Guerrilla Marketing: Positioning & Branding
Today’s Economic Challenges

- Consumers spend less, a problem even at the margin
- Capital may not be as accessible
- Established competitors cut costs and target niche customers they previously ignored
- Doing more with less
- The notion of strategic trade-offs
Trends Among Startups

- Limited sources of funding for start-ups
- Personal savings and family loans are often linked to stock portfolios or home values, both of which have not recovered yet
- Banks are under scrutiny to increase capital reserves
- Many professional investors are “playing it safe” and are hesitant to invest in entrepreneurial ventures
- Key point- Now more than ever, entrepreneurs must do more with less!
Business Strategy: The Big Picture

- The role of marketing in business strategy
- Traditional approaches to business/marketing strategy
- Generic strategies- Porter (cost leadership, differentiation & focus)
- Generic strategies- Miles & Snow (prospector, defender, analyzer, reactor)
- The resource-based view- emphasis on resources that are valuable, unique, inimitable, and rare
Sailing in the Blue Ocean*

- Developing a new market space instead of competing in an existing one.
- Offering products or services that were not available previously allows your firm to operate without competition.

*see Kim & Maubourgne’s *Blue Ocean Strategy* (2005).

www.blueoceanstrategy.com
Curves & the Blue Ocean Strategy

- Curves has amassed more than 2 million members in 10,000 locations since franchising began in 1995. Curves tapped into a blue ocean of women struggling to keep fit, eliminating frills common to health clubs (spa pool, locker rooms, etc.) and focusing on the basics women want.

“Discover a gym where women change their lives - 30 minutes at a time.”
Where does guerilla marketing fit?

- Porter’s notion of differentiation
- Miles & Snow’s prospecting and analyzing
- Emphasis on unique resource combinations
- *Blue Ocean*’s emphasis on developing new marketing space
- *Guerilla marketing* builds brands/concepts through the innovative and unexpected. It emphasizes customer contact, personal attention, service, and organizational flexibility. It’s distinctive, attracts lots of attention, and often challenges the establishment with limited funds, making it an attractive option for entrepreneurial enterprises.
Fundamentals of Positioning & Branding

- **Branding** - built on quality (real and perceived) positioning, and first-mover advantages
- **Positioning** (and repositioning) - the market space the brand occupies in the minds of current and potential buyers; clarity is key
- Positioning is a statement of your company’s true identify and value to a target market.
- **First-mover advantages** - the benefit derived from being first...if things work out
Targeting is a related concept...

- Going after *specific* markets.
- Knowing who buys what, where and how
- Understanding the demographics and psychographics (habits)
- Effective targeting is essential to positioning
- Targeting is common among small businesses that lack resources to serve an entire market
Positioning includes...

- Vision and direction
- What buyers you’re really interested in
- Who (exactly) buys your product or service
- Your *competitive advantage*
Your competitive advantage...

- Must create positive benefits
- Should be offered primarily by your company
- Can be communicated in a only a few words
- Is related to buyer perceptions; People know it’s you when they hear it
Positioning is...

- More than a slogan or tag line
- How you wish to be perceived by prospects
- The core message you want to deliver every time you market
- Focused on the *long term*, not short-term promotions
- Recognizes the value of repetition, not instant gratification
Positioning- 3 Key Questions

- Does my position offer a real benefit that my target market really wants?
- Does it separate me from my competition?
- Is it difficult to copy?
Positioning as a Guerrilla Marketer

- Everything you say or do is marketing, but some things can be costly.
- Know where not to play; you can’t be all things to all people; solve a different set of problems or solve them differently.
- Strategic alliances can be cost-effective and aren’t just for the big guys.
- Account for the certainty of change.
- Set a few clear, realistic goals that position you...and publicize them.
Effective Positioning

- Marketing research is the foundation for positioning. You need both quantitative and qualitative information.
- Buy your competitor’s product and evaluate the experience.
- Being an expert is a great way to position
- Be unique and benefit-oriented
- Price is not always the #1 factor in positioning
- “Everybody” is not the target market
Identifying a Niche to target

1. Have expertise
2. Be exclusive
3. Be efficient
4. Customer satisfaction
5. Loyalty

- **Examples** - left-handed scissors, vegetarian Mexican restaurants

- Your goal is to dominate the niche; doing so required great focus and imagination, not necessarily expense
Branding

- Reflects how you got your customer, how you’re known
- Process: thinking ➔ noticing ➔ liking ➔ buying
- Includes logo, identify, a tag line, and advertising
- Strong branding starts with high quality
- Your brand is as strong as the emotion it evokes; emotion is not dependent on price!
- Word-of-mouth can help build a brand and is not expensive.
A Few Examples of Guerrilla Marketing

- **Viral marketing** – promoting a product or service by using existing customers to pass along a marketing pitch to others (ex., signature lines in emails, Orbitz mini-golf)

- **Stealth or buzz marketing** ("Roach Bait") - An actor posing as a regular person delivers a message with the intention of having that message passed along to others (ex., individuals planted at a party consume a particular product)

- **Astroturfing** – imitating grassroots popularity (ex. company recruits consumers to post favorable "reviews" of their products online)

- **Experiential marketing** – personal interaction with product (ex. in-home product parties)

**BUT GUERRILLA MARKETING SHOULD NOT BE VIEWED AS A GIMMICK...**
Video Examples of Guerrilla Marketing

- **Oreo Elevator** (~1 minute)
- **Food Court Musical** (~4 minutes)

Evaluate guerrilla marketing efforts not only on entertainment value and creativity, but also (and primarily) on how they support marketing objectives.

Think through your ideas before implementation...
This Canadian attempted to promote an online gaming site at the 2004 Olympics. He was sentenced to several months in a Greek prison for trespassing, but got off with a fine.
Don’t be stupid...

Promoters of the film *Forgetting Sarah Marshall* didn’t realize that their pre-release efforts might offend women names Sarah Marshall. One retaliated with a sign aimed at the film’s producer, Judd Apatow.
Don’t be stupid...

LED signs on bridge supports and other public areas were designed to promote the television program *Aqua Teen Hunger Force*, but the authorities thought they were explosives. The marketing agency responsible for the idea even failed to clear up the matter for some time even after the police investigation had started.
Remember- Guerrilla Marketing...

- builds brands/concepts through the innovative and unexpected.
- emphasizes customer contact, personal attention, service, and organizational flexibility.
- is distinctive, attracts lots of attention, and often challenges the establishment with limited funds, making it an attractive option for entrepreneurial enterprises.
- is not a gimmick, but is built on long term positioning and branding efforts.
Thank you!

Contact Information:
John A. Parnell, Ph.D.
Belk Chair of Management
UNC-Pembroke
John.Parnell@UNCP.edu