



**Positioning:** How to talk so the market will listen

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## INTRODUCTION

Everyone loves a good story. In fact, we love stories so much that we allow them to mold every aspect of our lives, including the way we buy B2B technology products, solutions and services.

Commercial stories and messages play their own unique role in shaping our beliefs. We are bombarded with them; between 3,000 and 5,000 commercial messages every day of the year. Of the million or more messages you encountered in the last year, how many can you remember? How many were meaningful enough to shape your buying decision or to change your behavior?

Changing market behavior in B2B marketing requires changing awareness. And nothing changes awareness like stories that contain important user benefits. We call them “message strategies,” and here, we’ll explain how to create them.

Message strategies contain a positioning statement and three to four support points that become the central theme for all your marketing communications.

A positioning statement is a short, declarative sentence that addresses the target market’s most pressing problem by stating a benefit. In 12 words or less (not including company or product names), it expresses why the target market should care about your claim and take action.

“That’s interesting, tell me more,” is the response to the statement you want from your target audience. Support points unfold your story in more detail, and explain how you deliver on your positioning statement’s promise.

## WHAT IS POSITIONING?

There is often a debate about what positioning is, and what it is not. Confusing matters further, there are two proper usages of “positioning:”

1. How your company is situated relative to its competitors;
2. How your products and services are situated in the minds of customers and target audiences.

Here, we focus exclusively on No. 2. We define positioning as a mental space in your target audience’s mind that you can own with an idea that has compelling meaning to the recipient. Within this mental space, your product, solution, service or company’s most important benefit and the customer’s most important need meet, and hopefully form a meaningful relationship.

## WHY IS POSITIONING IMPORTANT?

Positioning is the foundation for all your marketing communications. An effective positioning strategy makes it possible to deliver the same message across all marketing media including web sites, brochures, advertisements and presentations to investors, industry analysts and prospects.

With some effort, time and money, you can claim a position by consistently executing your message strategy in all your marketing communications.

Repetition is one of the most important factors in claiming a position and giving it staying power. Remember, you’ll get tired of your message strategy long before your target audience does – sometimes even before all of your audience has heard it for the first time. Give it a chance to work. You’ll be rewarded with your own unique position in the market, one that creates awareness and demand.

## THE 3Cs OF SUCCESSFUL POSITIONING

To effectively position your B2B technology product, you need a thorough understanding of the 3Cs — your channel, your customer and your competition. We call these the “3Cs of successful positioning,” and this research will lay the foundation for a positioning strategy that sets you apart from your competition.

Expect to spend several weeks gathering the information that helps you converge on the ideal position for your B2B product. You can speed up the process by doing your channel research first.

The channel – how you sell whether direct or indirect – provides quick access to initial information about the customer and the competition. It's where you start gathering data to support your ultimate positioning strategy.

The channel helps you identify challenges in the sales cycle that may impact your message strategy. Channel intelligence also helps you zero in on competitive strengths and weaknesses, insuring that you focus your message strategy solely on what you do well.

### How to avoid “me too” positioning

While these insights are invaluable, your understanding of key customer problems and how your competitors are positioned has the greatest impact on your ultimate positioning statement. That's because your positioning statement needs to be unique – no other competitor is making your claim — and addresses the target buyer's No. 1 problem.

When interviewing customers and prospects, your primary objective is to identify what problems forced them to seek a new solution. Get them to tell you why they became a buyer. The more you understand about buyer motivations, the better your chance of selling to them.

Differentiation is the holy grail of marketing. Yet most B2B technology markets are filled with companies who embrace “me too” marketing: they say exactly what their competitors are saying.

It's really not that challenging to set yourself apart from your competitors. Pay attention to what they are saying on their web sites, and in marketing communications, and then avoid those claims like the plague.

We have developed a perceptual mapping application in Excel that makes it easy to see the competitive landscape. You get the mapping application when you purchase the advanced version of this eBook. It was used to create the map below that shows how the major players in the Business Intelligence (BI) market are positioned; note that “me too” marketing was alive and well when this map was created in February 2015:

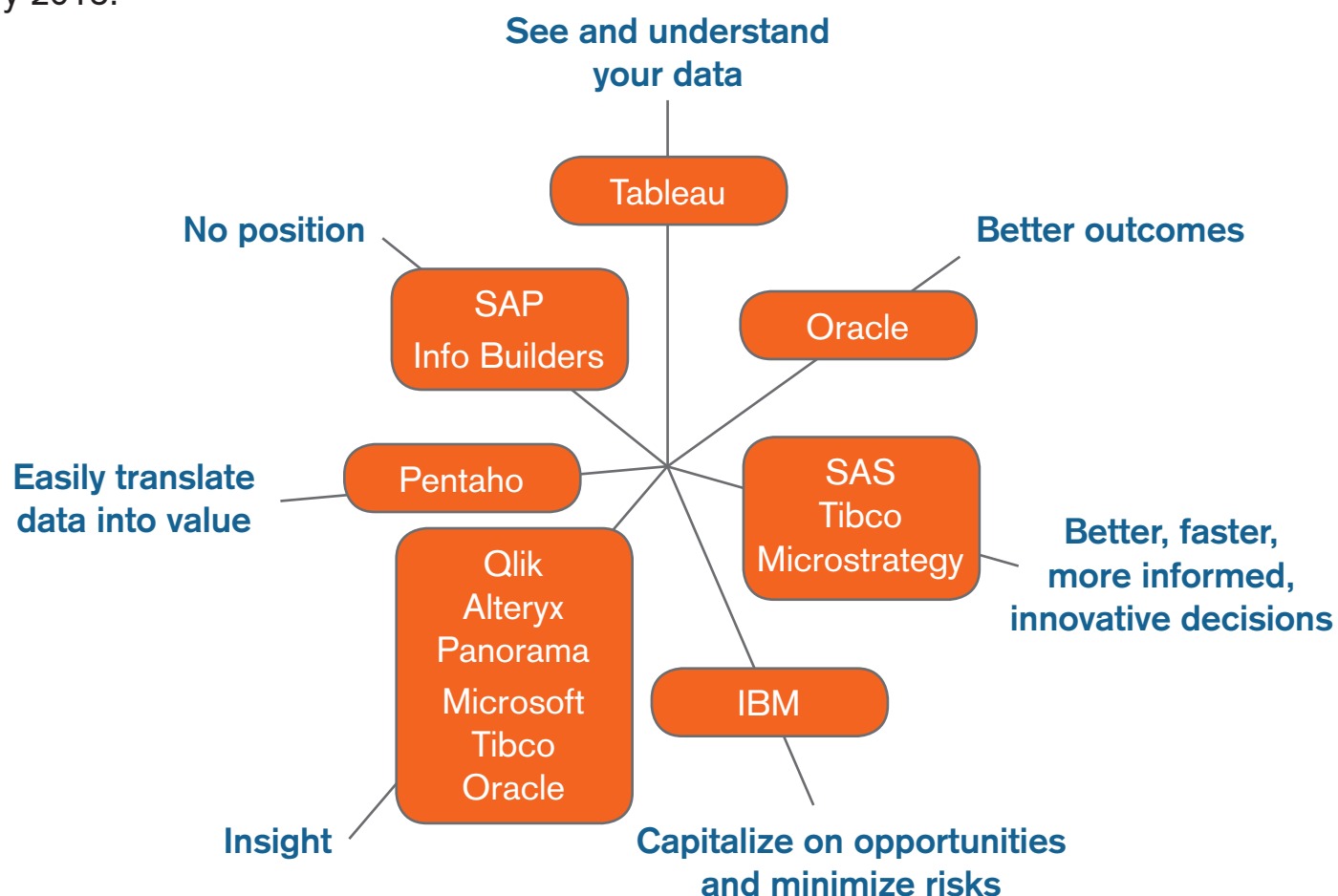


Figure 1: Perceptual map of the BI market

Once you have completed the 3Cs research during the initial phase of the positioning process, you'll be able to answer these critical questions:

1. What is your prospects' most pressing problem?
2. How are your prospects solving that problem today?
3. Why is your product better than their current solution and competitive alternatives?
4. How are your competitors positioned?
5. What makes your product unique in a way that is relevant to your prospect?
6. Do you have any challenges in the channel that may affect your message strategy?

When you can confidently respond to these questions, you're on your way to successfully positioning your B2B product. Let's get started.

### A NOTE ON THE POSITIONING PROCESS

The formal process outlined here results in creation of several potential positioning statements. While an individual can sometimes develop interesting positioning strategies, brainstorming groups have demonstrated a remarkable ability to generate fresh, innovative message ideas. Group members can include your own marketing and product marketing team as well as creative people who may have only a general understanding of the market situation. Include sales and someone from management. The goal is to foster buy-in to your work. The best way to do this is to involve as many people as is practical throughout the process.

### THE THREE KEY ASSUMPTIONS

You start the positioning process with Three Key Assumptions. Marketing can be viewed as a special kind of behavioral science. To succeed in this science we must thoroughly understand the attitudes and behaviors of our customers and target audience. The following three assumptions provide a basis for developing this understanding.

#### 1. The smartest people in the world are in this room.

When it comes to our offering, we are the smartest because we know the most about it. As marketers we frequently believe that prospects think as we do and already understand our offerings. Since prospects rarely share our thought processes, we must make it extraordinarily simple to acquaint them with our product.

#### 2. The only people who care about our offering are sitting in this room.

As marketers, we sometimes believe that the market has waited years for an offering just like ours. Unfortunately, this is rarely the case – if it were true, we could all retire. Therefore, we must identify our most important benefit and describe it to the market. Then, maybe, the market will care.

#### 3. Everyone outside of this room is remarkably cynical.

It's hard to believe, but the technology buyers have learned to doubt nearly every claim made by technology marketers. Effective positioning allows us to cut through cynicism by making our case in believable, compelling language.

THE THREE QUESTIONS

The Three Key Assumptions and the Three Cs described above establish a basis for initiating message development. The development process begins by analyzing how prospects might respond to your offering. The answers to three fundamental questions provide this analysis.

1. What problem does our offering solve?

You can't successfully position your offering 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 offering as a Swiss Army Knife, don't, because it's doomed to fail.

2. How do prospects solve that problem today?

If your offering solves a bona fide problem, then customers already have a solution. You need to know how they currently solve the problem. Of course sometimes companies, particularly consumer goods firms, create a problem where none has existed and then offer their products as a solution. Unfortunately, this option requires a scope of investment that few B2B vendors can afford.

3. Why is our offering a better solution to that problem?

If your budget doesn't permit problem creation, you'll need to position your offering as a better solution to an existing problem. Remember that cutting edge technology often fails to provide a better solution for more than a small fraction of a target market. Admitting to this requires honesty.

THE THREE "WHATS"

Using our knowledge of the prospect's key problem and your product's ability to respond to that problem, we can categorize the offering. Categorization enables potential buyers to quickly understand how they might benefit from your offering. The following "what" questions can help you develop an effective categorization strategy.

|                       | Functionality | Offering      |
|-----------------------|---------------|---------------|
| What is it?           | > Feature     | > Category    |
| What does it do?      | > Advantage   | > Description |
| What does it deliver? | > Benefit     | > Position    |

Figure 2: Feature, Advantage, Benefit

Marketers frequently make a critical error by confusing what a product or solution does with what they deliver. Naturally, prospects need to know the advantages of your offering. But they won't purchase until they can understand the benefits. Why make prospects figure it out for themselves? Make it short, simple and sweet — by telling them.



## THE FOUR CRITERIA

After working through the process described above, you will have developed several potential positioning statements. At this stage, four criteria can help you assess the viability of the various statements. For each statement, ask if it is:

1. Important
2. Believable
3. Unique
4. Usable

This assessment will help you identify the message that will best stimulate market awareness and demand. Let's consider these criteria in more detail.

### Important

A positioning statement must respond to a prospect's primary problem. By doing so, the statement will create confidence in your ability to offer a desirable solution, as well as a sense of urgency in the prospect's mind.

You can test the importance of a potential positioning statement by asking a simple question "So what?" If the answer produces a higher level benefit statement, you haven't yet found the most important benefit.

If you continue asking "so what?" you will ultimately arrive at one of three benefits. For business-to-business offerings, these are volume, share and profit. Similarly, consumer products ultimately claim to make the consumer wealthier, healthier or sexier.

### Believable

Effective positioning statements recognize prospects inherent skepticism by avoiding exaggerated or meaningless claims. Effective communications "ring true" by referencing existing market conditions; they leverage your company's brand identity and signal that you understand the prospect's concerns.

### Unique

Positioning always occurs in a competitive environment. Therefore, a positioning statement must state a benefit made by no other company. When you make a unique claim, two results occur. First, you raise a significant barrier to competition. Second, you increase the desirability of your offering. These two outcomes can significantly impact sales volume, market share, and profitability.

### Usable

A positioning statement provides a foundation for changing market behavior through marketing communications (e.g., advertising, web site, public relations, direct marketing). While the statement itself may sometimes serve as copy in these communications, it need only function as a basis for copy development. As such, the positioning statement should be short (12 words or less, not counting the product name) and contain no commas, conjunctions or subordinate clauses. It also must work across various communications media.

### SUPPORTING CLAIMS

Once you've developed a positioning statement, you'll need to bolster it with three supporting claims. Support points – which must satisfy the same criteria as the positioning statement – reinforce the importance, uniqueness and believability of the positioning statement. They provide the reason to believe the central positioning statement. Most importantly, support points must support, not compete with the positioning statement.

Supporting points also provide a structure for demonstration. While the positioning statement articulates a high-level, abstract benefit, the claims made in supporting statements should be readily demonstrable; that is, in just a few steps, you should be able to show how the offering delivers concrete benefits.

### THE POWER OF POSITIONING

When you create and successfully manage a powerful message strategy, your product, solution or service will gain several benefits. Some will appear quickly, others will emerge over time as your offering gains market share. These benefits include:

- ✓ Increased sales volume, market share, and profitability
- ✓ Stronger brand preference for your company's offerings
- ✓ Higher competitive barriers
- ✓ Inspired company employees
- ✓ Comitted, lifetime customers

Most important, a powerful message strategy creates awareness and demand, resulting in greater shareholder reward.

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### NEXT STEPS

1. Read our full version of this e-book: Learn more about the business process behind positioning, and how to apply it to your product, solution, or service.
2. Schedule an audit: We'll assess the effectiveness of your positioning strategy and how you are positioned in relation to your competitors.

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### About Messages that Matter

Messages that Matter helps software and technology companies develop positioning strategies that build awareness and demand for their company, products, solutions and services. Our goal is to transfer knowledge and expertise, allowing client teams to take responsibility for managing and evolving their positioning strategies. We teach you how to set yourself apart from the competition. You'll discover the truth about your offering and be able to tell a good story — one that matters to the market.

### ABOUT THIS POSITIONING PROCESS

The positioning process described in this publication was developed by Barry Briggs while at Microsoft in the late 1980s. He and Lawson Abinanti have evolved the process while teaching it to hundreds of marketing professionals.



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