

Positioning a Brand

The general approach when positioning a product is not to introduce something new into the mind of the prospect, but to skillfully control what already exists in the mind of the target audience. Consumers are bombarded with an abundance of advertisements, so the objective for practitioners is to concentrate on narrow market niches. This involves market research and a comparative casebook analysis.

Companies must protect their brand when threats to the product become apparent, and they must take the necessary steps to protect their positioning. After the product is introduced into the marketplace, products and services will change. These alterations stem from the competition, market scenarios, consumer trends and internal environments.

Specifically, there are several forces at work that can impact your positioning: (1) a competitive situation changes when organizations enter or leave the marketplace; (2) a market fluctuation could stem from an economic slow-down; (3) a market situation could originate from changes in consumer confidence in the product; (4) a company needs to address the changing tastes and beliefs of consumers; (5) a change in the structure of an organization can create new strategies in the marketplace.

H&R Block offers an instructive case study. Their marketing campaigns had not resonated with Millennials. This needed to change to remain competitive. Millennials have an affinity for technology and their market tastes leaned towards do-it-yourself tools. The company introduced do-it-yourself tax preparation tools to meet the values of Millennials. While this approach addressed the issue, the company would need to change their positioning if they were going to influence the market segment.

In 2012, H&R Block focused on changing their image. This campaign utilized satirical humor, social media, and social responsibilities that included donations to charities. In one advertisement, the fictitious The American Mustache Institute called for a \$250 tax credit for men with mustaches. They claimed that men with mustaches are discriminated against because they are better looking than men without mustaches. This satirical approach resonated with their target audience and the company successfully changed the positioning of their product.

Changes in positioning require new marketing communications. Companies rarely change the product itself. The objective is to have the market segment reevaluate their existing perception of the product. An organization must focus on what is working and what is not working in order to create an effective campaign. Research is essential for success. Look into the mind of the prospect. Trends tend to repeat themselves. The company should use a comparative casebook approach to avoid pitfalls and to embrace successful outcomes.

United Airlines failed to reach the target audience in one of their positioning efforts. One campaign stated that consumers should “Fly the Friendly Skies.” Their new campaign was called “Rising.” The need for change originated from consumer complaints about the quality of service within the airline industry. Their campaign would embrace the complaints and make claims about how their product differed from the competition. However, the company failed to meet their operational goals that included a decline in canceled and delayed flights. American Airlines abandoned the campaign after two years because consumers had lost confidence in the product to deliver a consistent product.

While there are pitfalls with repositioning, effective changes can lead to success. The American Red Cross (ARC) offered a successful repositioning campaign. They would need to change the belief that ARC only needed donations during a time of crisis. They would need to reposition the product and, through market research, the organization determined that consumers did in fact believe that ARC only needed money during times of disaster. The organization needed to reposition the beliefs of donors.

Their initial tag line positioned the company by asserting that donations “Change a Life, Starting with Your Own.” The company had an opportunity to develop new perceptions with the effective tag line “Give the gift that saves the day.” This was a call to action from a cause marketing organization where companies know they will be successful by doing good work. An average of 90 cents per every dollar that ARC spends goes towards giving care and comfort to people in need. This course of action builds stakeholder loyalty.

The repositioning effort proved to be very successful. Income increased by over 5% when compared to previous years. The brand demonstrated that donations were needed during holidays as well as during disasters. ARC would continue to receive donations during disasters, and their repositioning effort created the perception that holidays are a suitable time to donate to the organization as well.

The fourth quarter of 2009 achieved great results. Brand awareness boosted by 6 percentage points. This trend would continue to increase as ARC expanded their repositioning campaign in 2010. Notably, ARC income had increased 26% over 2009. The average donation increased 43%. An effective repositioning campaign can prove extremely effective when managed properly with the use of market research and a casebook approach.