

Positioning: The Best Strategy For Your Business

Falling in love! As entrepreneurs, we do it every day. Our passionate belief in and commitment to our product (or service) make all things seem possible. The most successful entrepreneurs learn to transform their passion into *position*.

Positioning is a perceptual location. It's where your product or service fits into the marketplace. Effective positioning puts you first in line in the minds of potential customers.

As individuals, we continually position ourselves. The responsible older sibling, the class clown, a number cruncher, and a super genius are all examples of positioning. These identifiers help us define ourselves and distinguish our abilities as unique and different from other people.

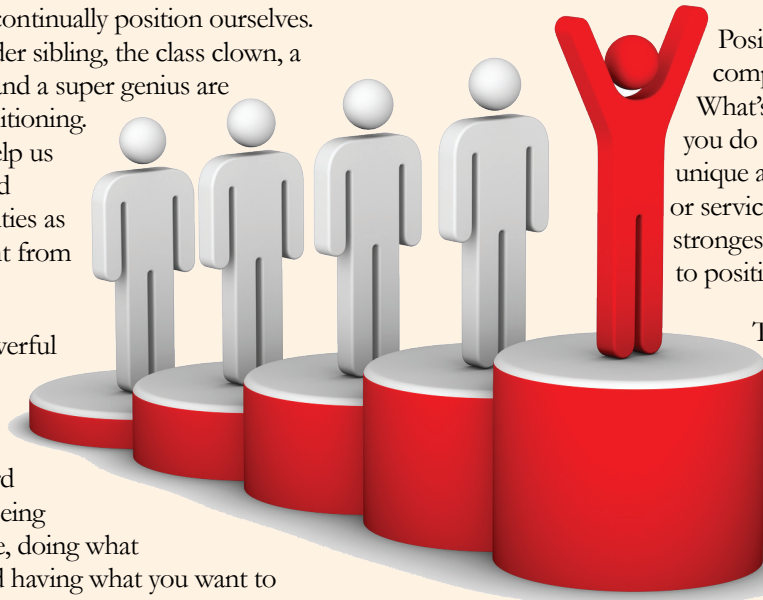
Positioning is a powerful tool that allows you to create an image. And image is the outward representation of being who you want to be, doing what you want to do, and having what you want to have. Positioning yourself can lead to personal fulfillment. Being positioned by someone else restricts your choices and limits your opportunities.

That's why it's so important for entrepreneurs to transform their passion into a market position. If *you* don't define your product or service, a competitor will do it for you. Your position in the marketplace evolves from the defining characteristics of your product. The primary elements of positioning are these:

- **Pricing.** Is your product a luxury item, somewhere in the middle, or cheap, cheap, cheap?

- **Quality.** Total quality is a much-used and abused phrase. But is your product well produced? What controls are in place to assure consistency? Do you back your quality claim with customer-friendly guarantees, warranties, and return policies?
- **Service.** Do you offer the added value of customer service and support? Is your product customized and personalized?
- **Distribution.** How do customers obtain your product? The channel of distribution is part of positioning.
- **Packaging.** Packaging makes a strong statement. Make sure it's delivering the message you intend.

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Positioning is your competitive strategy. What's the one thing you do best? What's unique about your product or service? Identify your strongest strength and use it to position your product.

The product Nyquil was conceived as a superior daytime cough suppressant. Unfortunately, it made people drowsy. Determined to recoup product development costs, the side effect of drowsiness was then transformed into a powerful positioning strategy. Nyquil became "the nighttime, coughing, sniffing, sneezing so you can rest" medicine. Nyquil created and owned the nighttime cold remedy market.

As the Baptist minister of my childhood would say at the conclusion of a lengthy sermon, "I've said all that to say this." Positioning, when used effectively, can help you be first in mind. Being first in mind equals ownership. Market ownership allows you to be a big fish in a small pond. When you're a big fish, you can always increase the size of the pond.

Source: The Entrepreneur Network