

Reverse Positioning

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The heart of marketing is positioning. Kotler (2013) asserts that positioning is the act of designing a company's offering and image to occupy a distinctive place in the minds of the target market.

Positioning ultimately is about how the market positions the value proposition in their minds. Therefore, the outcome of positioning is market positioning. But to achieve market positioning a company must address three important considerations as to how it can influence a market position. They are:

1. Product positioning – unique value the product provides
2. Corporate positioning – unique personality the company sustains
3. Competitive positioning – unique difference the value proposition offers

The above known as the positioning triangle, helps us to develop points of parities the competitors have and also develop points of difference the competitors don't have and thus create unique value to achieve a distinctive place in the minds of the target market.

The equation is:

Product Positioning + Corporate Positioning + Competitive Positioning = Market Positioning

Positioning ultimately must own a word in the minds of the target market. Here are some examples from the automobile sector:

- ✚ Safety is associated with Volvo
- ✚ Prestige is associated with Benz
- ✚ Driving is associated with BMW

Another would be Xerox in photocopying. Xerox has become so powerful that people often refer to it as “Get me a Xerox please” and not “Get me a copy please” and this shows the strength of the brand. Thus the word Xerox owns in the target market’s mind is Copying, which means that when it comes to copying it is Xerox. That is the power of positioning in branding. This will lead to building brand equity and resultantly brand value.

The processes of positioning and positioning strategies are many and varied and would concern the current status of the value proposition. Often we need to change our strategies to ensure:

- ✚ Sustenance of current market share
- ✚ Greater growth of current market share
- ✚ Seek new market share

These strategies help us to sustain, grow or seek new market share. The following is a unique strategy I adopted at a company I worked previously.

Reverse Positioning

The company was the market challenger in the biscuits sector of the confectionery market. The company also had a range of savoury biscuits often used as a snack at tea time. In the portfolio of savouries, we had a sub-category known as cheese buttons. Day by day, metaphorically sales curve was declining. From a BCG matrix (Boston Consulting Group) perspective this was a “dog” and best for divestment.

One day I had a few friends at my home, and after an evening of good banter we settled for a sumptuous dinner. When we went for our soup I noticed that we had not done the croissants. Intuitively a friend reached for the cheese buttons that were on the drinks table and happily used them as an alternative for croissants. Noticing he was enjoying this novel way, I asked him if it was good and he confirmed. The rest followed suit, and it was better than croissants.

When I returned the next day to my office, I called my team and told them what took place and asked them also to try it out. In the meanwhile we had a team whose focus was hotel sales and I requested them to visit the hotels, sample them and see whether they would accept them. The final result from all was a big YES. Some of the hoteliers had checked the cost and found that it was cheaper and more convenient for them to serve cheese buttons instead of croissants.

Under the circumstances, we now saw an opportunity to reverse position our cheese buttons and sustain our sales without divesting the product. We developed an institutional pack of 1 kg but with several 50g sachet packs in them. We also changed the graphics positioning the product as a delicious accompaniment with soup. We also changed our retail packs appropriately. We were able to exploit new market space through reverse positioning.

References:

Kotler, P. Keller, K. L. Koshy, A. Jha, M. (2013) Marketing Management, A South Asian Perspective, 14th ed. Dorling Kindersley, India