



Messages that Matter

Positioning Experts in B2B Software Marketing

Positioning Workshop Nov. 17th & Dec. 15th →

"The Three C's of Successful Positioning"

By Lawson Abinanti, Messages that Matter

Effective positioning of B2B software products is written in the key of C. Actually, three C's. Because positioning requires a thorough understanding of your Customers, your Competition and your Channel.

In the Positioning Workshops I conduct (see sidebar), this is one of the main points we try to impress on software company executives. In this column, I'll summarize the importance of the 3C's, and in the next three columns, we'll explore in detail each of the C's. The series will highlight the knowledge you'll need to answer these important questions during the positioning process:

1. What pressing problem does your product solve for your prospective customer?
2. How is your prospect solving that problem today?
3. What specific benefit does your product deliver?
4. Why is your product better than the current solution and competitive alternatives?
5. What makes your product unique in a way that is relevant to your prospect?
6. Can you communicate this difference in a way that sets your product apart from the competition?

When you can answer these questions with confidence, you're on your way to successful positioning of your B2B software product. Here's a quick summary of how and why understanding each of three Cs provides answers you need to develop a successful positioning for your product:

The Channel: a great source of information about all three Cs

The channel is how your product reaches the customer, whether you sell directly or through VARs. It will be the first topic of the 3C's series, because your channel is - or should be - one of your

Positioning Workshop: How to talk so the market will hear you.

Attend Lawson Abinanti's Positioning Workshop in Seattle for B2B software companies. You'll learn:

- how to use a proven methodology to own a position in your prospects' minds
- how to develop a compelling marketing message strategy that creates awareness and demand.
- 3 C's of successful positioning.
- the difference between positioning and branding
- criteria for evaluating your message strategy
- how to cost-effectively test your message strategy

Dates: Nov. 17 or Dec. 15.

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best sources of information about the other two Cs, your customers and your competition. It's your first avenue of interaction with what you hope will become your customer. And it's the battleground for the ongoing war with your competitors. So, it's vital that your channel partner is your ally with shared goals and a trusting relationship. Unfortunately, this is rarely the case, even at B2B software companies that sell direct. I'll suggest ways you can overcome this problem in the column about the channel.

From the channel, you learn what gets your customers excited about your product (it may surprise you), and what they feel is missing. You learn why you win and lose - and against whom. All these factors contribute to help you converge on the ideal positioning statement for your product. Learn what's really happening in the channel, and you gain insights into the details of purchase processes, demographics, psychographics, sales strategies, and customer concerns.

The channel can also provide valuable feedback on the viability of your marketing message. Ongoing communication with your channel will improve the relationship and, as a result, the flow of honest information and insights vital for your product positioning strategies.

Know your customer... at least as well as you know your own products

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?" 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, because it's doomed to fail.

Your prospects are overwhelmed by communication in today's fast-paced, high-tech world. They get so many marketing messages - somewhere between 5,000 and 10,000 per day - that 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 am. Your target buyers will listen to your message when you demonstrate an understanding of their problem, and clearly communicate the benefit your product offers to solve the problem.

Besides customer concerns, other psychographics such as industry and technology trends can affect your message strategy. A good grasp of demographics is critical to successful positioning. But some companies feel they have to sell to everyone, and often fail to communicate effectively with the ultimate decision maker. It may surprise you that it's relatively easy to adapt a good positioning statement to different target audiences, if you really need to communicate to more than one buyer.

Know the competition, intimately

Differentiation is critical to successful positioning of your product. 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."

You can often discover how a competitor is positioned by analyzing its print advertisements and Web site. A positioning statement, idea or theme frequently appears in the first paragraph of an advertisement or on the home page of the Web site. It's a good idea to become familiar with the competitor's messages in other marketing communication, such as direct marketing pieces, brochures, press announcements and trade show materials. See if there's consistency and continuity. You can gain a competitive advantage just by recognizing the realities of your competitors.

As the old baseball adage puts it, hit it where they ain't. That's ideal. Claim an unclaimed space. One that sets you apart from your competitors. But, what can you do if your competitor makes a similar claim? It's a tricky situation, and we'll look at possible options in the column devoted to the third C - competition. I'll also explore a positioning tactic that enables you to set a trap for your competitor, as well as how market confusion contributes to a longer sales cycle, and when to consider making a claim that borders on being unbelievable.

I'll close with a bit of good news for anyone who thinks your competitor has decided to try to steal your position. Be patient. Few companies stick with a position long enough to own it. Your patience and persistence can reward you with a position you own exclusively.

Next: The Channel: start here to learn about all three Cs.

About the author: Lawson Abinanti is co-founder of Messages that Matter, a consulting firm that helps B2B software 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. Lawson has held strategic marketing positions with several B2B software companies including Navision, Applix, TM1 Software and Timeline. He can be reached at lawson@messagesthatmatter.com.