SECTION V: 
POSITIONING 
FOR HIGH VISIBILITY
The problem of visibility for professionals has been examined in great detail by Philip Kotler, Irwing Rein and Martin Stoller in a recent publication on this subject. The problem is examined in terms of design and transformation as celebrated by George Bernard Shaw in Pygmalion. Even today long after Shaw the Pygmalion myth of design and transformation appears to be quite intriguing indeed. Every Manager of a new rock band tries to find the mix of 'name', 'look', voice and other features that will catapult the group to high visibility. Examples sited by the authors are as follows:

<table>
<thead>
<tr>
<th>FEATURES</th>
<th>GROUP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group's look</td>
<td>Androgynous as in Boy George;</td>
</tr>
<tr>
<td></td>
<td>unisex as in David Bowie;</td>
</tr>
<tr>
<td>Group's antics</td>
<td>The Who Smashing guitars;</td>
</tr>
<tr>
<td></td>
<td>The Plasmatics use of nudity</td>
</tr>
<tr>
<td>Group's political or social manifesto</td>
<td>Jackson Brownie; U-2</td>
</tr>
</tbody>
</table>
The marketing principle being applied is quite universal:

ANALYZE THE IMAGE AND CHARACTERISTICS THAT THE ASPIRANT possesses, as well as those that the sector expects and transform the person to bring the two closer together. This is how the Pygmalion Principle works. The authors sight many examples of such transformations:

Bob Dylan ---- folk singer to rock singer to gospel singer and back to rock singer.

Richard Nixon ---- militant anti communist to champion of detente to national embarrassment and then to elder statesman.

Carl Sagan ---- academics to entertainment to political activism.

Such examples seem to support the idea that marketing is primarily a process of examining a product in relation to a market and determining how to maximize the product's potential -- that is its need filling ability.

When we apply this concept to a product such as a box of detergents we have to take note of a basic difference--------a product such as that sits on the retailer's shelf but does not talk. The product’s character is shaped by its brand name,
packaging and advertising which gives it the desired character which in the consumer’s mind occupies a certain position with a need filling ability. This is an entire process which could involve the following steps:

1. CONCEPT GENERATION
2. CONCEPT TESTING
3. CONCEPT REFINEMENT
4. CONCEPT REALISATION.

If we examine the problem in the context of the information revolution, we have to develop a sharper focus. Today marketing is not merely image building or even competition. It is total warfare and the place you capture is the consumer’s mind.

Al Ries contends that the most important work in Marketing and Advertising did not originate from Madison Avenue. It was written by the Prussian military strategist Carl Von Clausewitz in his book ‘On War’ published in 1832. According to Ries, Clausewitz offers a wealth of information for today’s marketing strategists.

The key to increasing market share lies in winning a war that ultimately is fought on a mental plane. Even companies like GM spending $300 million or $400 million a year on advertising
fails to take cognizance of this fact ---- the human mind is the battle ground. Traditional Marketing is customer oriented, in marketing warfare, companies have to be competition oriented. The customer is going to choose your product only if your company does something that outflanks or outmanoevers the competitor.

Jack Trout and Al Ries tell about bottom-up marketing. This means developing a marketing strategy by going down to the front line, seeing what is going on there, and then building some tactic into strategy. Most companies are top-oriented. They decide what they want to do, and then the rest of the process is tailored to achieve that objective.

For example, xerox decided it wanted to be in the office automation system business. So from a top-down point of view it bought a computer company. Xerox changed the name of this company and developed and introduced products to support a complete office automation system. Then it sent its sales force out to sell the system. It could not.

The basic idea here is that a company should market a product for which, presently, no market exists. It can be done by a technique called flanking. When a company comes out with a flanking product, there is no market for that particular product. But that is an advantage, because people who are going to buy that product are not committed to somebody else's product.
Good examples are: the introduction of

(a) high priced popcorn in U.S.A. by Orville Redenbacher
(b) $40,000 Mercedes Benz cars in U.S.A.
(c) Hieneken, the first imported beer in U.S.A.

The most important point here is that tactics comes before strategy. Using military analogy, Al Ries points out that the generals who are exceptional are those who have an instinctive feel about warfare and who spend a lot of time looking at the battle. During World War II, the German General, Erwin Rommel, spent half his time flying over the front in his plane. If a company goes down to the front for confirmation instead of information, that company is going to be in trouble. Marketing Management should go down to the front line and figure out what they can do. After visiting the front Management may determine that a significant market share is possible. This is usually because they see some angle or an opening. Then they can adjust the strategy to exploit the opening.

The idea is not to force the customer to execute the Corporate Strategy but to build Corporate Strategy on top of market reality. A company cannot impose its will in the market place. It has to find out what is possible and what is not possible.
Positioning Strategies can be characterised as attempts to move a brand to a particular location within a perceptual product space. The location (actual or desired) of a brand in the perceptual space (i.e. the brand’s position) portrays the image of a brand vis-a-vis its competitive alternatives. This perceptual image may or may not reflect the objective physical or functional characteristics of the product, rather the configuration of brand represents the perceived characteristics of the brand, and the formulation of these perceptions may be based on actual usage or based simply on beliefs concerning the brand derived from exposure to advertisements about the brand.

Though different methodological approaches to generating the perceptual joint space have been used, they generally involve three steps:

1. Construction of a perceptual joint space for the set of existing brands.
2. Identification of the optimal location for a new brand and
3. Development of a new brand that will occupy that location.

The entire exercise is expressed appropriately by the French expression: "Cherchez le ‘Creneau" --- look for the holes and fill them. In other words we have to map the consumer’s mind and look for holes and gaps in the mind of the consumer in relation
FACTOR ANALYSIS

GENTLENESS
- TYLENOL

EFFECTIVENESS
- BUFFERIN
- BAYER
- PRIVATE LABEL ASPIRIN
- ANACIN
- EXCEDRIN

CLUSTER ANALYSIS

IMPORTANCE OF GENTLENESS

CLUSTER 1
AGE 67 ± 10

CLUSTER 2

FIG. 9
to competitive products. Figure 9 (Factor Analysis) shows a perceptual map of pain relievers which represents where the existing brands are positioned by consumers at that point of time. Even visually certain gaps are apparent — for example in the upper right hand quadrant. Through consumer probing (Cluster Analysis) the relative importance of 'gentleness' and 'effectiveness' can be obtained from the users of the product category and the results might indicate that there is a vacant position which represents the preferred weights given by some consumers to 'gentleness' vis-a-vis 'effectiveness'.

The preferred or ideal position of a single consumer would appear as a particular point on the map. If several consumer's have a similar preferred position, they would form a cluster. If we continue the process we may discover more than one cluster each gravitating around a preferred position which represents the respective weights or degree of importance attached to the two benefits by that group or segment of consumers. In the figure it is evident that cluster 1 places more emphasis on 'gentleness' and cluster 2 on 'effectiveness'. If these two segments can provide adequate sales volume or profit we have two new product opportunities — one brand would be gentle but less effective and the other very effective but not so gentle. Such techniques of performance mapping can be used on a multidimensional scale to identify the gaps which new products can hope to fill by offering that configuration of benefits existing products do not have.
The steps to be taken for positioning the new product are as follows:

1. Market positioning Analysis (i.e. Analysis of Positioning Statements of Existing brands in the Market).

2. Consumer's perceptual Map (to confirm that the results of the first step are correct. In other words to check that the desired position of the brands existing in the market is equal to the actual position occupied by them in the minds of the consumers.)

3. Relative positions of the Map

4. Vacant Positions

5. Preferred position of New Brands

6. Alternative positioning Hypothesis

7. Final Positioning Decision based on positioning parameters.

8. Ad Layout based on positioning parameters.

9. Selection of appropriate Message Type.
The positioning statement parameters that could be used are as follows:

1. Product category
2. Target segment
3. Key consumer Benefit and Secondary Consumer benefit
4. Price level
5. Time and manner of usage
6. Size of the product
7. Degree of Identification with the Umbrella Brand.

The process is essentially one of finding a unique position. In order to do so you must ignore conventional logic. Conventional logic says you find your concept inside yourself or inside the product. Instead of that what you must do is to look inside the prospect’s mind. You won’t find an ‘uncola’ idea inside a 7-up can. You find it inside the cola drinker’s head says Ries and Trout. The above Positioning Statement Analysis can be useful for oligopolistic markets with between two and twenty sellers, for identifying crevices that exist without meeting the competing products ‘head on’.

Different products in the marketplace have used one or more of the positioning parameters to gain high visibility. Let us consider some good examples highlighted in recent publications by experts in this field.
POSITIONING BY PRODUCT CATEGORY

In 1982 when Food Specialities Ltd (associated with Nestle) considered launching Maggi Instant Noodles, the company had the option of choosing from several alternative positions. The product could have been launched as a means of cooking tasty Chinese dishes at home, or as a 'TV dinner', or as a 'mini-meal'.

Through consumer research the company felt that the most profitable position would be a tasty, instant snack, made at home and initially aimed at children. The target market was the segment of the snack category. This positioning decision automatically determined competition which included all snack products in general from ready-to-eat snacks biscuits, wafers, and peanuts --- to readily prepared snacks such as samosas. All were bought-out items.

However, such snacks were positioned at some distance from Maggi-Noodles. They were not its direct competitors. The position of its direct competition was occupied by snacks prepared at home, such as papadam, fried peanuts, sandwiches and paloras.

Traditional pasta products (Chinese noodles and macaroni) were considered to be near competitors forming a rapidly growing product group. But they were invariably used for meals, requiring a fair amount of cooking time and garnishing was essential.
Maggi noodles launched in January 1983 became an overnight success. The Indian market was soon tipped to become the second largest Nestle market for this product world wide, next only to Malaysia.

Al Ries and Jack Trout quote the example of that all time classic in Positioning Strategy — the announcement of 7 - up as the "Un-cola" soft drink. The spell of 7 - up's positioning has lasted to this day and has spawned imitable think alike strategies. A good example is Citibank's Unfixed Deposit — an attempt to create a perceptual distance between the fixed deposit Scheme and F.D. schemes of other banks and thus differentiate it. This is illustrated in the diagram overleaf. (Figure 11)

Every bank offers loans against fixed deposits made by its customers. However, there are a few minor formalities. Observing that some customers often need to apply for loans, Citibank hit upon the idea of reducing the formalities to something as simple as signing a cheque. All the other terms remained the same as with other banks.

The cheque book facility created an immediate perception of easy liquidity thus reflecting an extremely effective positioning idea — the unfixed deposit. The strength of this idea is borne out by its numerous imitators such as the so called 'Smart Money Deposit' of the Hong kong and Shanghai bank.
FIG. 11

<table>
<thead>
<tr>
<th></th>
<th>RETURN (+)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BANK FD</td>
<td></td>
<td>CITIBANK'S UNFIXED DEPOSIT</td>
</tr>
<tr>
<td>LIQUIDITY (-)</td>
<td></td>
<td>LIQUIDITY (+)</td>
</tr>
<tr>
<td>RETURN (-)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

69
The same product may occupy many positions. This calls for positioning and repositioning. Years ago Milkmaid was advertised as a creamer or whitener for tea and coffee; later as "the tastiest milk made" and finally took a recipe or culinary position.

A product class or product market can be defined as the set of products and brands which are perceived as substitutes to satisfy some specific consumer need. The term, product category, is also used interchangeably with product class and product market.

In his seminal work defining market structures ___that is how to distinguish one product market from another____ Steffle quotes research which tended to show that there are some makes of automobiles (in the USA) whose competition for family dollars came from home furnishings and vacations rather than from other automobiles. This is not as fanciful as it may be found. Research in India has shown that as middle income organized sector blue-collar families earn more and move up the social ladder, they are faced at bonus time with the choice of buying a TV set or a fridge.

Such examples have been cited by Prof. Sengupta merely to point out the fluid nature of product market boundaries. They do not do away with the need to devise some kind of working definition of a market. We cannot put the positioning concept to work unless we
are able to determine specifically the product class to which our new product will belong. This will determine the brands our product will contend with in order to lodge itself in the target consumer’s perceptual space. This will determine the structure of the market or the set of substitutes among which the new product is to be positioned.

It is not difficult to presume that a telegraphic message is, in some ways, positioned against and competes with a long distance telephone call. However, research into consumers’ judgments of similarity may show that telegraphic deliveries compete more ___ that is, are perceived as a closer substitute of ____‘speed post’ or ‘courier services’ than of trunk calls.

If we consider the product class of chocolate, cadbury’s Amul and Campco are clearly positioned against one another. If we consider the product class of festival season gifts, consumers may position a decorative box of chocolates against packaged and branded halwa and even perhaps, a pocket transistor.

In south-East Asia where noodles mean big business, they are consumed as a meal. In India, FSL deliberately chose the product class of home made snacks in which to position Maggi Noodles. In our consuming culture, noodles as a meal would not readily be accepted as a substitute for rice or roti. Market growth would need a change in the basic and deeply ingrained food habits. On the other hand, housewives would be much more willing to experiment with a snack that takes two-minutes to make.
Prof. Sengupta also cites examples where a brand manager must be ever aware that he may suddenly find himself face-to-face with an infiltrator from across the historical border. For instance, Pond’s Cold Cream’s comfortable position seemed to have been suddenly challenged by a brand from another product class altogether. The first appearance of Lai-me’s winter care lotion ad may well have come as a rude shock ___ being described as a ‘greasy cold cream’ by this violator of traditional business which claims that it is "Cold cream plus moisturiser in one" and "so much more than a cold cream".
KEY CONSUMER BENEFIT:

Successful consumer products promise one or at the most two benefits and brand franchises are created around those benefits. Thus we have the opportunity for differentiation of similar products based on benefit positions.

Consumers, who are similar in important ways, tend to cluster around the same benefit. Other consumers would cluster around other benefits. This enables differentiation in a product market and is called ‘Benefit Segmentation’.

Russel J. Haley conducted research among toothpaste users in the USA and divided them into segments, each desiring a specific benefit from their brand of toothpaste. He uncovered four such benefit segments and their respective brand choices.

- Economy: those who are looking for low price
- Cosmetic: those who wanted white, bright, teeth
- Taste: those to whom taste mattered the most
- Medicinal: those who are concerned about prevention of decay.

Each benefit seeking segment or group had certain common characteristics — demographic, psychographic and also behaviouristic.
This is clear from the table 2 (a).

**BENEFIT POSITION SOUGHT BY MAJOR BRANDS IN INDIA**

Table 2(a)

<table>
<thead>
<tr>
<th>BRAND</th>
<th>BENEFIT/POSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close-up</td>
<td>Cosmetic, white bright teeth</td>
</tr>
<tr>
<td>Colgate, close-up, Forhans</td>
<td>Fresh Breath</td>
</tr>
<tr>
<td>Regular</td>
<td>Taste</td>
</tr>
<tr>
<td>Colgate</td>
<td>Decay prevention</td>
</tr>
<tr>
<td>Colgate, Binaca Flouride,</td>
<td>Gum Care</td>
</tr>
<tr>
<td>Signal</td>
<td>Decay Prevention</td>
</tr>
<tr>
<td>Forhan’s Regular, Promise,</td>
<td></td>
</tr>
<tr>
<td>Crest</td>
<td></td>
</tr>
</tbody>
</table>

A few other good examples are given below:-

Table 2 (b)

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>BRAND</th>
</tr>
</thead>
<tbody>
<tr>
<td>fun shoe polish</td>
<td>Kitply</td>
</tr>
<tr>
<td>the freshness soap</td>
<td>Liril</td>
</tr>
<tr>
<td>the health soap</td>
<td>Lifebuoy</td>
</tr>
<tr>
<td>the gentle soap</td>
<td>Pears</td>
</tr>
</tbody>
</table>
POSITIONING BY USAGE OCCASION, MANNER OF USAGE AND TIME OF USE.

The condensed milk brand, Milk Maid, has come to dominate the
dessert usage position so strongly that it cannot be easily
dislodged by a competitor.

Cadbury’s drinking chocolate experimented with two usage
positions:-

1. The relaxing way to end your day: The good night cup and
shortly afterwards.....
2. Now is the time to sit back and put up your feet ___ make
this chocolate the happiest time of your day with Cadbury’s
drinking chocolate.

An exceptionally good example of usage positioning strategy
linked also with the time of use, is the positioning of Vicks
Vaporub to be applied for a child’s cold at night. Burnol
antiseptic is for burns and strongly entrenched in this position.
Dettol antiseptic is for nicks and cuts, insect bites and other
minor infections. Each of these brands, observes Prof. Sengupta,
has sat on its position for decades without any serious
challenger.
Dettol soap, relaunched in 1984, has made headway in the crowded premium toilet soap market by adopting a strategy of creating and dominating a specific usage occasion. This is the occasion when you respond to the idea of a one hundred percent bath. This makes Dettol more like a soap for a middle of the morning bath after a gruelling visit to the bazaar or the after work bath at the end of a long hard day.

**PRICE QUALITY POSITIONS:**

This is a simple but powerful concept especially in the context of developing countries. Karsonbhai Patel has demonstrated through Nirma that giving your consumer value for money is a sure way of finding a niche in the market place and occupying a firm position in the consumer’s mind. At the upper segment of price-quality positioning is Rolls Royce or exclusive housing as provided by Ramesh Khosla or Milhaven in Jodainanal. Milhaven has positioned itself as ‘exclusive, extravagant and expensive.’

This tactic is a guerrilla warfare strategy à la Trout and Ries for small companies which can go for vacant positions in the market too small to attract the market leader’s attention. Rolls Royce is a high priced guerrilla in the automobile business. It dominates the market for cars costing more than $100,000 and nobody thinks of competing with Rolls Royce because the existing
market is too small and Rolls Royce has an enormous advantage in that small market. Sears (the US general merchandise store chain) also offers value for money and has positioned itself to the family, middle class segment looking for value within a modest budget.

Price quality positions at the top appeal to an exclusive segment:

Joy --- the costliest perfume in the world, Michelob, Mercedez Benz 450 SL, and BMW 633 Csi, S.T. Dupont lighters at $1,500 and Chivas Regal scotch. High price is effective not only for luxury items like cars, scotch and perfume but also mundane products like popcorn _____ Orville Redenbacher’s Gourmet Pop Corn. The strategy is to establish the high price position with a valid product story in a category where consumers are receptive to a high priced brand. The place to establish the high price is on the ads not the store. The price (high or low) is as much a feature of the product as anything else. While the ads need not quote the exact prices they should clearly position the brand in a particular price category.

Low price strategies have helped Nirma, Rasna, Hot Shot, T Series, Stencil and a host of others to unlock new markets in India. But it is a double edged weapon that should be used with caution.
Before Gulshan Kumar flooded the market with his T-series cassettes, audio cassettes sold for Rs.40/-. Gulshan Kumar changed the rules of the game by turning out cassettes that sold at a remarkably cheap price of Rs.10/-. Inevitably, he decimated the competition and at one time he had carved out a 70 percent share of the audio cassettes market.

Hot shot was an instant success because it was aimed not at the select few but the masses who aspired to have photography as a hobby but could not afford to buy a camera. In a market where squashes and syrups ruled Pioma Industries' low priced Rasna soft drink concentrate brand presented consumers with a low-cost refreshment option to the soft drink.

Low prices alone will not turn a product into success. A host of other factors come into play. Karsanbhai Patel was too smart to rely on price alone. He was one of the first manufacturers to splurge on TV advertising. Similarly, HOT Shot and Rasna both had attention grabbing advertisements which catapulted the products to high visibility. One important rule, however, is that nobody harps on the price factor. The operative words are 'value for money'. Or they take a completely different approach. Photophone for example, positioned hotshot as an easy to handle snazzy camera. The main thrust in the ads was to explain how easy it is to learn to aim and shoot.
One of the best ad campaigns that ever ran was the "Think Small" campaign of Volks-wagen for two reasons: first it made the Volkswagen position very clear and second it challenged the prospect's assumption that bigger is always better. It exploited in other words the size Craneau existing in the prospect's mind.

TARGET SEGMENT:

Good example of target segment positioning are:

1) Complan for children (Indian market)
2) Vicks for the child ("")
3) Virginia Slims for women (US Market)
4) Marlboro for masculinity ("")
5) Tylenol for ulcer patients
   and patients suffering
   from asthma or anemia ("")
6) Aim toothpaste for children ("")

Perhaps the most outstanding of these examples is that of Tylenol which found a niche for itself by repositioning aspirin. The advertisement ran as follows:-

"For the millions who should take aspirin, if your stomach is upset easily or you have an ulcer or you suffer from asthma, allergies or iron deficiency anemia, it would make good sense to check with your doctor before you take aspirin."
Aspirin can irritate the stomach lining, trigger asthmatic allergies or allergic reactions, cause small amount of hidden gastrointestinal bleeding.

Fortunately there is Tylenol.

Thus Tylenol was able to burst the aspirin bubble by positioning itself for a specific target segment where aspirin would not work — a classic example in flanking.
HOW TO BECOME VISIBLE IN AN OVERCOMMUNICATED SOCIETY:

THE POSITIONING STRATEGY AND THE POSITIONING STATEMENT.

This paper will treat advertising as a source of information. However, since we are going through an information revolution our strategy will be based on the positioning concept. According to Philip Kotler:

"Positioning is the act of designing the company's product and marketing mix to fit a given place in the consumer's mind."

Al Ries and Jack Trout define positioning as follows:

"Positioning starts with a product, a piece of merchandise, a service, a company, an institution or even a person. But positioning is not what you do to a product. Positioning is what you do to the mind of the prospect."

According to Al Ries and Jack Trout, positioning might lead to changes in the product's name, price and packaging but these are cosmetic changes done for the purpose of securing a worthwhile position in the prospect's mind. Al Ries and Jack Trout are more interested in psychological positioning or repositioning. This paper concentrates on the application of the concept to new product entry.
The concept of ‘positioning’ is relevant in today’s context because the basic problem is getting the message across in our overcommunicated society. The human mind in the present environment is overloaded with information. The per capita consumption of advertising in America computed in the late seventies worked out to $376.82 per year. There were 30,000 books published in a year in America in the 1970s. It would take 17 years of reading 24 hours a day just to finish one year’s output. North American Philips has introduced a three and a half inch compact disc that holds 600 mega bytes of data more than enough to store the entire Encyclopedia Britannica. This looks quite impressive. However, the problem lies in the fact that there is no compact disc in the human brain. The common reaction of the human mind to this situation of information overload is to tighten the ‘intake-valve’, making it difficult for ads to get across to the mind of the prospect ---- making it difficult for new products to become visible.

The positioning strategy will be based on the following parameters which are listed below:

1. Product category
2. Target segment
3. Key Consumer Benefit
4. Secondary Benefit
5. Size of the product
6. Price level
7. Time of Usage of the product
8. Manner of usage
9. Degree of identification with the umbrella brand.
These parameters constitute parts of the 'Positioning Statement.' This concept has been illustrated in Appendix I. The desired position occupied by any brand in the mind of the prospect is explained with the help of the 'Positioning Statement'. The Strategic model based on the concept of 'Positioning' and 'Positioning Statement' is outlined in the next section.