

DISPATCHES™

Insights On Brand Development From The Marketing Front

Sunday, April 17, 2011

THE HARDWARE AND SOFTWARE OF POSITIONING

During a recent pre-brief with a client for some upcoming positioning work, the client said something like this: “Our research shows us that there really isn’t any functional differentiation for our brand versus others in the category; in fact, it’s worse than this: the research shows that we are in a kind of ‘no man’s land,’ not standing for anything in particular in the consumers’ minds.” This was sobering information, though not all that surprising—many brands these days find themselves with little or no functional differentiation. What was more interesting was what the client said next: “In our positioning work, therefore, we ought to spend the bulk of our time seeking differentiation in these positioning areas: emotional benefits, perceptual competitive framework, and brand character.”

The client’s instincts in this case were right on. What he was really proposing was to devote the team’s efforts toward a more *creative positioning*, trying to cleverly come up with something the brand could take ownership of—in the *softer* elements of the brand’s positioning. We don’t often think of a brand positioning having both *harder* and *softer* elements, but it does. In fact, you could argue that the classic brand positioning statement has a kind of positioning *hardware* and *software*. And, you could also probably argue that, despite the increasing difficulty to differentiate a product functionally, most management teams still value the hardware of positioning more than the software.

Just to be clear, here are the positioning elements that most would classify as either “hard” or “soft”:

POSITIONING “HARDWARE”	POSITIONING “SOFTWARE”
Target Demographics	Target Psychographics
Target Needs	Perceptual Competitive Framework
Literal Competitive Framework/Set	Emotional Benefits
Functional Benefits	Brand Character/Personality
Reasons Why (Features, Attributes)	Brand Essence

What makes the hard elements hard, and therefore more valued by many is their basis in fact. Each of these hardware elements can be “proven” or backed up with some kind of data. Of course, every positioning must have these harder elements because they verify that the product actually performs. The problem is, as we have already noted, that so many products in so many categories perform—about the same as many others. So, while positioning hardware is a must, it isn’t all that differentiating; it doesn’t work nearly as hard as it once did toward delivering a winning brand positioning.

So, it is no wonder that our client—like many other brand-builders these days, seeking a more competitive (if not a winning) brand positioning—would advocate focusing on the software of positioning. But pursuing positioning software differentiation is not without its own challenges. First of all, being “soft,” these elements are **THE HARDWARE AND SOFTWARE OF POSITIONING**

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So, it is no wonder that our client—like many other brand-builders these days, seeking a more competitive (if not a winning) brand positioning—would advocate focusing on the software of positioning. But pursuing positioning software differentiation is not without its own challenges. First of all, being “soft,” these elements are much more likely to be judgment-based than fact-based. There are exceptions, of course: Target Psychographics are sometimes based upon a

legitimate Psychographic Segmentation Study, which may actually divide a given market into measurable segments. Emotional benefits may also derive from a legitimate Need-States Study. But, by and large, brands do not have all the data they need to determine the psychographic segments they will target or the emotional benefits they will aim to fulfill. And for sure, most brands choose the Perceptual Competitive Framework and Brand Character they will stand for based upon judgment, gut feel, or, on occasion, an arbitrary predilection of some senior manager.

All of which poses an even bigger challenge: how to ensure that whatever positioning software a brand chooses is actually creative, clever, and potentially better exploited by our brand, rather than any other brand? Too often, it seems, marketers will choose an emotional benefit to build into their brand's positioning that is either cost-of-entry or easily exploited by many other brands (for example, "a feeling of trust," or "a feeling of being in control"). Such positioning software is like much computer software—easily copied.

And there is yet another challenge when it comes to positioning software: because these elements are perceived as softer in nature, many non-marketers within the organization (very often in senior management) tend not to understand their value. They may even confuse a powerful *strategic* element such as Brand Character with something very *tactical*—like brand imagery. On more than one occasion we have heard senior managers refer to a brand's personality as some graphic element on the package or a particular tonality from an ad campaign. In short, selling a brand's positioning software internally may very well be the biggest obstacle the marketing team faces in gaining full commitment to the entire brand positioning.

Despite all the challenges, however, there can be little doubt that in this age of "functional sameness" creating differentiated positioning software is more critical than ever. Brands will derive their meaningful differentiation from their software much more than from their hardware. And this will inevitably mean that brands will require new and more creative methodologies for discovering potential positioning software options; but even more important, brand teams will require a wider range of creative talent (such as cultural anthropologists and various fashion designers) to assist them in their software exploration. It really comes down to this: just as with computers, a brand's positioning needs the hardware to make everything work; but it needs the software to give everything *meaning and value*.

BOATS & HELICOPTERS

1. If you haven't done so lately, take stock of the meaningful "differentiation degree" of each of the elements within your brand's positioning hardware *and* software. You will undoubtedly find—if you're honest—that some of the software elements are, well, pretty generic or categoric.
2. Next, in the context of your brand's key competitors, assess which of the positioning software elements are the most opportunistic for your brand. In other words, looking at the relative Brand Characters or Emotional Benefits of the brands in your class or category, where does there appear to be an opportunity to make a breakthrough? Is there anything in recent research that suggests your brand has a lead or a "leg up" on other brands in standing for a particular personality trait or instilling a particular feeling?
3. An even more promising thing to explore, is there a Psychographic Segment or a

Perceptual Competitive Framework (for example, Gatorade’s “Ultimate liquid athletic equipment”) that your brand could exploit...and that other brands could not nearly as comfortably or easily exploit (because of what they have stood for historically)?

4. Through all your efforts keep this in mind: everyone’s “product” hardware is pretty similar (and pretty good) these days; it’s the cleverness of the “brand” software that wins out.

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