

# UNIT 4: MARKETING PRINCIPLES

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WEEK SEVEN  
LECTURER: N. QUARRIE

# Learning Outcome Two (2)

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- LO2 Be able to use the concepts of segmentation, targeting and positioning

# Objective

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- By the end of this lesson you should be able to:
- 2.5 propose new positioning for a selected
- product/service



# Overview

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- After segmenting the market, then targeting the group of customer, then the next thing to do is position your good or service.
- For the duration of this session we will be discussing how the positioning of new product/service:  
Positioning: definition and meaning; influence over marketing mix factors.

# Product positioning: Definition

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- “Product positioning is the process marketers use to determine how to best communicate their products' attributes to their target customers based on customer needs, competitive pressures, available communication channels and carefully crafted key messages. Effective product positioning ensures that marketing messages resonate with target consumers and compel them to take action (Richards, n.d.)”

# Customer Needs

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- “Effective product positioning requires a clear understanding of customer needs so that the right communication channels are selected and key messages will resonate with customers. Product positioning starts with identifying specific, niche market segments to target -- not just women over 25 but women from 25 to 30 who work in senior-level management positions, make \$X per year, are single and enjoy sporting activities. The more specific, the better (Richards, n.d.)”

# Competitive Pressures

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- “Marketers must weigh competitive pressures when they are considering the positioning elements of their marketing plans. Effective positioning conveys to consumers why this company's product or service should be preferred over other competitive options based on what the company knows about the target audience's needs (Richards, n.d.)”

# Competitive Pressures

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- “Product positioning helps marketers consider how their offerings are different from others that consumers have to choose from. But it is not enough to know this from an internal perspective - marketers must communicate this to the target audiences (Richards, n.d.)”
- “To do this effectively, they must choose communication channels that are designed to connect with their identified target audiences at times when they will be most receptive to these messages. Consider how automobile manufacturers position their products through communication via television commercials during sporting events, for instance, or how cosmetics manufacturers run full-page, full-color ads in women's magazines (Richards, n.d.)”



# Communication Channels

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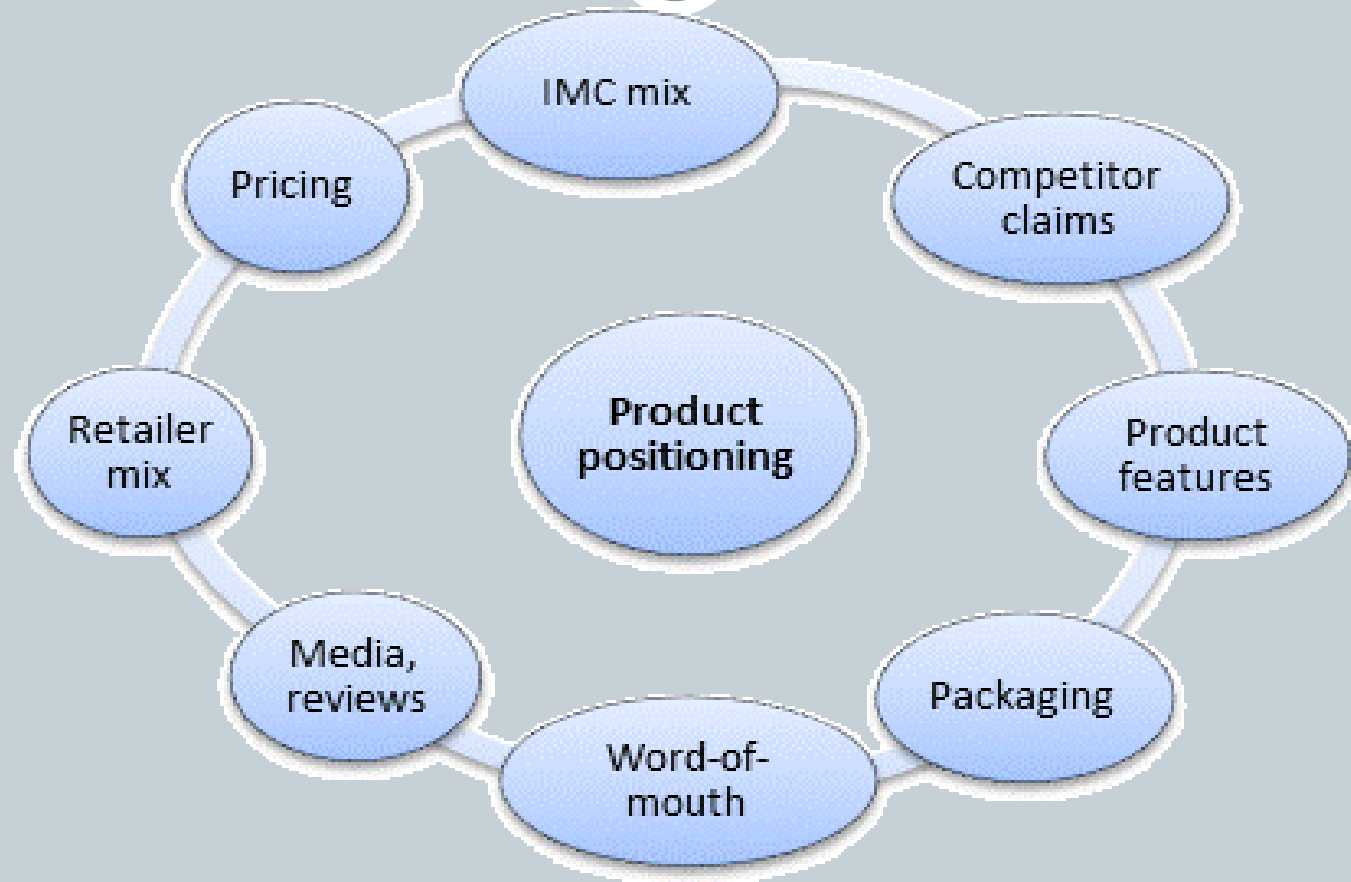
# How is positioning created?

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- “Remember that a product’s positioning is the consumers’ understanding of the product and its specific benefits. Consumer typically form their understanding of the product over a period of time using information from a variety of sources, some of which are shown in the following diagram and then quickly discussed in the subsequent table (<http://www.segmentationstudyguide.com/>, n.d.)”

# How is positioning created?

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Positioning: Consumer Information *Source: [www.marketingstudyguide.com](http://www.marketingstudyguide.com)*

# Positioning and influence over marketing mix factors

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## INFORMATION SOURCE

## WHY THIS IS A POSITIONING INFORMATION SOURCE

IMC mix	The firm's communications mix has a big role to play as it usually focuses on particular benefits and advantages of the product.
Competitor claims	Positioning is viewed on a relative basis, therefore the competitors' IMC mix (product claims) will also affect the positioning of all products.
Product features	The actual design and features of the product, particularly when consumers use the product, has a major impact on the perception of the product and its relative advantages.
Packaging	One of the first experiences the consumer has the product is the look and feel of the packaging.
Word-of-mouth	Word-of-mouth communication between consumers has a high level of credibility and cut through and will greatly influence positioning.
Media, reviews	Media discussion/articles or product reviews are also seen as quite credible and independent and will influence consumers' perception.
Retailer mix	The type of retailers where the product is sold gives an indication of the product's quality and status.
Pricing	The overall price points of the product act as a cue for quality, and a high frequency of sales promotions may suggest lower quality.

# Discussion of an example of positioning and an inconsistent marketing mix

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- <http://www.segmentationstudyguide.com/>. (n.d.). *Positioning and the Marketing Mix*. [online] Available at: <http://www.segmentationstudyguide.com/all-about-positioning/positioning-and-the-marketing-mix/> [Accessed 28 Oct. 2016].
- Positioning Examples. (n.d.). *Positioning Examples*. [online] Available at: <http://www.segmentationstudyguide.com/all-about-positioning/positioning-examples/> [Accessed 28 Oct. 2016].

# References/Additional Reading List

- <http://www.segmentationstudyguide.com/>. (n.d.). *Positioning and the Marketing Mix*. [online] Available at: <http://www.segmentationstudyguide.com/all-about-positioning/positioning-and-the-marketing-mix/> [Accessed 28 Oct. 2016].
- Positioning Examples. (n.d.). *Positioning Examples*. [online] Available at: <http://www.segmentationstudyguide.com/all-about-positioning/positioning-examples/> [Accessed 28 Oct. 2016].
- Richards, L. (n.d.). *The Importance of Product Positioning to the Marketing Plan*. [online] <http://smallbusiness.chron.com/>. Available at: <http://smallbusiness.chron.com/importance-product-positioning-marketing-plan-24275.html> [Accessed 28 Oct. 2016].