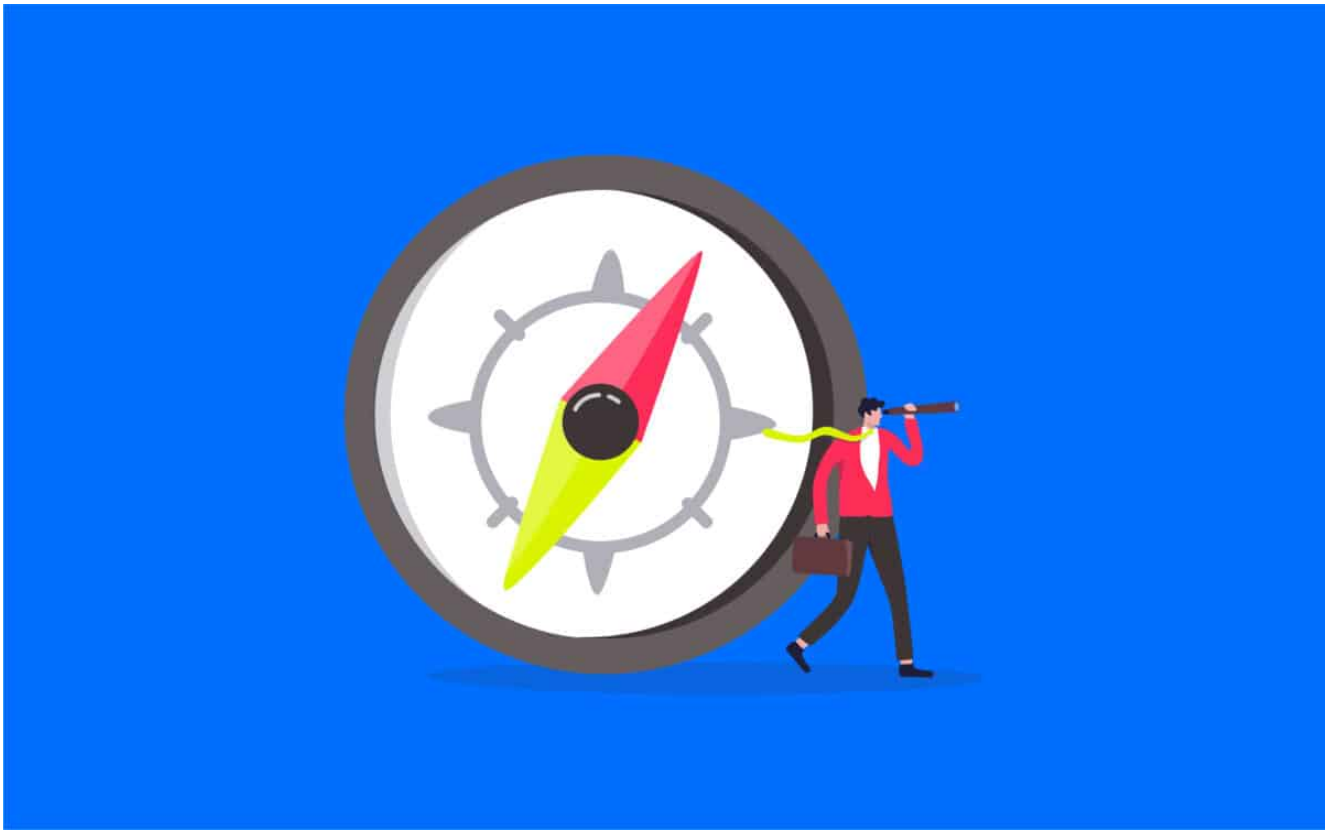
What is brand positioning? The complete definition of brand positioning

Category: Strategy
written by Stewart Hodgson | 14 April 2023
What is brand positioning, and why is it so crucial to ensuring the success of your business? Brand positioning should never be overlooked as a crucial aspect of connecting with your target audience, establishing your competitive advantage, and even guiding your marketing strategy.

Look at it this way. If you scrape your knee, you ask for a "band-aid," not a bandage. If you need to find something online, you "Google" it; you don't look for a search engine. Companies with a strong brand positioning strategy claim a space in their customer's minds as the core solution to a problem.

When you develop a strong brand positioning strategy, you create an identity for your company that positions you as a champion in your customer's life. What's more, understanding your brand positioning makes you more likely to create a consistently strong image.

According to studies, brands with a consistent presentation achieve 10-20% higher revenue levels than their competitors. Simply put, effective brand positioning helps determine whether your company will be a failure or a success.



The definition of brand positioning

So, what is brand positioning exactly?

The definition of brand positioning can be difficult to understand at first. Some people assume the meaning of brand positioning has something to do with creating the right marketing strategy or choosing the best company name and logo.

However, the reality is that positioning your brand doesn’t involve one single action. Rather, it requires you to take a holistic view of how you design your company’s offering and image to capture a place in your customers’ minds.

We can define brand positioning as:

The unique value, benefits, and solutions a brand presents to its customer.

If you ask a brand strategist to explain brand positioning, they’ll tell you it involves figuring out how to market your

brand, build your assets, and essentially form an emotional connection with your customer.

Used correctly, brand positioning tells your customers why they should choose you over the competition for their specific needs.

What is a brand positioning statement?

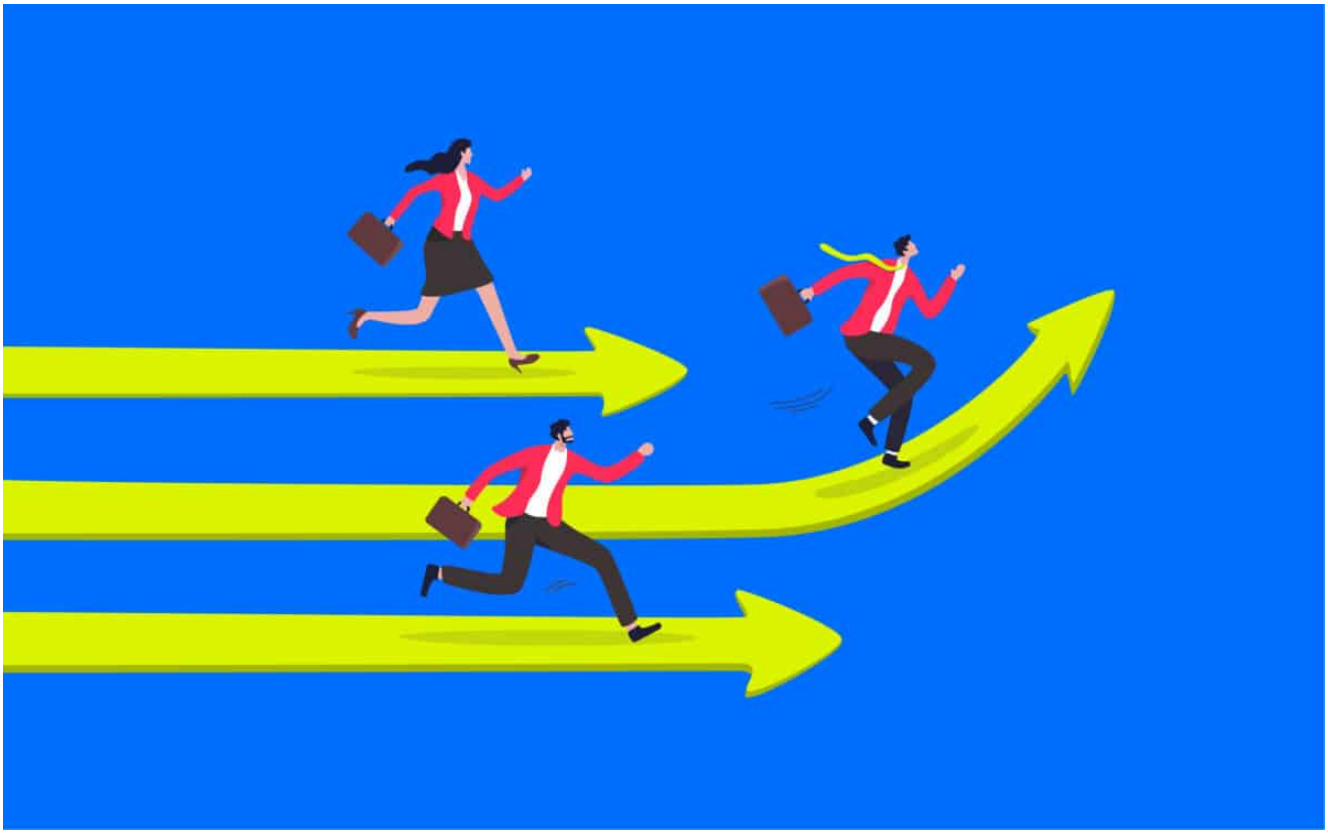
When you're looking for a brand positioning meaning online, you might also encounter the phrase "brand positioning statement." This is essentially a tool used in the creation of a brand positioning strategy.

It's an internal document outlining the core components of your brand, from your target customer to your unique value proposition and how you outshine your competition.

Brand positioning statements are used to articulate the components of your brand promise and brand identity in a succinct, easy-to-understand format.

Typically, a brand positioning statement will answer questions such as:

- Who are the potential customers you want to serve?
- What are your core values as a business?
- What are the products or services you provide?
- How do your solutions benefit your customers?
- What differentiates your solution from similar products?



What is brand positioning for? The benefits of positioning

Following the question, “what is brand positioning?” most companies ask why it’s so important.

Every brand has a reputation, whether they’re actively cultivating it or not.

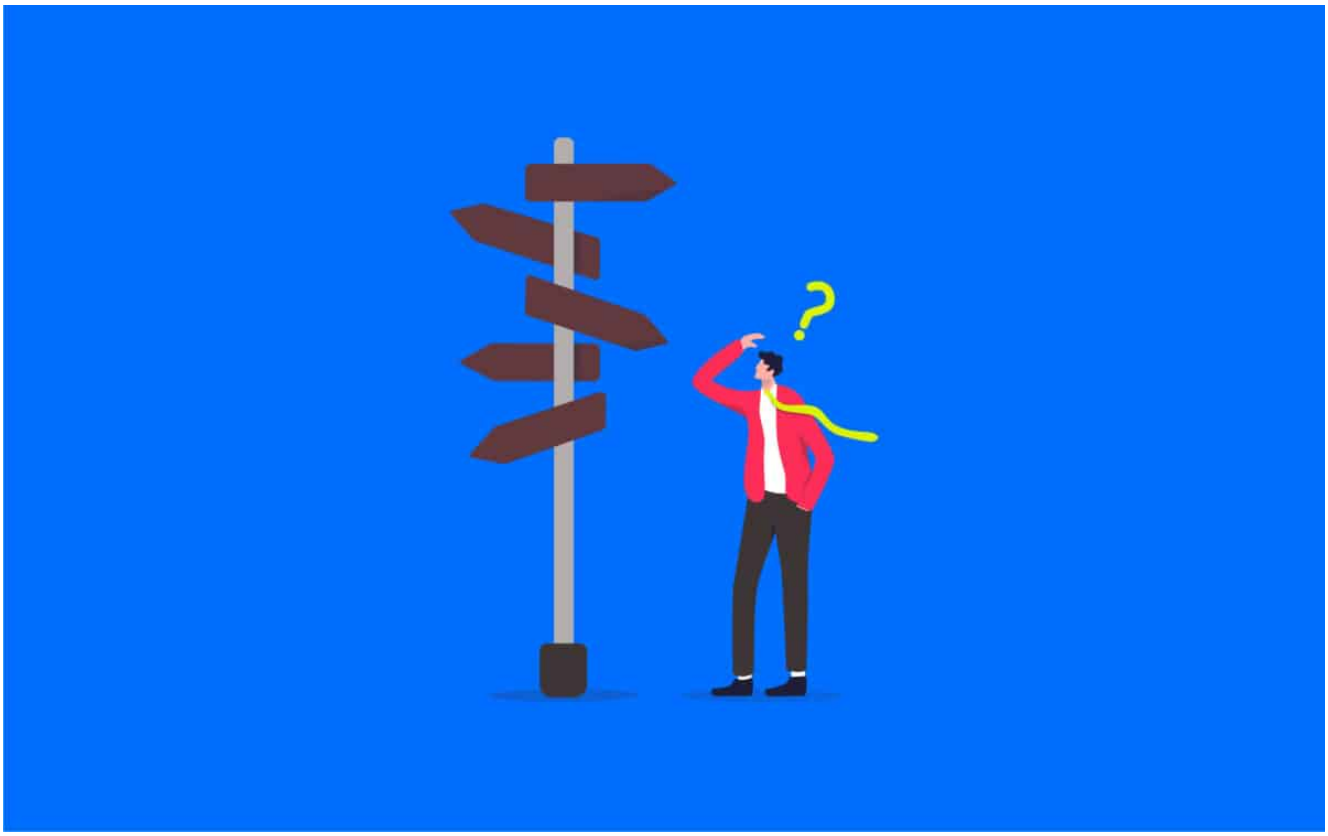
Regardless of which industry you operate in, you’re going to be fighting for market share against other competing brands. A successful brand uses brand positioning to demonstrate why it can offer the best solutions to its customer’s problems or help them achieve their goals.

Brand positioning allows companies to differentiate themselves from their main competitors based on a range of factors, from excellent customer service to unique product offerings. For instance, when Coca-Cola introduced the first-ever cola drink, it positioned itself as a true original in its industry.

77% of market leaders believe branding is essential to growth and success. Part of developing a successful brand is knowing how to position yourself in the eyes of your consumers.

Not only does brand positioning help to differentiate you from other competitors, but it assists your customers in making the right purchasing decisions by highlighting and authenticating your value.

Your brand positioning strategy amplifies your marketing efforts, assists you in shaping customer perceptions, and even strengthens your chances of cultivating customer loyalty.



Types of brand positioning

To fully answer the question, "what is brand positioning" we also need to understand that there are many different ways to position your brand. Everything from your brand architecture to the pricing of your products influences the best way to position yourself.

Some of the most common types of brand positioning strategies used by companies today include:

Customer service

Today, countless consumers choose which brands to work with based solely on the unique way they support their customers. Building a brand strategy around treating each customer with care, respect, and compassion makes you more reliable and friendly in the minds of customers.

A great customer service strategy can even justify a higher price point. Just look at Apple's products, for instance. They're more expensive than other tech solutions, but they come with access to a responsive service team.

Convenience

Choosing a convenience-based brand positioning strategy involves highlighting why a unique feature of your product or service makes it more convenient to use than a competitor's solution. Complexity is one of the main pain points customers aim to overcome when making their purchasing decisions.

If you can be a market leader in convenience, you'll be more likely to attract potential customers.

Pricing

Positioning your brand based on pricing is rarely the best choice for most companies, as it can lead to complex competition. However, some organizations have achieved success by simply creating cheaper, more affordable products than their competitors.

Just be aware that other companies in competitive markets can quickly steal your position as the cheapest solution around.

Quality

A value-based positioning strategy involves highlighting the

quality of your solutions or services. Think of how luxury fashion brands differentiate themselves from other companies by demonstrating the high quality of the materials and processes they use.

While budget-conscious customers may avoid more expensive, value-based companies, you'll be able to attract a wider collection of luxury brand fans.

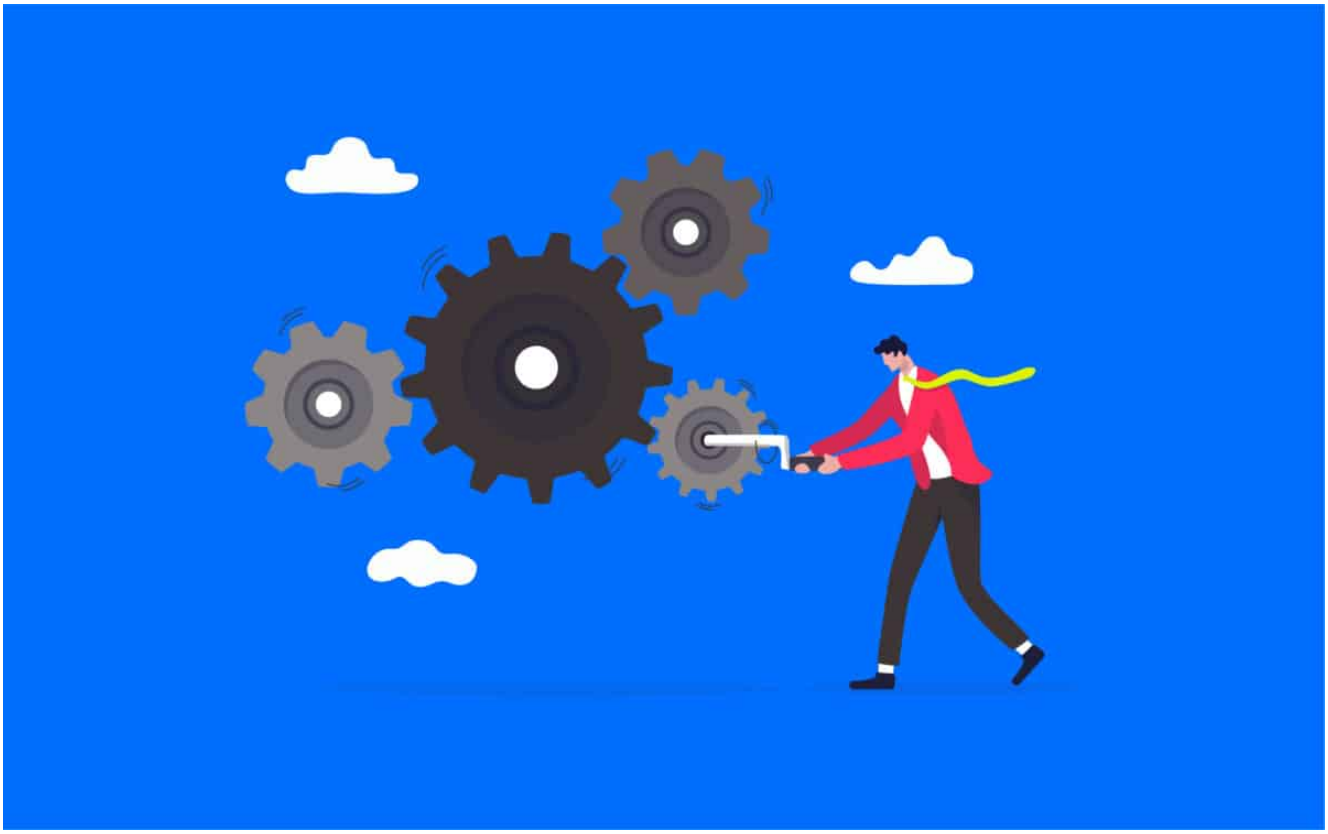
Differentiation

With a differentiation-based brand positioning strategy, you highlight the unique qualities or characteristics of your solution compared to the competition in your market.

Tesla is an excellent example of a company that separates itself from different brands by doing something unique. It introduced everything from electronic vehicles to self-driving cars and AI robots.

There are also various other ways you can create an established brand in your industry with the right positioning strategy. You could highlight your brand as a leader, the first of its kind, or even the most popular organization in your sector.

The key to success when choosing the right type of market positioning strategy is understanding your industry, your audience, and your competition.



The positioning of a brand: Elements of brand positioning

Positioning your own brand effectively in the minds of your target audience requires careful strategy and planning. You need to understand what your target audience wants, who your competitors are, what the capabilities of your brand are, and even how you'll influence your audience.

Once you have your brand positioning strategy laid out and you understand the distinctive place your company has in your customer's mind, you can use this information in a range of other branding strategies.

A brand positioning strategy can help you design the right marketing strategies, social media presence, and how you're going to create new products.

Some of the key elements of brand positioning include:

Market category

Which market category, industry, or sector are you going to be competing in? Are you focused on the wider technology industry, for instance, or are you diving into a specific sector, such as software creation?

Target audience

Who is the specific ideal customer you want to reach? What are their personality traits, demographics, and behaviors? What are their distinctive pain points and goals? What do they need most from you?

Unique selling proposition

What makes your business different from others? Where does your brand equity lie? Are you offering a specific product or service no other company can offer, or is there something special about your approach to customer service?

Competitor analysis

Who or what already exists in your market to serve your customers? What position do these companies hold in the minds of customers? Think not just about your direct competition but any other brands which could steal your market share.

Brand personality

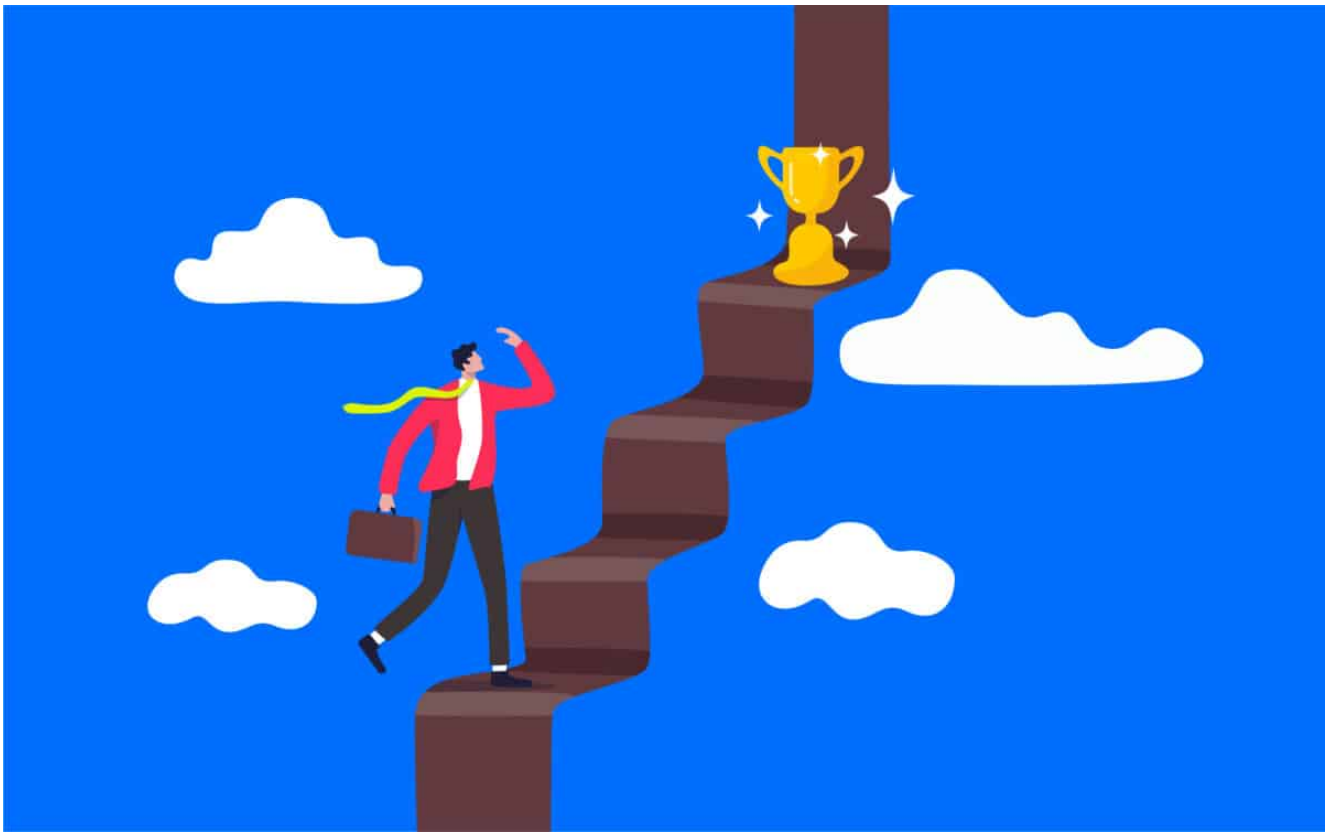
How do you communicate and connect with your audience? How do you portray yourself through your logo design, your color palette, and the tone of voice you use in your marketing and sales strategies?

Brand identity

What are the core components of the specific brand you're trying to develop? What are your purpose, vision, mission, and values? What strategy do you follow to take your products to customers, and how have you designed your image?

Pricing

How do you price your products compared to other competitors in your industry? Is your product cheaper or more expensive than the next best thing? If you're pricing your products at a premium, what will make customers want to spend more?



How to determine brand positioning

After asking, "what is brand positioning?" the chances are you'll want to create your own brand positioning strategy. Doing this requires you to take a deep dive into the details of your brand, so you can discover how you serve your niche market better than anyone else.

Here are some of the steps involved in determining brand positioning.

1. Establish your current position

If your business already exists, and you're not creating a new

brand from scratch, you probably already have a position in your industry. Ask yourself how you're marketing your business.

Are you highlighting your product as the original solution in its field? Are you drawing attention to your unique vision, mission, or values as a company? Take stock of your value proposition, as well as how customers are currently responding to your company.

What do people like and dislike about your organization?

2. Chart your brand essence

Once you've established where you already stand in your market, it's time to dive into what your brand can really offer customers. A brand essence chart can be a good way to highlight exactly what your business stands for in a concise way. Think about:

- The attributes or features of your products or services.
- The benefits you can deliver to your customers.
- Your brand personality and how you connect with clients.
- The foundation of your brand and the authority it has in the industry.
- Your ideal customer and how your solution is useful to them.

3. Identify your competitors

One of the core benefits of creating a unique position for your company is you'll be able to better differentiate yourself from your competitors. However, you can only effectively do this when you know who your competition is.

Conduct market research to find out which companies are already offering similar solutions to your brand.

Look at the marketing materials of other companies and how they position themselves in the minds of the consumers they serve. You can even use social listening tools and analytics for a deeper insight.

4. Determine your unique value proposition

Based on the competitors you've identified in your industry, ask yourself what makes you different. Don't just look at things like your price points and how you package your products. Consider what really makes you stand out to your target audience.

What do your consumers praise you for when they leave reviews and testimonials? What do you champion to your employees when you're bringing new team members on board? If you had to embed one thing into the mind of your customers about your business, what would it be?

5. Develop your brand positioning framework

Positioning a brand can be a complex process. The more information you have to guide you toward the right position, the easier you'll find the process. Creating a brand positioning framework is a good way to develop your brand guidelines and ensure everyone on your team is on the same page.

Your framework should include the following:

- The core focus or purpose of your brand.
- Your value proposition.
- Your target audience.
- The tone of voice or personality of your brand.
- Your marketing and communication strategy.

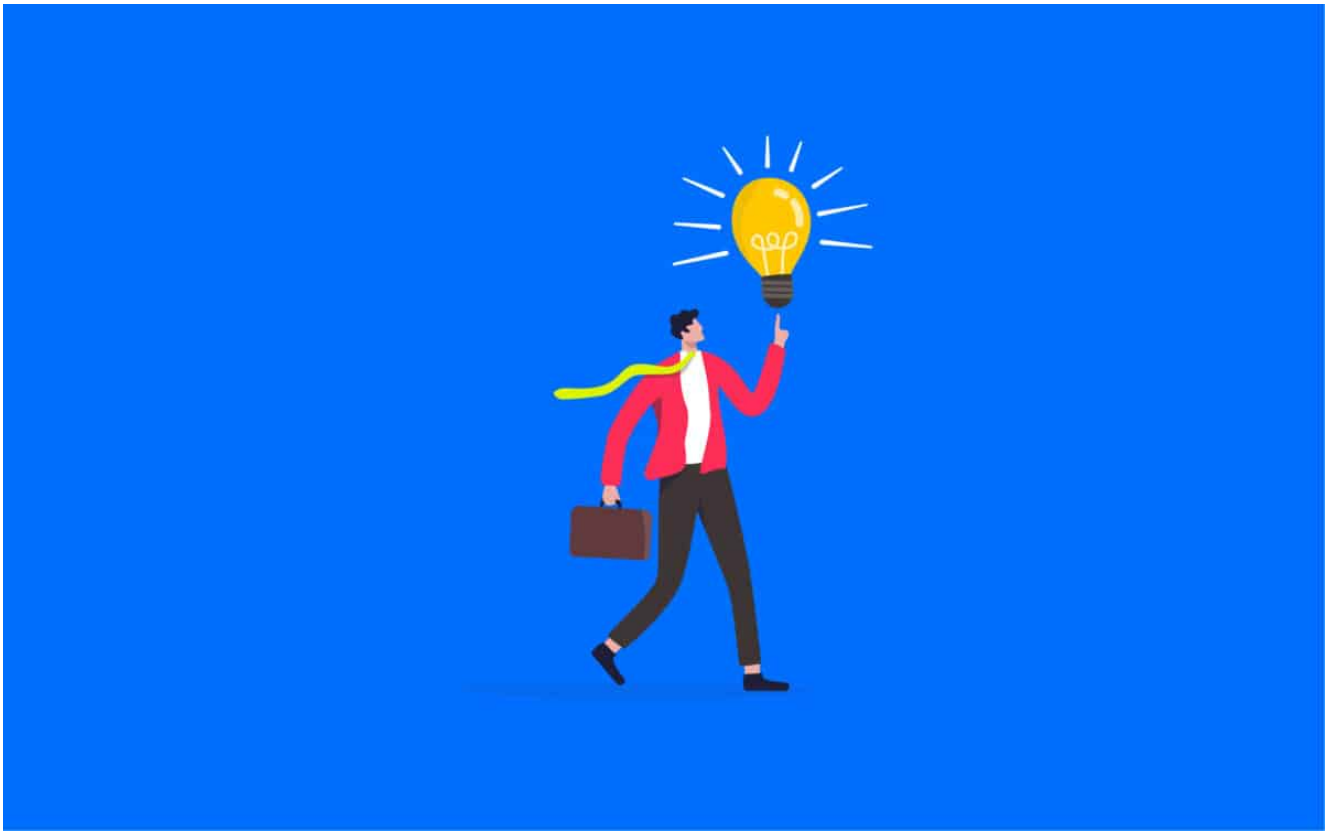
- Missions, values, and visions.

6. Create a brand positioning statement

Finally, you'll be able to take what you've learned about your customers, company, and competition and distill everything into a single statement.

A positioning statement should be a simple statement highlighting the core value of your company and what you deliver compared to your main competitors. Use your statement to outline your target audience, the product or service category you belong to, and the greatest benefits you can deliver.

From there, you can share your brand positioning statement with your team to ensure everyone in your company is working on developing the same consumer perception. For an example of a brand's positioning statement, check out this one from Amazon.



Tips for developing and establishing a brand positioning strategy

Brand positioning is a dynamic, fluid, and ever-changing task in a company’s roster. While you don’t necessarily need to overhaul your positioning statement and mission statement every year, you should constantly be developing your presence, so you can ensure you’re making the right impact.

Here are three quick tips you can use to enhance your brand value:

Listen to customers

While you can use marketing and branding to influence the mind of the consumer, you can’t tell people what to think. Paying attention to how your customers actually perceive you will make it easier to adapt and improve your positioning statement over time.

Take advantage of surveys, reviews, testimonials, and feedback.

Stay focused

Use guidelines and brand positioning frameworks to ensure all of your team members are consistently on the same page. As your company expands, it’s easy to lose track of your current brand positioning strategy.

Don’t make the mistake of diluting your position by trying to expand and make changes too quickly.

Draw attention to your position

Constantly look for ways to pull attention to the position of your brand. Your brand positioning statement should influence everything from your marketing and sales strategy to the way

you produce new products. Make noise in your industry so your customers can become familiar with your brand.

What is an example of brand positioning?

Hopefully, by this point, you have a pretty good idea of what brand positioning actually is. Essentially, it addresses how you'll place your products, services, and companies in the eyes of your customers compared to your competitors.



For example, let's ask, what is the brand positioning of Coca-Cola?

As mentioned above, Coca-Cola initially established itself as the "original" in its field, which is something it consistently draws attention to today, even at a time when countless other soft drinks exist with similar tastes and flavors.

To build on its brand image, Coca-Cola has therefore created a

multi-faceted brand positioning statement, focusing on being a fun, friendly, and reliable company for its customers. The company constantly portrays itself as a “premium” choice for consumers, capable of delivering joy.

Plus, Coca-Cola highlights itself as being a relatively diverse company by giving consumers access to a wide range of different tastes and flavors to choose from. Using this method, Coca-Cola has been able to position itself as the perfect choice for refreshments for a wide range of clients.

Don’t underestimate the power of positioning a brand

So, what is brand positioning?

Simply put, it’s the strategy you’ll use to ensure your products, services, and companies connect with your customers on an emotional level. It’s how you convince your target audience that your product or solution is the best thing to serve their interests.

With the right brand positioning strategy, you ensure your product or service will be the first thing customers think of when looking for a solution to a specific problem.

More importantly, you’ll be able to carve a space for yourself in the mind of the target market you want to reach, which separates you from the competitors in your field.

Need help developing a brand positioning strategy? You can find more resources here at Fabrik to help you take the first step in building the ultimate brand name. Alternatively, you can contact us for help developing brand awareness and strengthening your position in your industry.

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