

## Reader Exercises

### Step 1: Do Your Competitive Analysis

Complete the Functional Position Research Template.

Complete Figure 6.6. You will have to determine your major current competitors and hit the Web to find out information as best you can about them.

Also, try to talk with people who are actually selling and/or using competitors' products or services. They will know better than anyone else the strengths and weakness of these companies! Are there one or two people you can talk to over the coming week who truly know the activity within your target industry niche? Set up a time to visit them *now!*

	Company A	Company B	Etc .
<b>Revenue</b>			
<b>Sales growth</b>			
<b>Market position</b>			
<b>Operating profit</b>			
<b>Sales employee</b>			
<b>Product/tech trends</b>			
<b>Market focus/expansion direction</b>			
<b>Quality of sales force</b>			
<b>Quality senior management</b>			
<b>Quality of financial position and investors</b>			
<b>Overall assessment of strengths and weaknesses</b>			

**Figure 6.6** Competitive Business Intelligence Template

### Step 2: Do Your Functional Positioning

Refer to the methods described in this chapter for gathering specific information on competitors' products, services, business models, and distribution strategies. That means hitting the Web, perhaps a convenient tradeshow in your area, and talking to some target customers who are already using competitors' products or services.

Next, dimensionalize performance. Then develop tiers or levels of cost. For some of you, total cost of ownership over the life cycle of product or service use might be more meaningful and important than the single upfront purchase price. As you gather these data, begin to fill in the Functional Positioning Template shown in Figure 6.7.

Then create a draft perceptual map that shows the "white space in the market you wish to occupy." Refer to Figure 6.8.

	Company A	Company B	Company C	Your Venture Strategy
Performance				
Feature 1				
Feature 2				
Feature 3				
Feature 4				
Overall				
Quality				
Price				
Revenue Model				

Figure 6.7 Functional Positioning Template

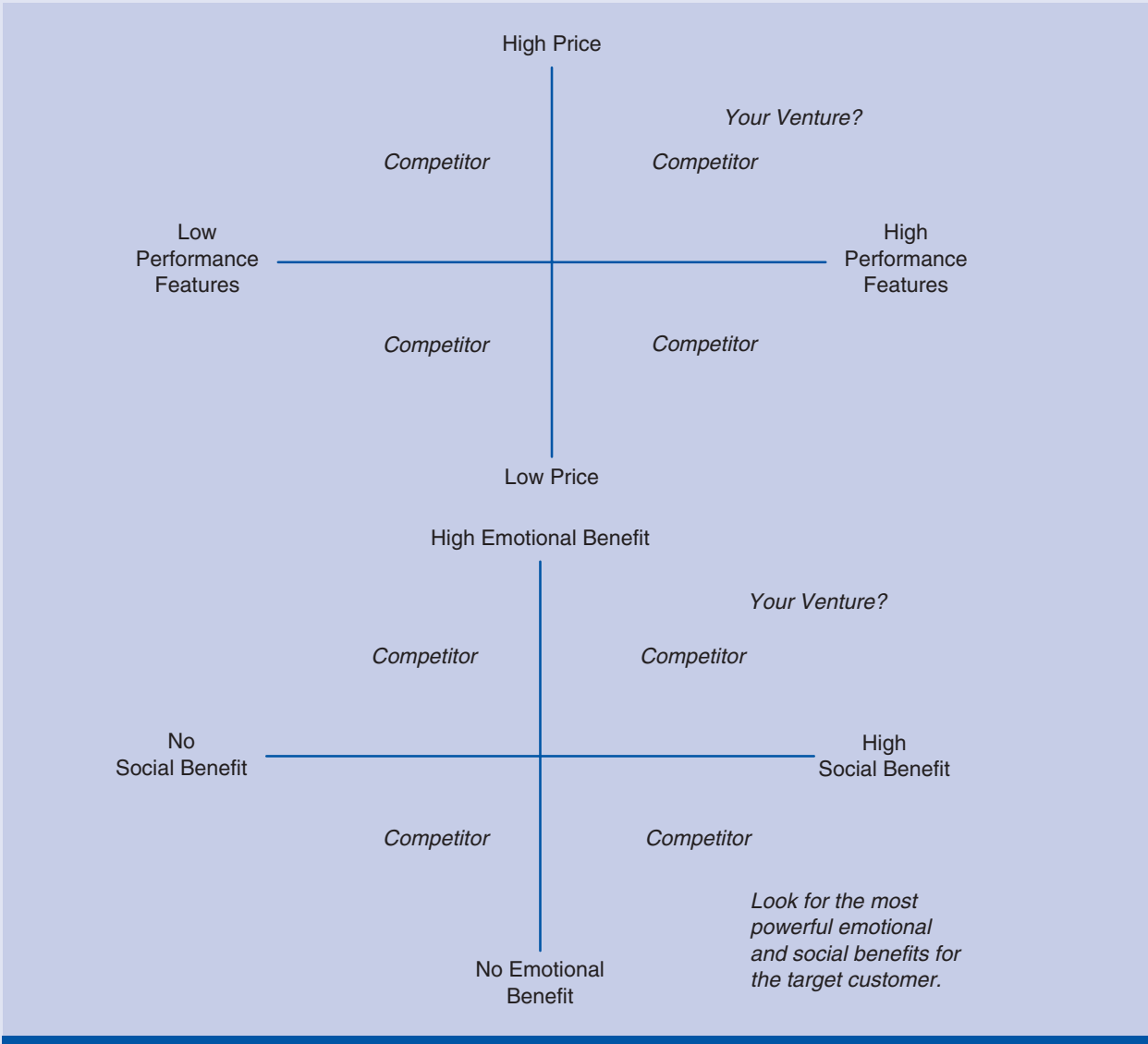


Figure 6.8 Perceptual Map Templates for Functional, Emotional, and Social Positioning

### Step 3: Do Your Emotional and Social Positioning

We have emphasized that emotional and social branding are very powerful marketing levels for new ventures. Now try to do it for your venture.

- Think deeply about your target customers. For consumer-focused products or services, how do your proposed products or services help them feel better about themselves or of the jobs that they are doing? Going back to Chapter 3, how will your company help them escape a certain fear or frustration? To live better or healthier, to experience or enjoy or learn new things? In other words, how might you put a smile on the customer's face?
- If you are selling to businesses, what are the subjective “hot buttons” that you might hit for important decision makers or stakeholders in your target customers? For example, some former students are starting a virtual mobile computing company that separates and protects company versus personal workspaces on tablet computers or Smartphones. Functionally, it creates firewalls, VPNs, etc. But emotionally, this software will allow the CIO of any large company to sleep a lot better at night knowing that thousands of mobile devices are now protected, secured, and controlled. It's the same thing as above: How do you put a smile on the customer's face, and in doing so, take away the frown or worry?

Social positioning is in many ways more direct. You tried to tie the features of your products and services into a larger societal need. If it is for a developed, advanced societal context, think health, wellness, education, security/safety, environment, and we suspect in the future, water and infrastructure resource management. Make a connection to something bigger and larger than your own specific company and its specific focus. And for ventures going after underdeveloped or developing markets—social ventures or new product initiatives aimed at base of pyramid (BoP) applications—the connections are the same, and in some ways, even simpler and more direct. Think about those connections, determine your social positioning, and bring it into your branding. Also, try to draw a second perceptual map that contains a combination of your emotional and social positioning. Refer to Figure 6.8.

### Step 4: Develop Names, Imagery, and Messaging Within Your Brand Architecture

Look at the Brand Architecture Template in Figure 6.8. Let's start to fill it in.

Take a moment to write down two or three company names, product or service names, and messaging for your company as a whole and for the specific products or services or features you want to provide. Then place them into the template in Figure 6.8. Keep improving your ideas on this template as you think about your branding over the coming weeks.

Some of you may have already begun designing the Website for your venture. If you have, that's great, and think about how your Website connects to the branding expressed in Figure 6.9. If you haven't started a Website yet, that's okay, but also think about how the design, imagery, content, and services might reinforce the branding in Figure 6.9. What will be your primary social media strategies for building awareness and hopefully a customer community on the Web? Most Websites are frankly flat, boring, and a one-way street for customers. How might yours cut through the clutter without being “cute” or “contrived”? How can you make your Website a place for customer learning, involvement, and engagement?

Target Customer: _____		Specific Messaging functional, emotional, social queues
<b>Company brand:</b> _____ (name)  Logo, color, imagery associated with company brand:		
<b>Product/service brands</b>	• • •	
<b>Feature/ingredients brands</b>	• • •	
<b>Web – social media strategies</b>	• • •	

**Figure 6.9** Brand Architecture Template

### TIP: CREATING BRAND NAMES FOR COMPANIES, PRODUCTS, AND SERVICES \_\_\_\_\_

Picking names can be hard. Try for obvious choices, however, and then keep plugging away if names, trademarks, and URLs are already taken. (This can be quickly checked by typing the name into a Web search engine. For specific trademarks, you can also check with the U.S. Patent and Trademark Office, [www.uspto.gov](http://www.uspto.gov), or its equivalents in Europe and Asia.)

As a checklist, considering the following:

- The company name needs to be not “taken” by someone else. Also, investigate the URLs. With all sorts of new URL suffixes coming into play (.net, .biz, etc.) you might have more options than just .com. Having said this, we think you still need a .com URL to provide a sense of credibility and seriousness for investors.



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- Product and service names should suggest key benefits, either functional, emotional, or social. “Bug-Be-Gone,” or “Safe Driver Insurance Plan” are examples. Look at the Websites of creative companies in your industry and see the most powerful brand names for products and services.
- Names for companies, products, and services should be distinctive and convey a positive meaning. Names should fit the company or product image.
- Color choices should reinforce that meaning and messaging.
- The name should have no legal or regulatory restrictions (e.g., the trademark and URL consideration).
- The name should be easy to pronounce and remember (even if it is in the life sciences!).
- If possible, product and service names should connect to emotional and social positioning uncovered as the ground work for a branding strategy.
- Names should translate easily into foreign languages.
- The name should have enough “flex” so as not to constrain the growth and expansion of the venture.

Whatever you call your company— its products and services, and the messaging behind them—will soon have to survive in a crowded and brutally competitive marketing space. You will be spending lots of time and money trying to build these brands. Give yourself a chance. Start with something good, something that you, your teammates, your friends, and prospective customers all agree has “legs”!

As you develop your first set of branding names and messages, run your ideas through the following four-item checklist:

1. Each branding element must be “relevant” and “meaningful” to your target customer. Everything, individually and collectively, must “resonate” deeply with that customer on more than a superficial basis.
2. All elements in your brand architecture must be mutually reinforcing; they must build upon one another in a “natural,” nonforced way that makes sense to the customer.
3. The overall brand and its various elements are easily understood by your customers and your employees. Nothing takes much of a further explanation.
4. Even better, can your proposed branding tie into a larger, sustained consumer, industrial, or social need? Safety, health and wellness, environment, optimizing the use of scarce resources, or learning and education for people of all ages, are but a few examples. This might give your branding some oomph! for the future—the possibility for a sustained presence in the marketplace. It might also inspire you and your teammates to know that you are doing more than just building a product or service. There could be something “larger” as a driving motivation.

## Step 5: Review These Templates With a Few Select, Knowledgeable Target Customers and/or Resellers

Assemble your versions of these last three templates—Figures 6.6, 6.7, and 6.8—and show them to a few knowledgeable customers. Just a few smart ones will do. And be sure to bring your pencil and eraser along for the ride! We promise it won't feel like "work"!

To conclude this chapter and its exercises, strong, integrated branding that is based in well-considered positioning along functional, emotional, and social dimensions is *as important* as the products and services you have designed in the prior chapters of this book. Most entrepreneurs save positioning and branding as an afterthought. Not you and your venture!. Applying these methods early in venture development sets the edge, an edge that will truly help you with early investors and customers.

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