

# DISPATCHES™

Insights On Brand Development From The Marketing Front

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## CONSTRUCTING THE PORTFOLIO POSITIONING STATEMENT

Here's a question for you: Can you name a fast-moving consumer goods brand--not a bank or a retail/food-outlet brand--that can effectively implement its brand positioning with only 1 brand positioning statement (as in, one size fits all)? We can't. While there continues to be a philosophy among some general managers that a brand should have only one brand positioning statement, we have found that taking that brand to market with a single, typically very broad brand positioning statement is virtually unmanageable.

In fact, in a March, 2006 issue of *Dispatches*, entitled "Positioning The Brand Portfolio," we acknowledged the continuing, often accelerating, efforts of most brands these days to line extend and sub-brand themselves...all of which begged the question, "As we proliferate the brand's name, who's minding the brand store?" To help in answering that question, we recommended that brand teams construct a matrix containing a number of inter-connected brand positioning statements, starting with the over-arching positioning of the "umbrella" or parent brand (for example, Snickers Peanut) and following with the major line extensions and sub-brands—using a format something like this:

### THE BRAND PORTFOLIO POSITIONING MATRIX

Umbrella/ Line Ext./ Sub-Brands	Target	Needs	Compet. Frame	Benefits	Reasons Why	Brand Char.
Umbrella/ "Parent" <i>(e.g. Snickers)</i>						
Line Exten. A <i>(e.g. Snickers Almond)</i>						
Line Exten. B <i>(e.g. Snickers Fudge)</i>						

As you can see, by completing such a matrix the brand accomplishes a number of important "positioning management" kinds of things:

1. It provides a "family portrait" of the Brand, showing clear and precise linkages between the line extensions and the parent (thereby making clear why the extensions carry the parent brand's name in the first place);

2. It provides more detailed, but essential, brand positioning information for each of the major brand “family members”...which enables the brand team to better implement key positioning drivers such as packaging, communications, merchandising and so on in a way that spotlights the specifics of the extension but does so in a manner consistent with the parent;
3. As a converse to the first point above, a well-articulated portfolio matrix also makes abundantly clear when an extension or sub-brand falls out of alignment with the umbrella or parent brand positioning. To use a ridiculous example, something called Snickers Breath Mints would be a total disconnect to the needs-benefits proposition that the parent stands for (presumably hunger satisfaction and chocolate indulgence) and would therefore have no place in the Snickers family—it would require another brand name.
4. Finally, the matrix provides a kind of paradoxical “single” brand positioning statement that is comprised of multiple, but soundly-linked, brand positioning statements. It serves as a wonderful blueprint for managing how the brand implements its positioning in the marketplace.

What we *didn't* cover in that 2006 *Dispatches* article, though, was one of the most commonly asked questions about the construction of a given brand's Portfolio Positioning Matrix: namely, “How do you know which products to *include* in the matrix and which ones to exclude?” Perhaps we simply overlooked this very basic question. Or, more likely, we have always assumed that brand teams will use their own best judgment to determine which line extensions warrant a separate positioning statement within the matrix and which ones do not. But, still, it remains a fair question, to which there is not really a perfect, textbook answer. Nevertheless, we thought that for this week's Boats & Helicopters we would offer some guidance on how to better choose which products within the brand to include in a Brand Portfolio Positioning Matrix. From our perspective, the most important thing, however, is to construct some kind of portfolio matrix and begin using it to manage the total brand's positioning!

#### **BOATS & HELICOPTERS—Some rules-of-thumb on what brand items to include in the Brand Portfolio Positioning Matrix**

1. **Line items that tend to bring in a new Target for the parent brand definitely need a positioning statement within the brand's portfolio matrix.** For example, when Neutrogena created its first-ever line for men, a sub-brand called *Neutrogena Men*, it obviously required that the products in that line be somewhat consistent with those the brand had historically positioned against women. Otherwise, why in the world would it be so prominently named Neutrogena? At the same time, the addition of this line required an update of the umbrella or parent Neutrogena brand positioning—to include an important new demographic Target. Presumably, this new demographic, though, shared a lot in common with the Neutrogena Brand's longstanding *psychographic* Target...people who insist upon simpler but more dermatologically sound skin solutions. Including both the Neutrogena Men sub-line brand positioning and the updated Neutrogena parent brand positioning in the matrix would be essential for implementing the total brand positioning in the marketplace.

2. **Line items that *add* an important new need/benefit to the brand typically should be included in the brand's portfolio positioning matrix.** The operant word here is the italicized "add." A line item that brings a new need/benefit to the brand without retaining the fundamental need/benefit that the brand has always stood for should find itself in another brand's matrix. But an item like Tylenol Cold that adds a meaningful new benefit (cold symptom relief) to its existing safe, pain relief definitely warrants a sub-positioning within the matrix.

Of course, the notion of an "important new need/benefit" is a sometimes a judgment call in itself. If market research shows a relatively high importance factor to the new need, then it is less of judgment call; but many times the brand launches a line extension that is not so much an important *new* need/benefit as it is the removal of an obstacle...the absence of a troublesome negative. For example, most brands that remove, say, scent from the product without bringing in a significant new Target, would probably not include that unscented item in the portfolio matrix.

3. **Line items that *add* some desired new dimension or personality trait to the parent Brand Character should be included in the portfolio matrix.** Again, any item that falls underneath the umbrella or parent brand positioning should be building upon, adding to that parent positioning (rather than changing that brand positioning). Sometimes brands innovate with new items that make the brand more contemporary, more "with it." An example might be the Mercedes C Class sedan that was launched ten years ago or so. It actually served to do two things for the brand that merited its inclusion within the Mercedes Brand Portfolio Matrix: added an important new Target (a younger demographic) and updated the Mercedes Brand Character.

Now, what are you waiting for? Take a shot at constructing one of the most useful strategic tools your brand can have—the Brand Portfolio Positioning Matrix.

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