

DISPATCHESTM

Insights On Brand Development From The Marketing Front

Sunday, January 10, 2010

NEW YEAR. NEW DECADE. NEW CHAPTER.
(An excerpt from our soon-to-be-released update of *Creating Brand Loyalty*)

Over the course of our rather long and multi-category careers, working with brand-builders both as consultants and as teachers, you can imagine that we have been asked many questions about brand positioning. Invariably, these questions call for an opinion-response, as opposed to a factual one. Here, then, in descending order from least-frequently asked to most-frequently asked, are the questions we have been asked an opinion on many times. And, although we admit our answers are opinions, we also cannot resist saying that our opinions follow from the many experiences we have had as brand-builders, consultants, and teachers of the art and science of brand positioning.

Q.10. “For marketing teams who are relatively inexperienced in classical marketing, isn’t it best to defer to your Communications/Advertising Agency to lead the brand positioning work?”

A. Regardless of “classical marketing” experience level, no one should know the brand better or have a clearer idea of the direction that the Company intends to take the brand, than the “brand team.” Ideally, this is a multi-functional team, led by Marketing, which includes a wide range of expertise—comprising both internal and external experts. By all means, the Communication or Advertising Agency (both their Account Service *and* Creative Service members) should be a key part of this team. Not only do agency marketers and their creative teams work with a broad range of clients (and therefore see a wide range of strategic approaches in the marketplace), but they are usually provide a much-needed external perspective as well. Having said this, though, brand positioning decisions must ultimately be made by the Company...under the leadership of its brand marketers.

Q.9. “I’m not involved in actual brand positioning development (which is done at headquarters or by Franchise Management); why do I need to learn how to develop a competitive brand positioning?”

A. Everyone who is involved in taking the brand to market should be familiar with the brand’s positioning—to ensure they spend the brand’s resources consistently against the desired “brand blueprint.” Often, marketers who work in the field or who receive brand positioning statements from a central or global HQ team, will insist that they are charged only with “downloading” the positioning and

- B. implementing it in their markets. Voila! What better reason to understand the essential elements of a brand positioning, to speak the brand positioning “common language” than this? How can anyone implement a brand positioning if they really don’t (a) understand it, and (b) comprehend why it is built the way it is? There’s yet an even better reason for even field marketers to have the same understanding of a brand positioning as their HQ teammates: so they can, when called for, appropriately “push back” on their HQ counterparts and convincingly argue for some positioning flexibility due to their truly different market situation. How can you negotiate effectively when you can’t speak the language?

Q.8. “My brand (a prescription drug) has a relatively short patent life. Do I really need a brand character in my brand positioning?”

- A. Every brand, regardless of its lifespan, can benefit from a distinguishing brand character in its brand positioning. The truth is that any given brand will have a brand character, or personality, even if the marketing team decides **not** to consciously develop one. In that case the dilemma is always this: is the brand character that’s “out there” the one you want? Is it the one that can help further differentiate your brand—in a meaningful way—from competition?

Marketers of prescription drug brands typically face a tougher challenge in developing a differentiated brand character than do most fast-moving consumer brands...and not just because of a relatively shorter life. Drug brands usually lack those everyday brand character drivers—like clever nomenclature and packaging—that most consumer brands use day in and out to reinforce their brand’s character. Still, there are examples of prescription drug brands with differentiated characters. The Zithromax Brand of antibiotic successfully positioned its brand personality as being the more “approachable, consumer-friendly” brand (both to patients and to doctors) via its innovative packaging nomenclature, the “Z-Pak,” and its “Five Days and You’re Done” direct-to-consumer advertising.

Q.5. “When we are trying to articulate a brand positioning (for my brand or for a key competitor), how do we express it: as it *currently* is or as we expect it to be in the *future*?”

- A. The answer is both. You cannot know where you want to take an existing brand’s positioning without first knowing where it is today. And we’ve found that the best way to confirm where a brand’s positioning is today is by getting input from a group of the brand’s loyal users (or for drug brands, heavy prescribers). They should be the ones who know it best. Once you have a good read on the current brand positioning, the next step is to lay out—right next to it—the brand positioning you intend to evolve to. Then it’s a matter of identifying those specific initiatives the brand will take to actually implement that evolutionary positioning.

Q.4. “I already have a Communication (or Advertising) Strategy. Why do I need a Brand Positioning Statement too?”

- A. Since any sub-strategy—like a product development strategy, a pricing strategy, and, yes, an ad strategy—follows from the brand’s positioning, you have to wonder where the communication/ad strategy mentioned in this question came from in the first place! Nevertheless, there are marketing teams out there who start by developing a communication strategy. Perhaps, with luck, this communication strategy will be a good one for the brand; but even so, it is still geared to guide only what the brand says in its communication materials, not everything it *does*. Every brand needs a direction-setting, over-arching strategy in the form of a Brand Positioning Statement...to guide product/new indication development, pricing, promotion, merchandising, PR and on and on.

Q.3. “When should a brand re-position itself?”

- A. Maybe a better first question might be, “When *shouldn’t* a brand re-position itself?” It’s a better question because, in fact, most brand re-positioning efforts do not work—because they come too late. The brand is already declining at accelerating rates (and likely has been for some time); what’s worse, the brand is often losing money. Not many general managers have the appetite for investment spending behind a brand in these straits. So, a brand typically has a much better likelihood of achieving some success with a re-positioning when it occurs, say, before the brand’s volume has been declining for a period of time at an increasing rate.

As we explained in the Power Positioning Chapter, however, we are not big believers in re-positioning (having seen too high a percentage of re-positioning efforts fail). Rather, we prefer to proactively position, or *pro-sition*, the brand by sustaining a steady flow of innovation. And the best pro-sitioning efforts happen when the brand team launches the innovation (in whatever form it takes—line extension, packaging, merchandising, advertising) just as the rate of growth begins to slow at an increasing rate. With the right innovation, the growth rate picks right back up again...leading to a higher, extended growth curve for the brand. Brands that can keep this up need never worry about re-positioning.

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Plans are currently being finalized for the next OPEN BRAND POSITIONING & COMMUNICATIONS COLLEGE session. So far, we can tell you that it will be held April 27-29, 2010. Look for more details in next week's DISPATCHES!

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