

Brand Management
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Welcome to the lecture on brand positioning and repositioning. In this lecture, we are continuing our discussion on this topic. If you recollect, the last discussion that we had in the previous lecture was at the point where we were trying to create space in the minds of the consumer. And we also discussed that the mind of the consumer is very crowded and no matter which product category we take, we will see that every product category has a reasonable number of brands that are crowding his mind space. And therefore, if you wish to create space in the mind of the consumer with your own brand, with your own product, you will have to apply at least three principles with which you can hope to place your brand in his mind where he can occupy an unoccupied space with a brand with an idea which is relatively new and which sticks. Now, we also saw three ways in which we can create space in the minds of the consumer and those three ways were innovation, experience and unique emotional response.

These were the three methods we discussed on how we can create space in the mind of the consumer so that we can position our brand in the consumer's mind. Then we saw these methods with some examples. These were some of the examples which we would not go into detail in this lecture. However, the last point that we discussed was in the previous lecture that we do not have to create space only in the minds of the consumer, but also in the marketplace.

And here also we found out that there are three possible ways in which we can create space in the marketplace. And those three methods were first, if a brand is being launched by a reputed corporate house, it suddenly creates space in the marketplace for a new product. Another aspect that we saw was strong POPs and PODs. We also discussed in a very elementary manner what is POP and what is POD which is points of parity and points of difference. We will see these concepts in greater detail in today's lecture.

And then finally, the method that we discussed was identify and exploit a gap. Now, this is not very easy to do and even if you identify exploiting that gap requires a herculean task. Here perhaps I can give you an example and that is again an example from a media house called ABP which is one of the largest media house in eastern India. Now, if you are aware ABP has a large number of Bengali magazines and these magazines are from different cater to content of different genre. For example, there is a

magazine called Shananda which is something like English or a Bengali version of Femina magazine.

So, Shananda is one such magazine which comes out of ABP media house. Then there is another magazine that they have which is called Desh. This magazine is very old, it is nearly 100 year old and it represents the literary and intellectual tradition of Bengal. This is a very respected magazine in Bengal and in Bengali language. Another magazine that they have that ABP house has is called Anand Lok. It is something like star dust where it talks about stars of the cinema world and their lives and their public life, private life, what is happening in their career and so on so forth. So, there is a magazine called Anand Lok and then there is a magazine called Anand Mela. Anand Mela is a magazine which is for children where you have children stories and comics and so on so forth. And Anand Mela is for children up to 12, 13, 14 year old. So, this is from about 8 year old to about 10, 12 year old children, this magazine caters to the need of such people in that age bracket.

Now, at one point of time ABP decided or it felt or perhaps it identified that there is an age group of about 13 to 20 or 14 to 20, the adolescents for whom they do not have any product, any magazine in the Bengali language. So, they decided that this gap we have realized that it exists and we must fill this gap with a new product. And since the SBU, the strategic business unit that is dealing with this is Bengali magazines, so the new product will have to be another Bengali magazine. And then a new Bengali magazine was launched and that was called Unishkudi. Unishkudi if you understand Bangla or if you understand Hindi also you will realize that Unishkudi means 1920 and 1920 means this was a magazine that was catering to children or adolescents who are who were in the age bracket of about 17 to 20.

Now, you must being a marketer should be able to appreciate the business potential of this magazine, because 18 to 20 years is the period when students are they are largely students and they are in their undergraduate studies, they are perhaps they have just completed their school and they have entered the college. So, if that is the target audience for which this magazine was created. Now, you must also understand that this is also a target group which is trying to find its feet in terms of forming its taste, what it likes, what it does not like in terms of consumption. And if you catch them young, you would be able to retain them all their life. So, this magazine had great advertisement potential because all brands were targeting this target group of people and therefore, this magazine was a big success.

So, what I am trying to say is that creating space in the marketplace can be done in these three ways, can be done in many ways, but at least these three ways you must be aware

of that you when you launch a product, if it comes from a reputed company, reputed corporation, it is easier for that company to create space. And then when you launch a product, it must have strong POPs and strong PODs. These concepts we will deal in greater detail in the next slide. And if you can identify and exploit a gap or an underserved or unserved segment in the market. Now, let us look at what are these POPs and PODs.

Now, all of us know that marketplace is a crowded place. It is crowded not just crowded with people, but it is crowded with products, it is crowded with brands and all of them are trying to rival one another or all are trying to out shout each other in catching the attention of people. And just shouting is not enough. All of us know that simply being loud and shouting at the top of your voice and asking consumers to walk into your store and buy your product is not enough because consumers look for value. Consumers look for value in different form, not just in concrete form, but also in abstract form as we have seen throughout this course on brand management so far.

So where does this value come from? This value comes from POPs and PODs. We will discuss these POPs and PODs now. Now as we have seen so far that POP is points of parity and POD is points of difference. Now definition of points of parity and let me go to points of parity first because this is the most difficult thing to do. It is not that POD is easy, but POP is equally difficult and POP is not necessarily unique to the brand, but in fact may be shared with other brands.

This requires a little discussion and understanding. Now let us say that there are two phones in the marketplace and they are Apple and Samsung. Now both are popular brands and a large number of people are buying these two brands of mobile phones. Now suddenly a new brand say Vivo or Oppo enters the marketplace. Now what is your first concern? It is possible that Oppo or Vivo are slightly cheaper than both Apple and Samsung.

But what really is your concern? I mean you may be happy to buy a phone at 20 K or 20,000 rupees when a similar phone by Samsung is available at 40,000 rupees. So you might be quite happy to get a phone for 20,000 rupees, but you will have some concerns. And what are those concerns? Those concerns are that will this phone Oppo or Vivo be able to perform as well as Samsung or Apple? Will it have similar product features? Will it have a camera which is as good if not better or at least when I take a picture of an event or of a family member, it will be of reasonably good quality. When I make a phone call, the voice quality, the sound quality clarity will be good enough when I make a phone call. Will it have a good battery life? If it falls accidentally from my hand, will it break into pieces or it will have a sturdiness and so on so forth.

So there will be many concerns that we will have because we do not know whether this brand Oppo or Vivo can fulfill my basic requirements from a mobile phone. Now when this company Oppo or Vivo are launching a mobile phone in the marketplace which rivals Samsung or Apple, they will have to ensure that the service or the product features that are offered by Samsung and Apple at least the basic functions are also available in their product. Because if they are not available, consumers may not even want to try it out, try a new brand and therefore your product will fail. So it is very very important that when a new brand or a new product is being launched in the marketplace, they must look at this idea called points of parity. So what they must do, they must look at their competitors and see what are the product features that that competitor is offering and the new brand or the new company must decide point by point that yes if this is a product feature available in my competitor, I will also give this product feature and point by point it must consciously decide whether it is offering or it is not offering.

And if it decides that it is not offering a certain product feature, it better have good reasons to argue that why it is not offering a certain product feature. And they may say that it is fine a product which is charging 40,000 rupees can offer that feature and since I am charging 20,000 this product feature is not necessary and it is not a feature that people generally use. So this is something that every product manager and every brand manager must think about because only if you have points of parity you can move to points of difference. Because points of parity when it becomes a lack which means there are certain product features which are present in the competitor but not present in your product can become deterrent for a consumer to go ahead and buy your product. So it is very very important that a product manager and the brand manager thinks about this idea called points of parity and matches point by point all if not all at least majority of the product features that a competitor brand is offering.

Another point here that we must look at is that it is true that your product may not be an exact substitute of another product and you may be offering something new, you may be offering something different and in that case this points of parity may not be fully applicable to your brand. But even if that is the case you must think about this concept called points of parity and with awareness you must either accept or disregard certain product features which you are offering or you are not offering. So that is what I think points of parity is and it is perhaps more important for long term survival of your brand than even points of difference. Because points of parity assures the customer that your product will actually deliver the basic services and often we see that many advanced products they may offer many advanced solutions but they falter on basic solutions and basic services. So it is like the bare minimum and unless you do the bare minimum you cannot really graduate to the higher level.

So that is why I always suggest to the product and the brand managers that please take greater care of points of parity before you even think of points of difference. Points of difference as you can see in the definition that they are attributes or benefits that consumers strongly associate with a brand, positively evaluate and believe that they could not find to the same extent with a competitive brand. Now see this of course because we are doing a course on brand management so the very idea of brand is that it distinguishes one from the other. So points of difference is an obvious thing that it will happen if you are talking about a brand and you are managing a brand. Now in this case and when it comes to POP and POD, POD is slightly different.

POD is more at the product level rather than at the brand level. It can be at the brand level also but it is more concrete and it is more at the level of product features. At the brand level as I have said earlier you can also think of POD for example difference between Lux and Lifeboy. Lux is like a soap for celebrities and Lifeboy is a germ kill. It helps you in leading a hygienic life.

So that can also be considered as points of difference but here it is more about attributes and benefits that consumers strongly associate with a brand which they do not find in the competitor's brand. If you want we can give you an example and that example is again let us go back to the idea the product called mobile phones. You see that Oppo brand they advertise themselves as camera phone. They always call themselves as camera phone. Now it is not that in Apple phone or in Samsung you do not have camera.

All of them have camera but Oppo is presenting itself as not just a phone but it is a camera phone. And I often because I belong to telecom sector and I have spent some time there and I perhaps understand a little more. So I remember that at one point of time we used to joke about this fact that there are three types of phone phones in telecom industry and those three types were first category we used to call as just a phone. So a phone which is just a phone which is not anything else. Today perhaps we will call feature phones as just a phone.

So first category we discussed or we thought was in telecom industry that a phone which is just a phone. The second category which we will also talk about which we will often joke about at that time today it is a reality but at that time we will joke about it and we will say it is also a phone. So first category just a phone, second category also a phone. It is many things and it is also a phone. So like I have given you the example of Oppo, Oppo says that it is not a phone it is a camera phone.

So second category we used to talk about is also a phone. And third category was like

an exclamation is it a phone and that is how we will speak. So when you look at the phone you will realize that perhaps it is not a phone it is something else. So for example an Apple watch which also performs the function of a phone. So we will probably move in that direction and the nature or the shape and the form of phone will change over a period of time and it will start becoming available in many different forms.

So what I am trying to say is that in these three categories of just a phone also a phone and is it a phone in these three categories we can see how we apply the ideas of points of parity and points of difference. If this is clear let us move forward. Now how do we choose POPs and PODs? If you take a look at this slide you will see that there are two aspects to it. One is desirability criteria and second is deliverability criteria. One is from consumers perspective and second is from the firm's perspective.

Now desirability means what? It should be desirable and desirable to whom? Desirable to consumer obviously consumer because it is the consumers who would buy your product. Now how do you structure or how do you define this desirability criteria? Since we are looking at it from consumers perspective we must understand that that desirability will come from it being a personally relevant POP and POD. So for example, say in a phone if you give an option of customization of the screen. Now all phones nowadays give customization of screen but you know that Samsung offers an edge phone and in that edge phone you can select some apps which you use more often. Now this is relevant to everybody because in every phone you have 20, 30, 40, 50 apps.

However what you use regularly is only 5, 6 apps. So is it possible to have an edge have a band where only those 4, 5 apps which you use regularly are displayed. Now if you can do that technologically it becomes very desirable. So this from a consumers perspective is definitely relevant and desirable. If you realize that in one band you can put only 3 because screen is small and you can put only 3 or 4 apps on that band in that edge.

So is it possible that that band is actually a dynamic band? Alright! And as you use those apps the apps which get figured which get displayed in that band also keeps changing. So through technology you can achieve that and maybe some brand like Samsung might be able to do or may not be able to do. So this way what happens is while you are offering a feature which Samsung can do and Oppo can also do, but Samsung can do it slightly better because it is charging more money and therefore it can invest in better technology. So this way Samsung becomes distinctive and it becomes superior to another brand which is making its product available at a lower price. So this is how desirability criteria can be understood from a consumers perspective.

So it should be personally relevant, it should be distinctive and superior and it should be believable or credible. So if it comes from a reasonably known company you will believe that what they are offering will actually be available in the product and you will be able to use it. So desirability criteria comes from consumers perspective and while you are choosing POP and POD you must be aware that what perhaps are the desirable factors that consumers may want from your product. Next point is deliverability criteria.

Now deliverability has many constraints. Desirability is a conceptual exercise. You can do market research, you can rely on your own intuition, you can talk to people in your team, you can talk to some consumers and then decide that these are the things that consumers want. But just because consumers want does not mean that you will actually give them and even if you want to give them there is a cost involved. And what is that cost? That cost can be money because you will have to invest, you have to buy or it can be people you may have in your technology team maybe you have only 5 people what you need is 5 more people and that may not be possible to do very quickly. So it may not be very feasible and then it may also be possible that that technology has not yet evolved or that know how is not available in the market.

So even if consumers want it you may you are not in a position to give it because it is not just not available it is just not possible. So that is why it is important for brand managers to understand that deliverability criteria involves feasibility. So whether it is possible to do whether it is possible to do in within a reasonable time frame and within reasonable cost because just to offer one product feature if you have to invest say lakhs and lakhs of rupees and then the price of that product which otherwise was 40000 becomes 75000 then it is of no use because just for that product feature people may not pay 20000 or 30000 more just for the same mobile phone. So as a brand manager you must understand that the profitability criteria of any product feature whether it is POP or POD. POP is fine but POD in particular if you wish to have you must think of the feasibility and profitability angle.

You must also think of preemptive defensible and difficult to attack elements. This means that you are going for the kill you are trying to have a product feature a POD which nobody else has or and you are doing it in such a manner that even if someone tries to copy it they will not be able to copy it very easily. And this often happens through the idea of design. So when you do it differently when it looks different when the elegance the aesthetics you change as per your designer's ability you can copyright it and you can prevent others from copying it. So these are the factors that you must consider when you are thinking of choosing your POPs and PODs.

Again desirability criteria from consumers perspective and deliverability criteria from the firm's perspective. Thank you very much.