



Don't let egos sink your positioning strategy

By Lawson Abinanti, Messages that Matter

Introduction:

This is a sensitive subject. It involves taking an unflinching look at the inner you, and committing yourself to a quest for the truth. No, I'm not talking about the latest fad in philosophy or munching magic mushrooms. My subject is developing your product's positioning strategy - and the potential negative impact ego can have it. To arrive at a successful positioning strategy requires a quest to discover the truth about your product, and why the target buyer should care about it. Let preconceived notions, personal biases and ego dominate your positioning process and you're leaving too much to chance.

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- Build awareness, demand and customer loyalty
- Make your marketing dollars go further with far less wheel-spinning
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Learn the proven Messages that Matter process that will help you own a compelling position with real meaning to your target market.

At every step during the positioning process, you filter information, make assumptions and decide which path to pursue. Even under ideal conditions, it's easy to head down the wrong path. In this article, I'll point out three steps along the way where ego - or denial or even sheer stubbornness - can lead you astray, keeping you from arriving at a positioning strategy that truly matters to your target audience; one that is unique, important and believable.

The steps I'll evaluate in more detail are:

- 1) Identifying and ranking customer problems
- 2) Using your message strategy as the first level for qualifying buyers
- 3) Assessing the competition to determine the uniqueness of your claim

First, what is positioning?

Before we explore those critical steps in more detail, let's review my definition of positioning:

Positioning is the mental space that you can "own" with an idea that has compelling meaning to your target buyer. In this mental space, your product's most important benefit and the customer's most important need meet, and find they are made for each other.

An effective positioning strategy helps target buyers associate a benefit with your product or company that makes them want to buy. That means it is essential that you understand your customer as well as you understand your product.

Forget your product - for now.

You can't successfully position your product unless you know the answer to this basic question: "What is my target customer's MOST pressing problem?" And notice that this question asks about THE problem, not problems. Although it may be tempting to think of your product as a

Swiss Army Knife, don't. It's doomed to fail. Today's buyers rarely want a multi-dimensional solution that's okay at a lot of things. They want a specific solution to fix that really important problem that's keeping them up at night. Forget about all those wonderful product features, and zero in on your customers' needs and desires.

When I meet with clients for the first time, I'm surprised that some can't rank key customers problems with confidence, or they can't agree on the list of problems. So it's a good idea to dig in and find out. Once you are sure you have a comprehensive list of customer problems, you need to stack rank them.

It's essential to leave your biases behind during this process. They can lead you to a message that fails to excite your target audience. For example, a company develops a product because the founders believe they saw a need or a void in the market. But from the customer's perspective, THE problem could be surprisingly different. So there you sit with a product you developed to save businesses money, while the No. 1 customer problem turns out to be the need to respond quickly to competitive pressure. Even if your product actually does enable companies to respond

fast, if your positioning zeros in on a "value," or "saves you money", it will most likely to be ignored by your target buyer.

Why? Prospects are overwhelmed by communication in today's fast-paced, media-saturated world. Bombarded with 5,000 to 10,000 marketing messages per day, they have become experts at filtering them out.

You can get through the filter, but only with a benefit statement that addresses the primary concern that keeps your prospect awake at 2 m. Your target prospects will notice and listen when you demonstrate that you understand their problem, and clearly communicate the benefit your product offers to solve it.

So no wishful thinking, guesses or conventional wisdom. With a little discipline, enlightenment will come; you'll see the intersections between the truth about your product and the truth about your prospective customers.

Qualify while positioning

A good positioning strategy can do more than create awareness and demand for your B2B product or service. Through thoughtful execution of your positioning strategy in marketing campaigns, you can also make your selling more productive by beginning to qualify prospects during the positioning process. But it works only if you are willing to face reality, and recognize that your product or service is best suited for a specific set of prospects within the target audience, not every buyer. That's why there are usually many products in markets like CRM, Business Intelligence, Corporate Performance Management, ERP, etc.

Very few companies in B2B software sell products designed for every company known to man. There are good fits and less optimum ones. Companies are often reluctant to exclude "anyone with a wallet" from their marketing effort. Others believe their product is so wonderful, everyone should buy it. But trying to be all-inclusive leads to fuzzy positioning and a weak marketing message.

So suppress your ego and swallow your pride. You'll be more successful. Make it clear in your marketing communications who should consider your product, and, perhaps, who should not. Rigorous qualification from the start has another benefit - you don't waste precious marketing dollars on the wrong target market.

Scout the competition

It's pretty easy to learn how competitors are positioning themselves, because they do it in public. So start reading and analyzing print advertisements, marketing collateral and Web sites with an eye to deducing the positioning behind them. A positioning statement frequently appears in the first or last paragraph (or both) of an advertisement, or in a prominent place on the home page of the Web site. A good one should be a clear, concise benefit idea or concept underpinning the executional theme of the advertisement, home page, brochure, etc.

No competition? No viable business?

Some CEOs and executives say they don't have any competition. "Our software is so different, no one does what we do," they say. Others simply ignore the competition. The Business Intelligence and Corporate Performance Management (CPM) markets are full of top notch companies like Cognos, Business Objects, Hyperion and SAS who claim - or have claimed - similar positions around the notion of improved performance through better-informed, more confident, decision making.

One of the best examples of pretending the competition either doesn't exist or its position doesn't matter is the ad campaign initiated by Microsoft Business Solutions in 2004. Big ads promoted the following benefit: "MBS products give you the insight you need to make smarter decisions." The statement defines a clear, succinct market position. Well done, MBS - except for one thing. The position was almost identical to MBS' leading competitor, Sage Software, which had occupied the "insight" position, and had developed substantial awareness and credibility in the market.

For two years before the MBS campaign, Sage had positioned itself around "insight," first using customer testimonials with powerful benefit claims, such as "sales doubled, productivity went up and efficiency improved..." marching to the conclusion, "which is what happens when someone gets a key insight into their business." Later Sage did a good job of executing the positioning statement: "Best products give you the insight you need to succeed." Then Microsoft attempted to occupy the identical position, which could not be viewed as a mistake borne of ignorance.

Differentiate or die

Differentiation is critical to successful positioning of your product, but how do you know that you are making a unique claim? Rather than ignore your competition, determine their positioning strategy, and use your findings to create a perceptual map to see where there's unclaimed space. As the old baseball maxim put it, you want to "hit it where they ain't."

In the marketing classic, "Positioning - The Battle for your Mind," authors Al Ries and Jack Trout say that knowledge of your competitor's positioning is just as important as knowing your own.

Ries and Trout lament the fact that "too many companies embark on marketing and advertising as if the competitor's position did not exist. They advertise their products in a vacuum and are disappointed when their messages fail to get through."

What Ries and Trout left unsaid is the reason competitors fail to differentiate - they are too wrapped up in their company and their product to give their customers and their competitors the respectful attention they deserve. It's a form of business egotism. Put your ego aside. You may be surprised by what it is preventing you from seeing.

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About the author:

Lawson Abinanti is co-founder of Messages that Matter, a consulting firm that helps B2B software and services companies create compelling message strategies that build awareness and demand. Messages that Matter gives clients the knowledge and tools to develop powerful message strategies that differentiate products and services from those of the competition. Clients include ADP Canada, ES Research, FRx Software, Kit Software, MapInfo, RightNow Technologies, VCG Software and VoxVue.

Lawson is a professional journalist with 15 years of executive management experience in the software industry. He has been responsible for marketing, business development and sales at several B2B software companies including Navision, Applix, TM1 Software and Timeline. He can be reached via [Email](#)