

DISPATCHES™

Insights On Brand Development From The Marketing Front

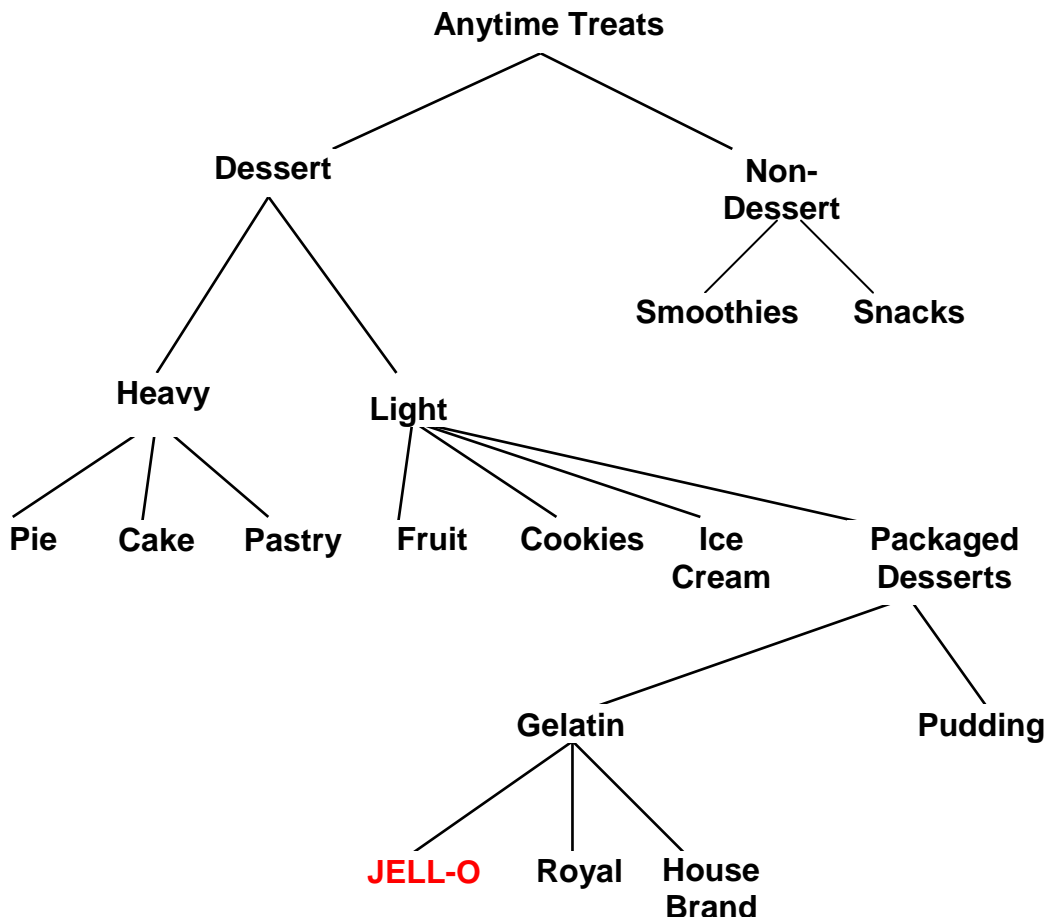
September 9, 2007

THE COMPETITIVE FRAMEWORK—A REFRESHER (PART 3)

(Note: A few weeks ago, we began reviewing some key aspects of the Competitive Framework part of a Brand Positioning Statement. First we identified the two dimensions of the CF: literal and perceptual; next we explored some times when marketers consciously use advertising to communicate the literal Competitive Framework. In our final installment this week, we look at a process for creating a winning perceptual Competitive Framework for the brand.)

The Perceptual Competitive Framework: Getting Started

We've found that a really useful place to start the search for a differentiating perceptual framework is via diagramming, as in the longstanding, even classic, tree diagram for the Jell-O Brand:



A good way to draw a diagram like this for your brand may be somewhat counter-intuitive: start in the lower right-hand corner of a blank page, and work your way up and left-center as the possible segments or markets open up. In this fashion, Jell-O's most immediate competitive framework is all other gelatin brands, which is only one of the sub-sets underneath a broader framework called "Packaged Desserts," which is only one of the sub-sets underneath the even broader framework called "Light Desserts," and so on.

Over time, the Jell-O brand sees opportunity in competing for a broader set of substitute products—actually, opportunity to increase its source of volume (thereby expanding its Literal Competitive Framework), but also opportunity to be perceived as something more than just another gelatin or packaged dessert (thereby identifying options for expanding its Perceptual Competitive Framework as well). There is a catch, however, in both of these opportunities: *the Jell-O product line-up has to deliver on the key benefits associated with these expanded frameworks.* To be taken seriously as an alternative to more formal "heavy" desserts, Jell-O needs to offer something akin to those kinds of desserts. So they introduce the Jell-O *No Bake* line of desserts, comprised of things like *Chips Ahoy!* pie that uses Jell-O as a key ingredient. To be taken equally seriously as an anytime treat, Jell-O offers a new, single-serve packaging format that allows for on-the-go snacking with such items as Cheesecake Snack, Sundae Toppers, and Smoothie Snacks

Mainly through the introductions of flavor and form line extensions, the Jell-O brand has effectively expanded its literal source of volume; it has also dramatically changed the brand's perception in the minds of consumers—from that of an after-meal dessert to an anytime snack treat. Let's look at one other brand that has just as effectively expanded its perceptual framework, but by using even more marketing mix elements than line extensions: Gatorade.

A few years back, one of the marketing leaders for Gatorade was quoted as saying that they intended to have the brand seen by consumers as much more than a leading sports beverage. They intended the brand to eventually be seen as "*ultimate liquid athletic equipment.*" Upon first hearing, such a notion sounds almost absurd. But if you could actually pull it off and be perceived as essential athletic equipment—for all kinds of athletic endeavors and all levels of performance—well, imagine the advantage you would have over your competition. How did the Gatorade marketers come up with this "athletic equipment" notion? Well, we don't know for sure, but perhaps they employed the tree diagram as Jell-O did and concluded that the brand is much more than a thirst quencher or a "liquid"...really more like part of an athlete's "equipment."

While we cannot be sure that Gatorade envisioned their sports beverage or thirst quencher as a sub-set of athletic or recreational equipment, we **do** know that the brand has used the athletic equipment perceptual framework to guide all of its marketing efforts. For example:

- Gatorade pioneered the pop-up sports cap bottle, making the average bottle more equipment-like;

- Packaging for Gatorade powder is in the shape and color of their famous sideline coolers, also a type of equipment;
- Gatorade widened the mouth of their bottles to enable faster gulping, something athletes need;
- When they launched a water sub-brand, Gatorade named it Propel Fitness Water, not merely water.

Has the Gatorade brand succeeded in communicating its perceptual framework via initiatives such as these? Here's one clue that suggests maybe they have:

Not too long ago, *The Austin-American Statesman* newspaper ran a feature article on marathon runners—they're typical, physical traits, their training regimens, and their "ultimate equipment." Included among the various watches, gloves, and other things was only one isotonic beverage: Gatorade.

Articulating the Complete Competitive Framework in the Brand Positioning

So, by now in our series of *Dispatches Refreshers*, we have examined the two dimensions—Literal and Perceptual--of the Competitive Framework that we think every brand should include in its Brand Positioning Statement. And to keep things real simple, we even like to use an easy format that links the two dimensions in a side-by-side fashion:

BRAND	IS THE BRAND OF _____ (Perceptual Frame)	COMPETING MAINLY WITH _____ (Literal Frame)
Gatorade	Ultimate Liquid Athletic Equipment	--Powerade, Lucozade --Water & enhanced waters --Fruit drinks
McDonald's	Family Fun & Food Destination	--Burger King, Wendy's --KFC, Subway --Mall arcades --Zoos, parks
Just for Men	Hair Rejuvenator	--Clairol, Grecian Formula --Professional salons --Anti-aging shampoos
Virgin Atlantic Airlines	Travel Entertainment	--British Airways --United, American, Delta
Snickers	Between-Meal Hunger Satisfier	--Kit Kat, Hershey Bar, Reese's --Fritos; Power Bar
Special K	Shape & Weight Maintainer	--Corn Flakes, Rice Krispies --Adult cereals --Slim-Fast

BOATS & HELICOPTERS

Notice some key principles at work in each of these inferred examples of complete Competitive Framework articulation:

1. The perceptual frame is “anchored” by a telling noun: *Equipment, Destination, Rejuvenator, Entertainment, Satisfier, and Maintainer*. Each of these should ring true to the target customer or consumer; and, ideally, over time each of these nouns should be more ownable by these brands than by others.
2. The literal frame starts by listing the closest-in, strongest volume-interacting competitors...then proceeds to identify (in most cases) some further-out, but logical alternatives to the brand. These further-out competitors should link to the perceptual frame: for example, Fritos is probably the most satiating of the big-name Frito-Lay snacks (it is certainly one of the most densely made), so it would be the salty snack hunger satisfier—and there is always some interaction between salty snacks and confection.
3. As we saw with Gatorade, each of these brands owes it to its respective target group to communicate their perceptual frame in all that they do. McDonald’s has certainly communicated their “family fun & food destination” well over the years, being the pioneers of playgrounds on restaurant property, the Happy Meal, and many Ronald McDonald appearances and events on-site. In some places (like India) they even designate their locations as “Family Restaurant.”
4. Perhaps most important of all, the perceptual frame should lead to or *set up* the brand’s Benefit(s). Based on these examples, we would expect to see in the Benefit section of the brand positioning statement that Just for Men promises hair and social-life rejuvenation; we would expect Special K to promise women that a daily diet which includes Special K will help them keep their weight and shape better. You can think of the Perceptual Framework as similar to the assist in basketball—it sets up the basket or the “score.”

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