

Map *the* Market

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Many times we are asked, “What’s the most important part of the strategic positioning?” While a brand’s benefits, reason-to-believe and the consumer target are all important, the *competitive frame* is the one critical element in the strategic positioning equation that must be precisely right before you can develop the other elements effectively.

Until you know exactly which brands you need to win against for a greater share of the consumer’s mind, heart and wallet, you won’t know how to best improve your strategic brand positioning. You won’t know whether your brands really matter to consumers or not.

The first step is to identify where your brand sits on the competitive landscape and which brands and products it truly competes against. This is often not only the brands or products you think of first (*i.e.*, the ones next to yours on the shelf).

Most marketers feel they have a pretty good idea of the brands they compete against, but often that competitive frame is either defined too narrowly or too broadly. Many times it is defined by the Nielsen or IRI category definitions, internal Ivory Tower hypotheses, attitudinal surveys or focus groups. However, to

determine which brands and products you compete against, you need to understand how consumers actually behave.

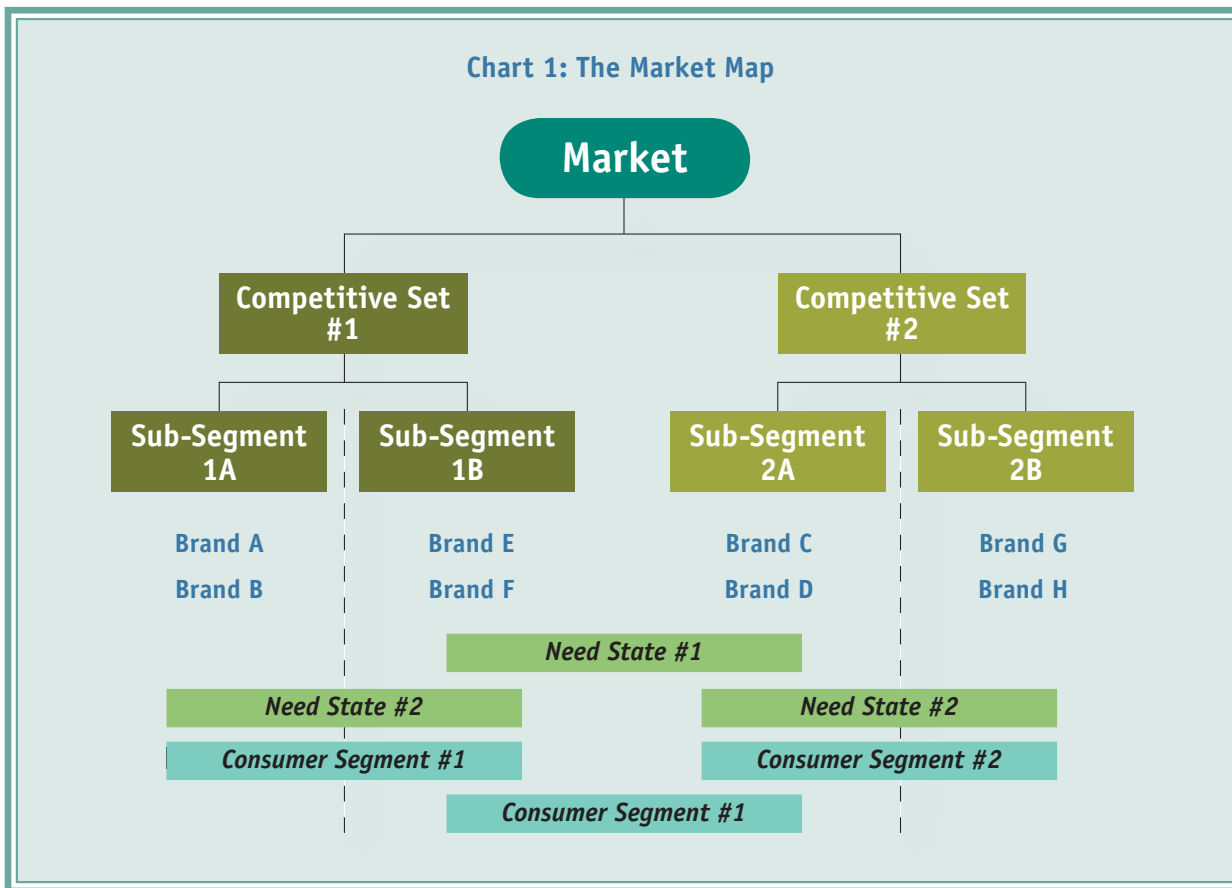
Both usage and purchase behaviors need to be considered to determine *what* consumers are doing and to identify a precise competitive frame. The usage information allows you to define a market very broadly and identify competitive sets based on the way consumers use certain products to meet specific needs. The results are often eye opening.

An understanding of consumer behavior frames a brand’s competitive advantage.

For example, premium-priced hair-coloring products are growing of late because they compete against expensive salon treatments and are viewed as a quality value alternative by consumers. High-quality frozen dinners compete not just against each other, but also against carryout food from quick-service restaurants.

In the pain market, some over-the-counter brands compete with prescription products and services because they solve similar problems for consumers. Taking a broad view of how consumers use your brand helps you define the *true* competitive frame whether yours is a brand of mattresses, organic foods, beverages or beauty products.

Once usage behavior is understood, there is the



SOURCE: Henry Rak Consulting Partners

important step of drilling down into the purchase behavior of specific segments. Purchase behavior allows for a more granular understanding of each competitive set and tells you what drives consumer choices within the competitive set.

Organizing switching patterns identifies the attributes that most drive consumers' loyalty to your brand. You will know the relative importance of brand equity, form, flavor, product type, a critical benefit or even size in driving purchase behavior.

Once you organize the usage and purchase patterns of consumer behavior, you will definitively understand how well your brand and product offerings stack up and how much your brand matters versus the competition.

Next, find out what consumers want or desire from each competitive set and what role your brand plays within each set to understand *why* they are choosing among a set of brands for a specific job. For each job, consumers have specific needs and each brand in that competitive set fulfills against them to varying degrees. How well your brand delivers on them, real or perceived, is a key factor motivating consumers to be loyal or to switch to another brand within the competitive set.

Lastly, it is important to identify which

consumers gravitate toward a competitive set to understand *who* is behind the purchasing and utilization of your brand and near-in competitors.

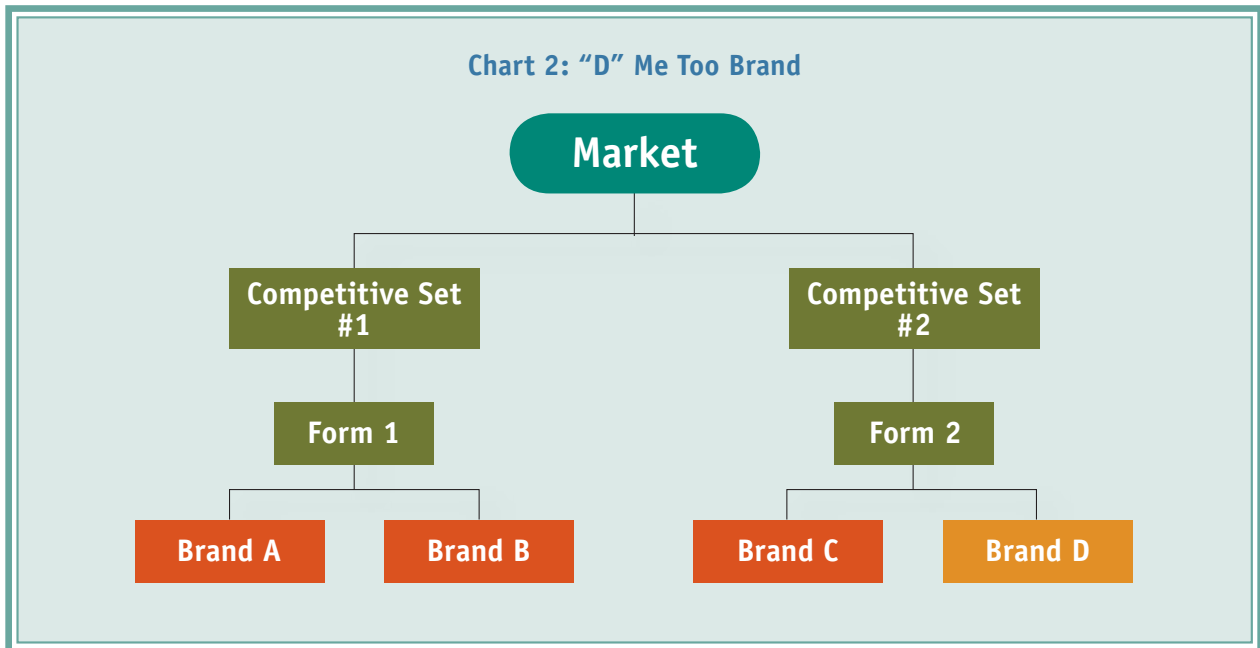
LOOK AT WHAT THEY DO

Understanding the *what* by using actual consumer behavior is the critical starting point for developing a relevant, differentiated strategic brand positioning. Too many times there is significant disparity between what consumers say they do and what they actually do.

According to an April 2009 *Time* magazine poll of 1,000 Americans, 46 percent of respondents said they were going to the movies less this year. However, tracked attendance and spending at the box office are up 16- and 17-percent respectively through the same time period (Media By Numbers).

While 28 percent said they are spending less on alcohol, volume and dollar sales are up YTD across all alcoholic categories and 7 percent overall (IRI point of sale data through April YTD). With actual consumer behavior as its foundation, your strategic brand positioning will be much more precise versus relying upon interpretations of consumer opinions or subjective snapshots.

Once *what* consumers are doing is well understood,



SOURCE: Henry Rak Consulting Partners

marketers must also determine the *why's* behind the behavior. What are the motivators and consumer desires that make them act the way they do? It is essential to understand both functional and higher-order emotional needs.

“Need states” or “consumer drivers” are methods of understanding what consumers are looking for to solve a job to be done within a competitive set. This helps explain why they are choosing certain brands over others. Recognizing the *why's* driving consumer behavior will enable you to create differentiation in meaningful and relevant ways.

Beyond this, we must understand *who* is gravitating to the defined competitive sets. First, it is important to identify the consumers who will provide the greatest growth potential through their current behavior. SPECTRA is a good demographic and behavior-driven tool to use for this purpose.

Additionally, consumer segmentation offers attitudinal insights that can be very helpful in understanding what your high-value consumers are like and what makes them tick as people. Now you will know how to find your high-potential consumers and how to best connect with them.

Integrating all the elements within a market of *what* consumers are doing, *why* they are doing it and *who* they are, provides the perfect foundation for evaluating where your brand stands in the marketplace. It is a *market map* of how consumers perceive the brand that is grounded in their actual

behavior and provides a unique competitive advantage for your brand (*see chart 1*).

The *market map* will tell you if you have a differentiated leader brand standing apart from competitors or more of a “me too” brand that offers a solution with similar benefits to the competition’s (*see chart 2*). You’ll know what role your brand serves — whether mainstream or niche — which will help you to anticipate what consumers expect and want from the brands with which you compete.

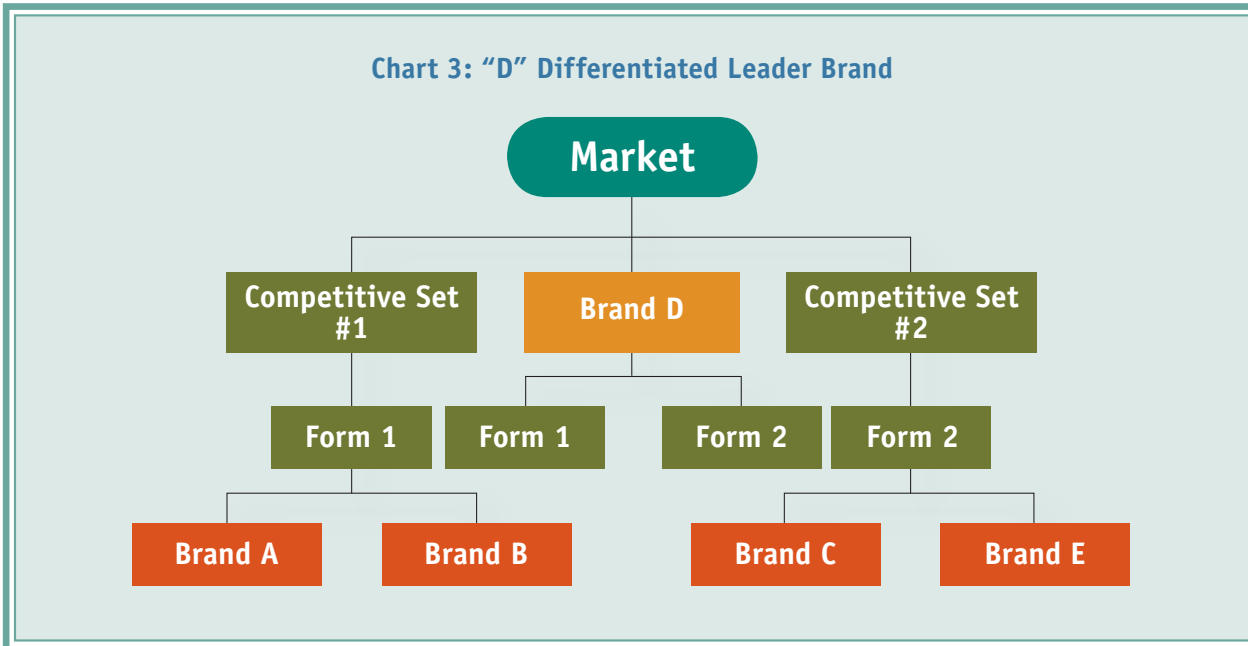
Armed with an understanding based on this framework, you are ready to evaluate your brand’s strategic positioning and determine how to make it more compelling.

TIME TO GROW

Now that the competitive frame of the market in which you compete is precisely defined and clearly understood, you can decide the best course of action for your brand.

If it turns out your brand stands apart from the competition in a meaningful way, it likely already has a clear and powerful positioning that homes in on critical benefits, delivers them better than the competition and is attracting the right target group (*see chart 3*). But more than likely you will learn enough about the marketplace to find ways to strengthen the strategic brand positioning to get consumers to switch to your brand and accelerate growth.

Chart 3: “D” Differentiated Leader Brand



SOURCE: Henry Rak Consulting Partners

First, assess the competitive-frame learning to decide where you want to focus your brand. Brands sometimes cut across multiple competitive sets within a market, but brand leverage may be greatest in one or two of them. Focusing in one competitive set within a market can provide greater opportunity to grow your brand.

For example, if your brand is a pain reliever, it may be used for all types of pain but is utilized most frequently against either headache or body pain. The *market map* will determine your brand’s area of strength and help identify what it takes to win. You will be informed as to which key benefits to leverage and against which consumer group to give the brand the power to win in that specific competitive frame.

Conversely, you may have focused your brand benefits against one competitive set within a market when you really have leverage to win against multiple competitive sets.

For example, store-bought pizza and take out/delivery pizza from restaurants serve as two sub-competitive sets. They compete with each other to a degree, but for the most part competition occurs within each set. But if you learned from the *market map* that your store brand is competing with both sets, you must be delivering an experience more similar to take out/delivery than other store brand pizzas.

This presents the opportunity to broaden your competitive frame and offer benefits that will help

you win against brands/products in both competitive sets. No longer are you the “frozen” pizza solution but instead you are the best “pizza” solution.

If your brand and product experience can deliver against the benefits, it will make your brand a better pizza solution overall. In this instance, you have a chance to accelerate your brand’s growth rate by altering your strategic brand positioning and carving out a new space for your brand to source new sales from both competitive sets.

Evolving your brand positioning is a strategic exercise that gives you the platform to grow your business. To ensure your brand matters, know how you stack up against competition and develop a powerful, relevant strategic positioning that sets your brand apart from its true competition.

Remember, you are in control of your strategic brand positioning. Once you put yourself in the driver’s seat and ensure your brand is positioned to become a fiercer competitor, you will be on a road that ensures your brand matters well into the future. ■



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