



## Positioning

*Prabhakar Deshpande*

IIT Alumni

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### ABSTRACT:

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Positioning is creating a category in mind of customer. It is important to be first in a category and not second.

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I would once again like to start with an example from Indian politics. Until 1989, Congress party was positioned as secular party whereas BJP was positioned as religious party. And BJP was no competitor to Congress. And then from 1989, Congress started positioning itself as religious party and BJP has stole the show. That is because Congress is second in category of Religious in the mind of voter as far as Positioning is concerned.

Positioning is the battle to create a mental image in the mind of the customer as distinct from other brand. A very crude example could be Rolls Royce is positioned as Luxury Car, whereas Fiat is positioned as Economy Car.

Positioning and Branding are very similar and some use the word Brand Positioning together. Since these essays are written by street smart managers, this essay will not attempt hair-splitting the difference between branding and positioning.

Let us assume that branding and positioning are similar yet different. For instance, an employee may position himself as an engineering geek whereas another employee may position himself as a people person.

1. Walmart position's itself as a store for common people.
2. Volkswagen positions itself as a reliable car
3. Nike positions for sportspersons shoes
4. Apple computers are about luxury and elegance
5. Starbucks is for a good customer experience.

Look there are all kinds of customers. And there is demand for all kinds of products. Positioning is a wise decision to be one kind of product because if you try to be all kinds of products you will end up being no kind of product.

For instance, Apple positions itself as a luxury product when it comes to laptops, whereas Dell, Acer, and HP position themselves as economy laptops.

Giving up on Positioning confuses the customer. For instance, even in newspapers, there is positioning. Some newspapers position themselves as serious newspapers and others as tabloid newspapers. Just because there is a market for tabloid news, should not mean that a serious newspaper should become a tabloid.

Positioning helps a company stands out in a crowd of sellers. The position creates mental space and clears out the confusion. If you do not position, the buyer will get confused.

It is easy for Apple to build ordinary laptops. But that will disturb its position as a luxury laptop manufacturer. Al Ries and Jack Trout have written a very famous and popular book - "Positioning - Battle for your Mind"

That book is a good read and may fall into the pop management category. But then this set of essays is also by a Street Smart Manager.

Positioning is simplifying the message and getting to the mind of the customer.

Positioning means creating a category for yourself in the mind of the customer.

Positioning means being there first.

For instance McDonald's is in the Burger business and if you are starting a Burger company - you can't position yourself as second in the Burger business. Maybe you start a Big Burger company or a company whose burgers are Spicy and Hot.

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With positioning a small company can compete with a large company. For instance in India Kale Computers, a small company in Information Technology, focuses on Airline Business and can compete with large companies in Information Technology.

The positioning solution is found in the mind of the prospect, not in the product. Say you want to start a magazine. And you know there is a market for Youth Magazine. Now, this is not what you have. This is the mind of the customer.

Positioning is creating a Category in the Mind of the Customer.

You cannot be second in a category. You have to create a new category for yourself. For instance, Coke and Pepsi may both be Colas. But Coke is the established cola, whereas Pepsi is for the younger generation. The author of this thesis has positioned to be a street smart manager. And there is also a place for scholarly book smart managers. Positioning is important to clear confusion and find that niche market, where you can be preferred and favoured. Here is a quote from that excellent BBC Serial "Yes Minister, where Margaret Thatcher, the British Prime Minister acted.

Hacker: Don't tell me about the press. I know exactly who reads the papers. The Daily Mirror is read by people who think they run the country; The Guardian is read by people who think they ought to run the country; The Times is read by the people who do run the country; the Daily Mail is read by the wives of the people who run the country; the Financial Times is read by people who own the country; the Morning Star is read by people who think the country ought to be run by another country, and the Daily Telegraph is read by people who think it is.

That said of course the redoubtable British sense of humour is what positioning is all about. To confuse is sin, to clarify is salvation. That in essence is positioning.

#### **References**

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1. Al Ries and Jack Trout. Positioning