

Brand positioning

The thing that beats price, quality, or service every time

LOOK AROUND AT the ads you see on TV, in the newspaper, or on social media. Most companies — whether they target businesses (B2B) or consumers (B2C) — position themselves based on one of three main factors: quality, price, or service.

1. Quality: “We have the best products or services around. No one can beat the things we sell!”

2. Price: “You’ll pay less with us than you will anywhere else. No one can beat our prices!”

3. Service: “We have better service than anyone else. No one can beat the experience we provide!”

Occasionally, companies also emphasize other factors such as convenience (“We’re open later!” or “We’re closer!”) or availability (“We have better inventory than anyone else!”). This is particularly common for B2B companies. Sometimes quality and price factors combine as companies claim to offer the best *value* around.

For the most part, though, quality, price, and service are the primary selling points most companies put forward. They are important: companies that don’t have one of the three — superior quality, lower price, or better service — often have no competitive advantage.

The problem with positioning your company on quality, price or service, though, is that when a competitor comes along offering higher quality, lower prices or better service, you’re in trouble. Your customers have no reason to be loyal to you. You’ve given them no reason to *want* to do

business with you. They’ll happily take their business to the company who beats you on those three factors.

There’s another brand position beyond quality, price and service, which I like to call the “intangible” position. Customers are *loyal* to companies that are positioned based on intangibles. That’s because customers get something beyond products and services from them: they get social cachet, feel better about themselves for some reason, or think they’re cooler or more hip — it’s an *intangible* feeling.

For example, many Nike customers like the company itself; they walk into a Nike store to buy Nike’s image, not necessarily to buy specific shoes. Dove’s “Real Beauty” videos are so inspiring and empowering for women that it’s easy to forget they sell soap. Tom’s Shoes donates a pair of shoes to a person in need for every pair you buy, so when you do business with them you feel like you’ve done a good deed. Intel is a B2B company that has established itself as the market leader so companies are happy to use Intel chips even when they cost more than their competitors. These companies are giving their customers something intangible.

Of course, your business (and your advertising budget) isn’t the size of Nike, Dove, Tom’s Shoes or Intel. But that doesn’t mean you can’t move your positioning toward the intangible level. Here are some ways you can do it:

1. Use your expertise. Don’t just sell plants and trees. Offer free classes to your retail customers or expert marketing advice



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to your wholesale customers — encourage your customers to see you as a resource, not just the company that happens to sell plants and trees. If they think of you as a trusted advisor, they’ll be connected to you for reasons beyond the usual ones.

2. Go local. Local businesses working with local people have an advantage national companies never will — you know the area you live in and the people who live there. Use that inside knowledge. Show the public how much you care about your community and your customers, and people will choose to do business with you even if your prices are a little more expensive.

3. Follow the Tom’s Shoes model. Maybe you’re not going to be sending plants to Africa, but you can still create a model similar to Tom’s Shoes. What if for every ten plants your customers bought you planted a tree? What if you gave plants to local schools when a certain sales threshold was reached? Your customers — whether B2B or B2C — will feel great about doing business with you for reasons beyond quality, price, or service.

Quality, price, and service are all important, and the companies I mentioned above — Nike, Dove, Tom’s, and Intel — are all doing well on at least one of those factors. But when you move beyond quality, price, and service into the realm of the intangible, you turn ambivalent customers who don’t care where they buy their products into loyal customers who seek you out. That’s where you want to be. ☺

