

Advocate Advanced Topics
MORE MARKETING LESSONS
M8C L2 Market Positioning

Positioning a business in the mind of a potential customer is an extremely important part of marketing a service business. Positioning is defined as a no-nonsense evaluation of how your company is actually perceived in the mind of a prospect. Your goal is to create a position or perception that coincides with your positioning statement.

Your actual "position" is a business reality that may or may not coincide with your positioning statement. Do not confuse a marketing position with a position statement. A position statement is defined as how you wish your company to be perceived. In order to acquire the desired results of your position statement, you must take action that will result in the perception you desire. There are three basic essentials that will help you achieve your desired position:

- 1) You must present your company in such a manner that it positions your company in the mind of the customer. This is accomplished by presenting a specific message and by the quality of your presentation.
- 2) You must choose a single position or message that you wish to communicate to the customer. The most common marketing error made by service businesses is their lack of focus on a single message. The owner will present a general message such as "We're number One!" which does not indicate a unique sales position. Even if you are number one, this generalized message does not really indicate a specific strength and is apt to be used by a half dozen other companies claiming the same thing. Presenting a nonspecific marketing message is like trying to be all things to all people. The end result is usually a weakened message and the satisfaction of none!
- 3) Your position must set you apart from others in the field. To position your company effectively, you must focus on a single advantage or characteristic unique to your company. That advantage or characteristic must meet a specific customer need or desire.

Example: When Disability Associates began operations, we found ourselves in a market where attorneys had dominated for years. Since we were not attorneys and had not yet begun offering training, we had to choose a message that would set us apart from those offering similar services. To accomplish this, we carefully evaluated three important issues:

- a) How our competition internally operated their services.
- b) How the competition presented their message to the marketplace.
- c) What does the customer really want from the service?

This three-part analysis of our competitors allowed us to develop an effective marketing position that has proved to be extremely successful over the years. Here is what we discovered:

How the Competition Operates:

In reviewing how the competition operates, we discovered that attorneys were not actively engaged in the development or manipulation of a disability case. The average attorney would file papers and wait for SSA to make the next move.

Attorneys also held the belief that a case could not be won until a certain appeal level. This belief lead attorneys to sit on their hands while the case moved slowly through the system. Attorneys also made the mistake of not keeping their clients informed as to what was going on in their case. This lack of communication with clients typically leads to misunderstanding and dissatisfaction with the service. Having been employed for many years by the Social Security program, we know these approaches were inferior.

It became clear to us that the attorney approach actually resulted in slower case processing. The attorneys were doing little or nothing until the anticipated appeal level had been reached. The overall result of the attorney approach was extremely upsetting to clients desperately awaiting their benefits. From this review alone, we were able to identify several (USPs) Unique Selling Positions that we used to set ourselves apart from our competitors. These USPs were:

1. Automated case assessments.
2. Active and aggressive case development on all application levels.
3. An increased level of communication with clients.

By noting weaknesses in the competition's approach to the representation of disability cases, we were able to identify and use marketing approaches that set our service apart. Without saying it directly, each of our USPs told a potential customer that we could supply the desired end result faster than our competition. By using these USPs in our marketing materials, we were able to position ourselves in the mind of the customer as the most "efficient" company for acquiring benefits.

Keep in mind that the end result of your service is what is most important to the customer. That is, winning the case and acquiring cash benefits! Not only does the customer desire his benefits, he wants those benefits as soon as possible. This fact makes efficiency an extremely important consideration when choosing a representational service.

How the Competition Presented Their Message:

The competition almost always used the ineffective "We're Number One" or "We're Experienced Attorneys" approach in their marketing message. As a result, several law firms were essentially claiming the same thing. Rarely did they mention anything that set them apart or that clearly benefited the customer. The client's desires were being ignored in the marketing message and nothing unique was being offered. These attorney representatives had inadvertently positioned themselves as "one of a crowd." The customer was not given a USP in the

advertising materials that could be used by the customer to evaluate and choose the right representative.

What Does the Customer Want?

A company's true position exists only in the mind of the customer. Therefore, the best method of developing a marketing position is to address the customer's needs. In doing so, you guarantee that the customer understands specifically how your service benefits him.

Alternative Marketing Approaches:

There are a number of ways to set yourself apart from the competition. An effective alternative marketing approach would be to claim specialization. By claiming a specialization, you are effectively setting yourself apart from your competitors. Many new entrepreneurs fear this approach because they think specialization narrows their market. When in fact, by focusing on a specific task or customer base, you are in effect broadening your appeal. In short, narrowing your marketing focus actually helps to set you apart from the competition. Avoid trying to be all things to all people!

Most disability consultants claim to specialize in representing disability cases, which really means nothing to a potential customer. However, claiming to specialize in impairments affecting "women" for example is extremely rare. This is despite the fact that women make up forty percent of those applying for disability benefits. There are also a large number of women entering the disability-consulting field. Claiming gender specialization is most effective when the service provider is of the same gender.

Claiming a gender specialization does not mean that men will not use your service. In fact, your ability to show specialization actually makes your service more appealing because you stand out among all the rest.

Another effective positioning method is to claim impairment category specialization. In this approach you are claiming to specialize in a large impairment category such as orthopedic conditions, psychological disorders, oncology, respiratory disorders, etc. Please note that our example categories are extremely large. Some sixty percent of all disability claims will involve one or more of these mentioned impairment categories.

Impairment category specialization can be extremely effective because it tells the customer that although you can handle any impairment, you are most effective with a given category. In other words, you have positioned yourself as an expert in the mind of your potential client. The customer now has an easy to recall mental reference that points to your service. If the claimant's impairment happens to fall within your specialization, he or she is far more likely to utilize your service.

Just because you're small!

Many new consultants believe that being small is a disadvantage. We disagree! Being small can actually be an advantage if presented properly. For example, don't be afraid to admit that you are small. Don't attempt to hide your size or claim to be the premier provider of your service. Instead, point out to your customers how being small acts to their advantage.

In your marketing materials, describe those advantages that small companies are famous for such as personalized attention, responsiveness, detailed analysis, greater specialization or diversification. Attempting to hide your company's size by claiming "bigness" is a mistake. If your company's actual size does not correspond to the position you have set forth in your materials, potential clients will notice this discrepancy and lose trust in your firm.