

	Elements of Positioning
<p>Kelly Gates Gates and Company</p>	<p>Everyone knows the importance of strong brand positioning for consumer products, like Coca-Cola and Nike. But strong brands are equally important for technology products and services, whether your company sells to consumers, provides technical services, or sells to other businesses. Building brand equity leads to greater market share and increased profitability.</p> <p>Looking at the wireless communications industry as an example, you might think positioning means inventing a catchy new name, such as Verizon or Cingular, then rolling it out with a hundred-million-dollar advertising campaign. In reality, a brand name is only one component of effective positioning, and a massive marketing budget is not always necessary.</p> <p>There are three basic steps to positioning:</p> <ol style="list-style-type: none"> 1. Define your target customer(s). Segmenting the market in the volatile technology sector is not always easy, but it is critical to understanding your customers' needs, and for grouping your customers based on their common needs. 2. Know your competitors. It is important to analyze both your competitors' offerings and their positioning so you can decide whether to create a new position in the customer's mind or to battle head-to-head for the same position against another company. Unless you have a substantial competitive advantage, the latter strategy is almost always more costly. 3. Describe the unique benefit(s) you offer. Unique is the key word here because there are some benefits that all competitors in your field may offer, and you shouldn't build your position around one of these common attributes. <p>If your product/service has several unique benefits, you should rank them by their importance to your target customers. It is best to build your position around the top-ranked benefit(s). Companies often choose their positioning around their current competencies, but often these competencies can be acquired or developed by others. The positions of leaders in an industry are aligned with the benefits most desired by their customers. Federal Express, for example, has held a leadership position in its industry for many years because it absolutely, positively guarantees next day delivery. This delivery guarantee is more important to FedEx customers than low prices.</p>
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