

Positioning and Branding

Differentiate yourself and get more control of pricing and demand

Overview

This section attempts to simplify a complex topic so that it can be put into action, and thereby benefit the small agribusiness.

Positioning relates to a strategic decision on how you want your products or services to be perceived by customers, *relative to competitive companies/products/services*. In Positioning you typically want to differentiate yourself from your competition.

Branding, for the purposes of this section, describes the tactics used to influence your brand – your brand being how customers perceive your company/products/services.

We can only influence, not control, the customers' perceptions. However, by determining our desired Positioning and then taking appropriate actions to develop our Brand, we have a much better chance of fostering the identity that leads to increased profitability.

As we assume that you have not done much yet in this area, so we will focus on Positioning and Branding your company instead of your products/services.

Why is this important?

Many small agribusinesses in Hawaii not only sell undifferentiated products (your lettuce might be indistinguishable from another farmer's lettuce), but also make little or no effort to identify their company on their products. A brand is more than a name and a nice logo. Without giving customers a way to identify where your lettuce came from, how can they buy it again even if they wanted to?

If you know how you want customers (and potential customers) to think about your company, then you can communicate and perform in ways that will foster that perception. This is how your target market develops preference and loyalty for your brand and will be willing to pay a premium for what you offer. *By having a brand desired by a target/niche market, you will have greater control over demand and pricing, instead of being totally reliant on what the wholesaler is willing to buy and pay.*

Creating your Positioning Statement

Develop a concise statement that describes the one or two things you want your potential customers to associate with your company. Remember that you want to be attractive to your target market and different from your competition. An example of this process is shown on the following page.

1. Research your competition. What are they known for? List the competitor and the positioning.
2. List the defining characteristics of your company, focusing on things you think are unique, special, and attractive to your target market.
3. Highlight the characteristics/reasons why your target market might choose you over your competition. If you already have preferred customers, be sure to ask them why they do business with you instead of the competition.
4. Write a concise Positioning Statement with your competition and the target market in mind.

Example of Positioning Statement Development

COMPETITOR	POSITIONING/WHAT THEY ARE KNOWN FOR
Green Acres Nursery	Variety, having lots of plants
Green Thumb Nursery	Low prices
Aloha Plants	Friendly and flexible, helpful

- Healthy plants
- Clean plants
- Grow to order, accommodating
- Always have something new
- Have lots of native plants

My positioning statement: **The premier source of native Hawaiian plants that will thrive once you plant them.**

Now review:

- Does it fit my personality? *Not everyone can pull-off being the “Avant-garde plant nursery for the discriminating landscape artiste.”*
- Does it violate customers’ perception of reality? *If I claim to produce the world’s favorite caviar right here in Hawaii, might that be hard to accept? You can shift perceptions by “walking the talk” but it’s harder work.*
- Does it make me unique from my competition or the best? *Keep in mind that you don’t actually have to be unique, just unique in the mind of the customer. Therefore, if no one else is known for being the nursery with the healthiest plants, feel free to make that your positioning (assuming you actually have healthy plants).*
Tip: Quality, flexibility, and personal service are very common claims for small businesses.

Remember that “sacrifice is the essence of positioning.” *Reis and Trout.* You aren’t trying to appeal to everyone. This is the essence of niche marketing. Once you own/dominate the niche, you can expand into other markets.

Branding Elements

Now that you’ve determined your positioning, reinforce this every chance you get with your branding elements. Make sure your packaging, letterhead, business cards, etc. convey your branding consistently and pervasively. If you sell products that don’t lend themselves to labels (like taro), consider branded twist ties, rubber bands, cellophane packaging, and hang tags.

1. Write down what you will do with the following branding elements to support your positioning:
 - Brand Name/Company Name (*e.g., Healthy Hawaiian Plants*).
 - Tagline/Slogan (*often simply a rephrasing of you positioning statement, e.g., Native Hawaiian plants that thrive in your garden*).
 - Logo (*e.g., a stylized iconic Hawaiian quilt plant silhouette*).
 - Color Scheme (*e.g., green and purple*).
 - Spokesperson/Character/Voice (*often optional, but defining a Voice is useful even in written advertising, e.g., the Voice will be one of an older, experienced landscaper who is passionate about using plants that will thrive once planted and knows*

- that natives are perfect but healthy plant material isn't a given).*
- Font/Typeface (e.g., a Hawaiian-looking font).
 - Packaging/Labeling (e.g., Use brand name, slogan, website, logo, color scheme, and font. Use Hawaiian and common plant name. Where space allows, describe native climate and environment where it thrives and give example Hawaiian place name, and add "Lovingly grown by" with employees name after that.
2. Create these elements and use them consistently and pervasively.
 3. Convey your positioning in your advertising, how you deal with customers, in your product line, etc. See also the *Marketing Mix* section.

- Create a logo:
<http://www.logoworks.com>
<http://www.logomojo.com>
- Design a product label and/or packaging:
Dana Labels
1920 Colburn St.
Honolulu, HI 96819
(808) 845-3262
<http://www.danalabels.com>

<http://www.iprint.com>
<http://www.xocreate.com>

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Next steps and Resources

- Continue to the *Marketing Mix* lesson
- Apply for personalized assistance from:
Agribusiness Incubator Program
3050 Maile Way, Gilmore 115
Honolulu, HI 96822
(808) 956-3530
<http://aip.hawaii.edu>

Small Business Development Center
1833 Kalakaua, Suite 400
Honolulu, HI 96815
(808) 523-6118
<http://www.hawaii-sbdc.org>
- More information on positioning and creating a Positioning Statement:
 - www.entrepreneur.com/advertising/howtoguides/article171496.html
 - www.bizboom.com/tools/files/positioning_statement.rtf
 - www.marketingprofs.com/Faqs/showfaq.asp?ID=160&CatID=9
 - marketing.about.com/cs/advertising/ht/writeposition.htm
 - biznik.com/forums/community-wide-general-discussion/topics/whats-your-positioning-statement