Targeting and Positioning

Targeting: Selecting one or more segments that are appropriate.

Positioning: Establishing a specific image in consumers' mind for a brand in relation to competing brands.

Perceptual Map:

- Consumer's mental placement of various brands in the marketplace.

Choosing a Targeting Strategy

A. Undifferentiated Targeting Strategy

B. Differentiated Targeting Strategy

C. Concentrated Targeting Strategy (niche)

D. Custom Marketing Strategy
Generic Strategies

- Differentiation
- Niche
- Low Cost

Key: Align targeting strategy with firm's strengths and market opportunities!

Factors that Affect the Market-Targeting Strategy

- Company Resources & Capabilities
- Product Variability
- Product's Life-Cycle Stage
- Market Variability
- Competitors' Marketing Strategies

Perceptual Map: Beer Market in Northern California

- Anchor Steam
- Beck's
- Baja
- Sierra Nevada
- Michelob
- Heineken
- San Miguel
- Coors
- Miller
- Budweiser
- Bud Light
- San Miguel
- Michelob
- Heineken
Areas for Competitive Differentiation

Specific Positioning Dimensions

Which Differences are Worth Establishing?
Developing a Positioning Strategy

Analyze Competitors' Positions

Identify Competitive Advantages

Select a Positioning and Finalize the Marketing Mix

Evaluate Responses and Modify

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Major Positioning Errors

- **Underpositioning**: buyers have only a vague idea of the brand.
- **Overpositioning**: buyer may have too narrow an image of the brand.
- **Confused Positioning**: buyers might have a confused image of the brand resulting from too many claims or changing positioning too frequently.
- **Doubtful Positioning**: buyers may find it hard to believe the brand claims.