summarizes company or brand positioning using this form:

To or **For** (target segment and need)

our (brand) **is** (concept/purpose)

that (competitive advantages)

Differentiation and Positioning



Example: Nike

For athletes in need of high-quality, fashionable athletic wear,

Nike **provides** top-performing sports apparel and shoes

that are made of the highest quality materials and are the most advanced in the athletic apparel industry.



Brand Promise:

Bring inspiration and innovation to every athlete in the world.

Differentiation and Positioning

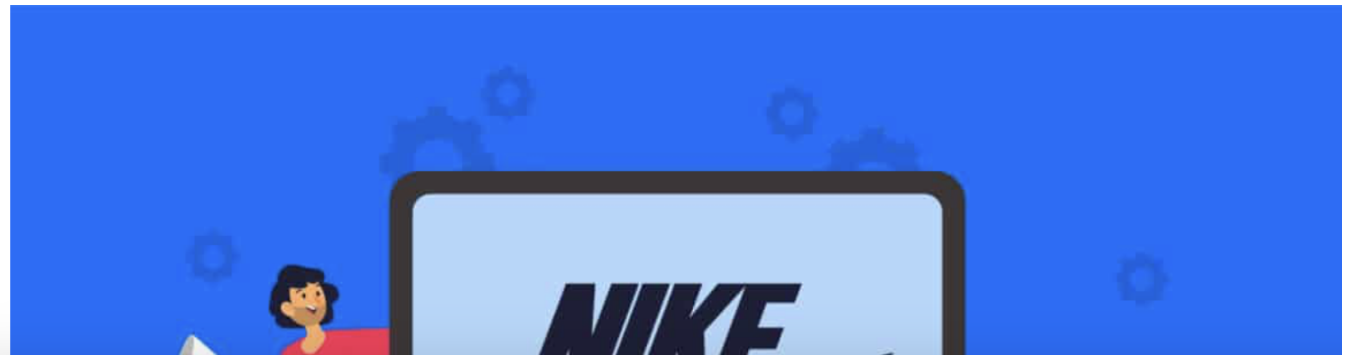
Example: Nike

<https://fabrikbrands.com/branding-matters/brand-strategy/nike-brand-positioning-strategy/>

How the Nike brand positioning strategy conquered all

Strategy

15 min read by Stewart Hodgson



Differentiation and Positioning



Example: Dove

For women who want to look and feel their best, Dove **offers** beauty care products that are gentle and nourishing for the skin **that** celebrate natural, real beauty.



Brand Promise:
Together, we can change beauty

Differentiation and Positioning

Example: Apple

For creative minds who want to challenge the status quo
Apple **provides** a fully integrated multimedia eco-system
that is easy-to-use and has a great design.



Brand Promise:
Creative tools that advance humankind



Differentiation and Positioning

Communicating and Delivering the Chosen Position

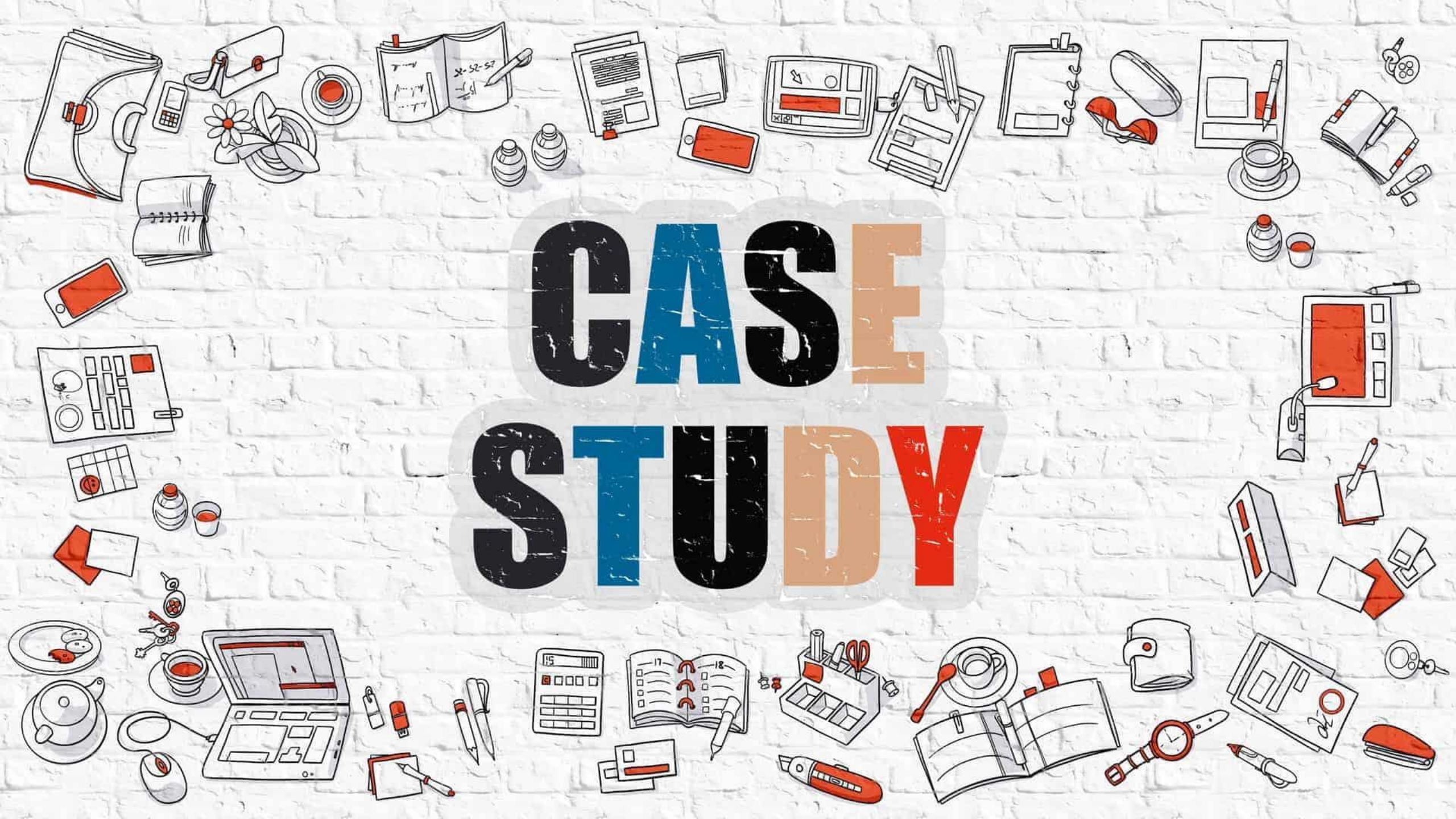
Choosing the positioning is often easier than implementing the position.

Establishing a position or changing one usually takes a long time.

Maintaining the position requires consistent performance and communication.



CASE STUDY



Example: Professional HairCare



STYLIST TARGET

Creative stylists who want to be *recognised* for their craft.



Lindsay Overland

Canada

AGE : 33

YEAR ACTIVE : 10

@lindsayoverlandhair

"Unconventional is my favorite convention"



Zoran Radic

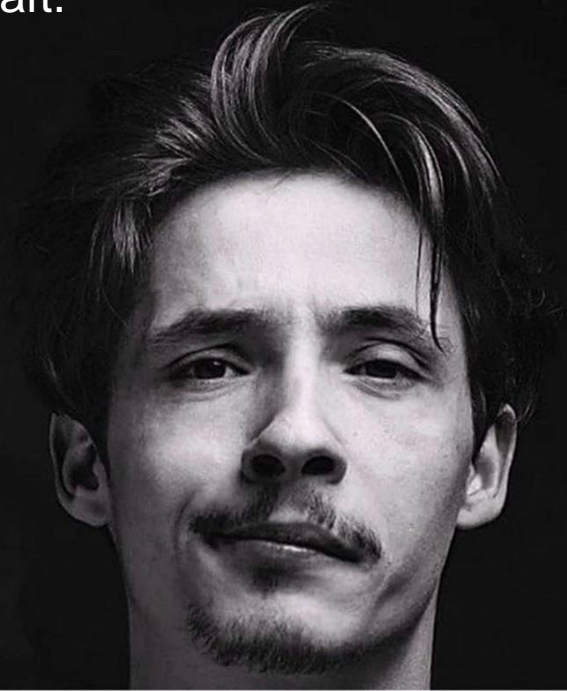
Russia

AGE : 44

YEAR ACTIVE : 26

"I am living inspired by creativity and creating, inspired by life!"

@ZORANRADIC



Sorin Craciun

Romania

AGE : 30

YEAR ACTIVE : 7

"To dare is to do"

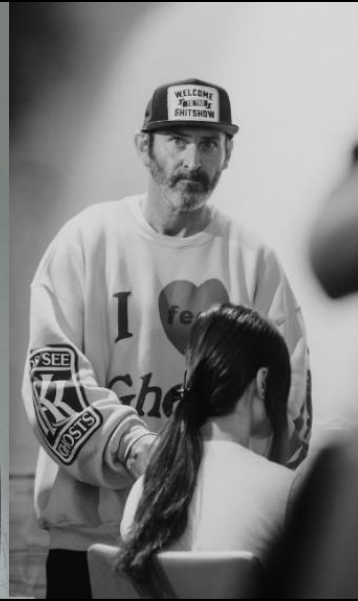
@sorin_cr

CONSUMER TARGET

Trendsetters who love *experimenting* with their hair styles.



COMPETITIVE ADVANTAGES



VERSATILE & MIXABLE PRODUCTS

ARTISTRY & CREATIVITY

A PASSIONATE TRIBE

BRAND POSITIONING STATEMENT

**For trendsetters who love experimenting
with their style,**

**Sebastian provides creative techniques and
versatile products**

**that allow you limitless possibilities to express
your unique identity.**




BRAND PROMISE



**Limitless
Hair
Inventions**



A close-up photograph of a piece of brown, textured cardboard. A horizontal tear has been made in the center, revealing a white surface underneath. The edges of the tear are jagged and uneven. On the white surface, the text "NOW, ITS YOUR TURN" is printed in a bold, black, sans-serif font. The text is centered horizontally within the white area. The overall composition is simple and direct, with the tear acting as a visual metaphor for revealing something or taking a turn.

NOW, ITS YOUR TURN

RECGAP

The image features five wooden blocks arranged in a row on a light blue surface. The first block is upright and shows the letter 'R'. The second block is upright and shows the letter 'E'. The third block is tilted 45 degrees clockwise and shows the letter 'C'. The fourth block is upright and shows the letter 'A'. The fifth block is upright and shows the letter 'P'. The blocks are light-colored wood with a visible grain. The background is a solid, light blue color. The blocks and the text they display are reflected on the surface below them.

Key Take-Aways

- Differentiation is what makes you different, distinctive or unique.
- Brand (or product) positioning is the way the brand is defined by consumers (ie. what's in their heads!).
- Be able to write a product or brand positioning statement.





SEE YOU NEXT WEEK