All Startups Need a Well-Defined Brand Positioning Statement. Here's a 3-Step Framework to Help You Craft One.

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The most important thing you could do for your startup is to focus on your brand positioning. But often, startups do not treat it with the care with which they treat general marketing, go-to-market and product development work. A well-defined brand positioning statement will give you clarity of focus and could act as a compass for all aspects of your business. When you make strategic decisions on launching a new product or service, you need to be sure that it is aligned with your brand's positioning.

If you are in the process of creating sales and marketing collaterals, those should be guided by your positioning statement. Often, startup founders and leaders use their judgment and intuition in making such decisions when those decisions should actually be driven by a clearly defined brand position. Given the critical role it can play, this article will focus on a positioning framework that you can adopt today for your startup.

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The 3 Cs

In marketing, we often hear about the 5 Cs (company, customer, competitor, collaborators and climate) but, if you are pressed for time, three of those Cs are solid enough to help you arrive at a compelling positioning for your company. These critical Cs are your customers, competitors and company. While this exercise will still require resources and time, it will be one of the most important things you do for your startup.

This is a very effective framework. You should identify an exhaustive list of all the characteristics of your products and brand. The next step should be to identify the strengths of your competitors and what they offer; make sure you do a comprehensive competitive analysis when you undertake this step. You should then leverage that research to zero in on those elements that are unique to your company and are not offered by your competitors.

The last and most important aspect is understanding your customers, what they want and how badly they want those things. If your company offers something that your customers want but isn't offered by your competitors, that's the golden aspect you should focus on and should drive your positioning. This will mean making some tough choices and picking that one truly differentiated aspect desired by your customers. You will be tempted to choose multiple aspects, but the difficult and right decision is to choose one and use that one benefit to drive your positioning.

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Why does this matter?

If you have something that customers want but isn't unique to you and is also offered by your competitors, you will likely be engaged in a price war and will struggle to get good ROI on

your marketing dollars. On the other hand, if you have something that's unique to you but your customers don't want, you will probably spend a lot of marketing dollars in vain and struggle to convince customers to spend money on your product. It is critical that your customer research is comprehensive and helps you uncover everything about your customers' needs and willingness to pay for satisfying those needs.

Personal experience: A case in point

In my previous role, I led marketing for a VC-backed menswear ecommerce startup that had over 100,000 customers. The company was three years old when I joined it, and it specialized in making chinos — a solitary, hero product. Granted, the chinos were made in over 30 colors, but chinos in and of itself wasn't a unique product. On the contrary, it faced immense competition. But how could we differentiate it?

I focused on what all we did differently. Our product's fit was liked universally by our customers and got tons of repeat orders, but there was a particularly unique aspect about our fit: We had never changed it in the three years of our existence. As someone who wore chinos almost exclusively, I knew that as a consumer, I didn't like shopping repeatedly for my staple trousers; I preferred being able to turn to the same brand repeatedly for them.

A good scan of our competitors told me everyone else changed their fit with every season. I was intrigued. I then proceeded to undertake customer research that revealed that men didn't like having to shop at different brands for staples like chinos (due to brands repeatedly changing their product's fit). They wanted to be able to stick to one brand and keep ordering their favorite chinos.

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Statement

I had arrived at our holy trinity – something that our customers really wanted and we offered but our competitors didn’t. This was extremely powerful. It then started informing and influencing all of our strategic decisions and our brand narrative. It also had a significant impact on our business – we were in the process of raising additional venture funding, and this played a pivotal role in garnering more interest.

We were originally struggling to get traction from investors as we weren’t able to communicate a clear and unique competitive position, but this new positioning and brand narrative dramatically altered that. Not only were we able to get more investors interested, but we were also able to get $500,000 in funding commitments.

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