

Brand Positioning and its Usefulness for Brand Management: the Case of Apple Inc.

The modern marketplace is an environment that exposes consumers to enormous amounts of information. Therefore, to create value and stand out from the crowd, marketers must give their brands meaning and relevance by creating a 'position' in the mind of the consumer. This paper acknowledges the importance of brand positioning and discusses its usefulness as a strategy for marketers and brand management, with particular focus on Apple's application of the concept in the marketplace.

Keywords: Apple, brand positioning, consumer behaviour, consumer decision making, marketing

Introduction

The modern marketplace is an environment that exposes consumers to enormous amounts of information. Therefore, to create value and stand out from the crowd, marketers must give their brands meaning and relevance by creating a 'position' in the mind of the consumer (Schiffman et al., 2014). "Positioning is not about the product but what the buyer thinks about the product or organisation" (Fill, 2005, p.321). This highlights both the importance and the subjectivity of the concept. Because the idea means different things to different people, there has been much literature written on the topic. While theorists have broken the concept down into baseline features, all of these strategies rely on the consumer perception and the symbolic values placed on products and brands (Sirgy, 1982). Theorists accept that consumers prefer products that are congruent with their own self-image and reject products that are not (Belk, 1988). For this reason, the image or position a product has in the mind of the consumer is more important to success than the product itself (Jamal & Goode, 2001). As a result, the determination of a positioning strategy is crucial to the success and financial value of the brand (Aaker, 2012).

Noting the above, this paper acknowledges the importance of brand positioning and discusses how the concept is a useful strategy for marketers and brand management. The practical application of the concept to the Apple brand

**Corresponding author. E-mail: bronwynpayne@y7mail.com*

demonstrates its importance. Apple is an excellent example because the company's use of unique positioning strategies has resulted in an extremely successful brand and a devoted customer following. The strategies relevant to Apple include umbrella or corporate positioning, positioning against competitors, positioning by attribute, positioning by price-quality, by filling several positions and use of packaging (Aaker & Shansby, 1982; Schiffman et al., 2014). Importantly, Apple contradicts some of the early notions of brand positioning. For example, Apples motto of 'making something good greater' defies the Ries and Trout (1985) importance of being first to market, confirming the ambiguity of the brand positioning process. Apple's success also supports the idea that the brand positioning requires continual monitoring and adjustment of strategies as the marketplace evolves (Aaker, 2012).

The common definition of a brand is "a product or service which a customer perceives to have distinctive benefits beyond price and functional performance" (Knox & Bickerton, 2003, p.999). Marketers communicate these intangible qualities via brand positioning techniques (Ries & Trout, 1981). The brand-positioning concept is particularly important in today's crowded market place where a multitude of brands compete for attention (Kotler et al., 2005). A consumer is only capable of receiving a limited amount of information therefore, marketers can use positioning to simplify the brand message and create meaning for the consumer (Schiffman et al., 2014). When used effectively, positioning is a powerful tool that is more effective than the characteristics of the actual product itself (Schiffman et al., 2014). This concept relies on the application of Maslow's needs hierarchy and the notion that a need is never ever fully satisfied (Kapferer, 2008). By stressing the attributes of their products, marketers can move beyond the utilitarian values of the product and address consumer needs using behavioural concepts such as imagery, symbolic value and self-concept to create a desired representation of a service or product in the mind of the consumer (Levy, 1959). These techniques are important to the success of a brand because consumers evaluate the relevance of brands by comparing them with the consistency of their self-image, purchasing brands that are congruent with this image and avoiding brands that are not (Schiffman et al., 2014).

Apple

A brand that has created an extremely successful position in the market is the Apple Corporation. Relying on a number of strategies, Apple has created an umbrella or corporate brand position that has resulted in a devoted loyal following (Goodson, 2011). An overall corporate brand is an important marketing strategy because a positive company brand image can result in a positive impact on brand extensions and new products (Knox & Bickerton, 2003). According to Aaker (2012), marketers should focus on the emotional and self-expressive benefits of a brand by introducing the brand as an organisation, a person and a symbol. Apple's famous 'Think different' campaign did this by providing a message focused purely on a consumer self-image that transcended product features¹. This demonstrates how Apple appeals to the consumer by providing validation namely,

¹ An example of this campaign can be viewed online http://techpinions.com/wp-content/uploads/2011/08/77607292_5d72023cea_b2.jpg.

that it is acceptable to be different, feeding the need for uniqueness (Schiffman et al., 2014). This position is life-processing oriented (Wolfe & Sisodia, 2003) and provides a deeper connection by leaving the consumer to complete the message subjectively and creating a corporate image of innovation and individualism (Sujan & Bettman, 1989).

The success of the 'Think different' campaign suggests that the traditional notion of absolute positioning (Ries & Trout, 1985) is no longer appropriate in today's marketplace and that conditional positioning is more relevant (Wolfe & Sisodia, 2003). Conditional positioning allows the consumer to define the marketplace and supports current trends towards pull marketing strategies (Lyon, 2009). 'Think different' provides a good example of this as it challenges the consumer on a subjective and emotional level offering power through technology by removing complexity from consumer's lives (Mackinnon, 2011). Airing only once, the television version of the advertisement has become one of the most famous commercials of all time (St John, 2014), highlighting the profound impact of the positioning strategy. Importantly, the advertisement was devoid of Apple products and as a result, it catered to the consumer self-image by focussing completely on metaphors, storytelling and the image in the consumer's mind (Wolfe & Sisodia, 2003). This lack of product focus is a recurring theme in Apple's modern advertisements. This marketing technique allows the company to send direct memorable messages, which subjectively reinforces the consumer centricity and originality of the company to the consumer (Sujan & Bettman, 1989).

Apple's strong corporate position also affects consumer perceptual interpretation by creating a halo effect (Schiffman et al., 2014). This is important to marketers because a consumer will appraise multiple objects based on the evaluation of one appealing dimension (Blankson et al., 2008). Using this concept, marketers can build on brand reputation and extend brand association to products or brand lines (Schiffman et al., 2014). The best Apple example of the halo effect is the iPod. The introduction of this product was a pivotal moment for Apple and allowed the company to rely on the music business to help boost overall corporate appeal (Marketing Minds, 2014). Trading on the iPod, Apple used the slogan "from the creators of iPod" to promote subsequent products with enormous success allowing Apple to enter entirely new markets with products such as the iPhone (Marketing Minds, 2014). Trading on the halo effect, Apple created a common user experience across all products and standardised its brand position. This reinforced consumer familiarity in keeping with the corporate brand position. Additionally, by filling several market positions, Apple successfully positioned against competitors by using new products and services to create a product thicket making it extremely hard for new market entrants (Blankson et al., 2008).

Positioning against a competitor is a commonly used strategy because it provides an implicit frame of reference (Kapferer, 2008). The 'Think different' campaign challenged the consumer to consider something better than the mindless attachment to the current market leader IBM (Wolfe & Sisodia, 2003).

Using IBM as a comparator, Apple established a position that signals to consumers what they can expect from the brand (Keller et al., 2002). There are two reasons for adopting this strategy, firstly by exploiting the established image of competitor IBM, Apple created a frame of reference making the brand position more memorable (Aaker, 2012)². Secondly, sometimes it is only important to be as good as or better than a competitor is (Kapferer, 2008). By drawing attention to market leader IBM, Apple becomes part of the consumer decision process when the consumer is ready to purchase (Gwin & Gwin, 2003). Positioning with respect to a competitor can also be an excellent way to position using a product attribute, especially the price/quality attribute (Aaker & Shansby, 1982). Apple's corporate position is a premium brand at a premium price, which aligns them with a less price sensitive customer (Switchtomac, 2009). This price/quality perception provides extrinsic cues to the consumer indicating that because the Apple product is more expensive than IBM it must be of higher quality (Kapferer, 2008).

Through clever and precise promotion of price and other key product attributes, marketers can successfully position their products in the minds of consumers (Schiffman et al., 2014). Focusing on benefit or attribute is the most commonly used positioning strategy (Aaker, 1982). Marketers can successfully use symbols and metaphors to communicate a brand's position, however they must be careful of contradictions. By highlighting a particular product attribute marketers can also accidentally imply that the product is lacking in some other feature (Keller et al., 2002). For example, when Apple launched the Macintosh in 1984 the company promoted the key benefit of being 'user friendly'³. However, by focusing on this benefit, consumers assumed that a personal computer, which was easy to use, would not be very powerful (Keller et al., 2002). Because power was an important determinant of choice, Apple addressed this perception by introducing new advertising that emphasised the power attribute of the product⁴. In doing so, Apple successfully repositioned the product in the mind of the consumer (Aaker, 2012). This highlights the importance of consumer perception to positioning strategies and shows how consumer assumptions and stereotyping can create an undesirable result (Schiffman et al., 2014). It also reminds marketers of the need to constantly monitor positioning strategies to confirm the message is correctly received (Getman, 2014).

Apple also positioned the iPod using product benefits and attributes; a product that commentators say has saved the company (Moorman, 2012). This time Apple moved towards an emotive positioning strategy that sold a lifestyle rather than a product using a silhouette themed iPod advertisement. In keeping with the Apple corporate position and personality, the advertisement contains memorable imagery with little emphasis on the product. However, this time the advertisements focused on what consumers did with the product rather than the iPod itself. This strategy allowed Apple to sell the consumer a membership to the

² An example of Apple's use of comparative advertising can be viewed online http://www.designtoday.info/donkeybluephonechair/wp-content/uploads/2012/11/IBM_THINK.jpg. This graphically illustrates the similarity between Apple's and IBM's advertising campaigns.

³ See an example of this online at <http://macmothership.com/gallery/Newsweek2/nw4.jpg>.

⁴ Illustrated online at <http://macmothership.com/gallery/testdrive/tdFront-Cover.jpg>.

Apple lifestyle, providing a sense of identity and belonging (Chazin, 2007). Apple also used unique design attributes to reinforce this position of membership. For example, the distinctive white headphones make the product highly recognisable. This allows the consumer to absorb Apple's brand personality affecting the self-image of both the wearer and the observer, providing the user with status and a feeling of community to the exclusion of the onlooker (Schiffman et al., 2014). This positioning strategy focuses on the self-actualising needs of the consumer promoting interest, desire and loyalty providing Apple with immunity from competitor marketing efforts (Schiffman et al., 2014).

By using the product or packaging in innovative ways, Apple communicates brand image to the consumer via multiple elements and the symbolism generated creates an inward and outward construction of self-identity and the social world respectively (Underwood, 2003). Famous for simple elegant designs of products and packaging Apple also use this positioning strategy to extend the consumer experience. By reducing complexities of installation, and starting with the packaging, Apple confirms that the box matches the product inside (Silayoi & Speece, 2007). The process is so important to the consumer that it has created the ritual of 'unboxing' whereby dedicated Apple fans film the opening of product packaging and voluntarily share the experience with the world via the internet (Chazin, 2007). When Apple introduced the bright colours of the Mac the company effectively used unique product design and packaging to help communicate brand position of style attracting creative consumers and liberating them from the notion of using a computer (Chazin, 2007). Apple instilled symbolism into products and ensured meaning to the consumer that transcended the tangible presence of the product (Underwood, 2003). Therefore, product design along with packaging play an important part in brand positioning because the consumer experiences symbolic benefits from the packaging via mediated and lived experiences with the product (Sirgy, 1982; Underwood, 2003). This makes it an important vehicle for brand communication and essential tool for marketers (Schiffman et al., 2014).

Conclusion

Positioning is a crucial decision for a brand because it ultimately affects the consumer's decision-making. Therefore, to be successful, marketers must create effective strategies (Schiffman et al., 2014). A successful brand that is distinctive provides a point of differentiation that resonates with the consumer. Ultimately, it is the position embodied in the brand that provides the meaningful relationship with the consumer through self-image congruence and resonance (Belk, 1988). Key positioning objectives take advantage of this relationship and position to encourage long-term value propositions (Aaker, 2012). The flexibility of brand positioning means that a company can also adopt differing brand strategies over the years without disrupting the brand identity (Aaker, 2012). This is important for brand survival. Overall, Apple's core identity of individualism and innovation has not changed; the company has merely identified different points of advantage over time (Aaker, 2012). These compelling points of difference have been difficult to copy; as a result, Apple has become one of the world's most valuable brands (Linzmayr, 2004). Acknowledging the success of Apple, brand positioning is a

powerful marketing strategy that has the ability to provide enormous competitive advantage (Schiffman et al., 2014). By focusing on the consumer rather than the product, marketers can apply positioning principles that increase communication effectiveness through simplified messages, and create something new in the mind of the consumer.

References

- Aaker, D. A. (2012). *Building strong brands*. New York City, USA: Simon and Schuster.
- Aaker, D. A., & Shansby, J. G. (1982). Positioning your product. *Business horizons*, 25(3), 56-62.
- Apple. (n.d.a). *iPod advertising campaign*. Retrieved July 2014, from <http://images.worldofapple.com/2011/10/iPod-ad-in-NYC-e1319330900523.jpg>.
- Apple. (n.d.b). *Original Macintosh position promoting the key benefit of being user friendly*. Retrieved July 2014, from <http://macmothership.com/gallery/Newsweek2/nw4.jpg>
- Apple. (n.d.c) *Repositioned Macintosh promoting the new attribute of power*. Retrieved July 2014, from <http://macmothership.com/gallery/testdrive/tdFront-Cover.jpg>
- Apple. (n.d.d). *'Think different' campaign*. Retrieved July 2014, from http://techpinions.com/wp-content/uploads/2011/08/77607292_5d72023cea_b2.jpg.
- Belk, Russell W. (1988) Possessions and the extended self, *Journal of Consumer Research*, 2 (September), 139-68.
- Blankson, C., Kalafatis, S. P., Cheng, J., & Hadjicharalambous, C. (2008). Impact of positioning strategies on corporate performance. *Journal of Advertising Research*, 48(1), 106-122.
- Chazin, S. (2007). *Marketing Apple. 5 secrets of the world's best marketing machine*. Retrieved July 2014, from http://www.marketingapple.com/Marketing_Apple_eBook.pdf.
- Fill, C. (2005). *Marketing communications: Engagements, strategies and practice*. New Jersey, USA: Prentice Hall.
- Getman, P. L. (2014). *Launch a brand: Strategic brand positioning*. Retrieved July 2014, from <https://microarts.com/launch/MicroArts-Launch-Strategic-Brand-Positioning.pdf>.
- Goodson, S. (2011). *Is brand loyalty the core to Apple's success?* Retrieved July 2014, from <http://www.forbes.com/sites/marketshare/2011/11/27/is-brand-loyalty-the-core-to-apples-success-2/>.
- Gwin, C. F., & Gwin, C. R. (2003). Product attributes model: A tool for evaluating brand positioning. *Journal of Marketing Theory and Practice*, 30-42.
- IBM. (n.d.). *"Think" advertisement*. Retrieved July 2014, from http://www.designtoday.info/donkeybluephonechair/wp-content/uploads/2012/11/IBM_THINK.jpg.
- Jamal, A., & Goode, M. M. (2001). Consumers and brands: A study of the impact of self-image congruence on brand preference and satisfaction. *Marketing Intelligence & Planning*, 19(7), 482-492.
- Kapferer, J. N. (2008). *The new strategic brand management*. London, United Kingdom: Kogan Page.
- Keller, K. L., Sternthal, B., & Tybout, A. (2002). Three questions you need to ask about your brand. *Harvard business review*, 80(9), 80-89.
- Knox, S., & Bickerton, D. (2003). The six conventions of corporate branding. *European Journal of Marketing*, 37(7/8), 998-1016.
- Kotler, P., Wong, V., Saunders, J., & Armstrong, G. (2005). *Principles of marketing*. Harlow, United Kingdom: Pearson Education Limited.
- Levy, S. J. (1959). Symbols for sale. *Harvard business review*, 37(4), 117-124.
- Linzmayr, O. W. (2004). *Apple confidential 2.0: The definitive history of the world's most colorful company*. San Francisco, USA: No Starch Press.
- Lyon, E. (2009). *Digital marketing: The new push / pull dynamic*. Retrieved July 2014, from <http://www.sparxoo.com/2009/06/22/digital-marketing-the-new-push-pull-dynamic/>.
- Mackinnon, L. A. K. (2011). *What can we learn about thinking differently from studying Apple's 1997 'Think different' advertising campaign?* Retrieved July 2014, from <http://www.think-differently.org/2011/04/what-can-we-learn-about-thinking/>.
- Marketing Minds. (2014). *Apples branding strategy*. Retrieved July 2014, from http://www.marketingminds.com.au/apple_branding_strategy.html.

- Moorman, C. (2012). *Why Apple is a great marketer*. Retrieved July 2014, from <http://www.forbes.com/sites/christinemoorman/2012/07/10/why-apple-is-a-great-marketer/>.
- Ries, A & Trout, J. (1981). *Positioning: The battle for your mind*. New York City, USA: McGraw-Hill.
- Schiffman, L., O'Cass, A., Paladino, A., & Carlson, J. (2014). *Consumer attitudes – attitude development and change in consumer behaviour*. Melbourne, Australia: Pearson.
- Silayoi, P., & Speece, M. (2007). The importance of packaging attributes: A conjoint analysis approach. *European Journal of Marketing*, 41(11/12), 1495-1517.
- Sirgy, M. J. (1982). Self-concept in consumer behavior: A critical review. *Journal of Consumer Research*, 287-300.
- St John, A. (2014). *12 lessons in creativity from the greatest super bowl ad ever*. Retrieved July 2014, from <http://www.forbes.com/sites/allenstjohn/2014/01/31/12-lessons-in-creativity-from-the-greatest-super-bowl-ad-ever/>.
- Sujan, M., & Bettman, J. R. (1989). The effects of brand positioning strategies on consumers' brand and category perceptions: Some insights from schema research. *Journal of Marketing Research*, 454-467.
- Switchtomac. (2009). *Understanding Apple's positioning*. Retrieved July 2014, from <http://switchtoamac.com/site/understanding-apples-positioning-part-1-a-premium-brand-at-a-premium-price.html>.
- Underwood, R. L. (2003). The communicative power of product packaging: Creating brand identity via lived and mediated experience. *Journal of Marketing Theory and Practice*, 11(1), 62-76.
- Wolfe, D. B., & Sisodia, R. (2003). Marketing to the self-actualizing customer. *Journal of Consumer Marketing*, 20(6), 555-569.



© 2017 The Author. This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc-nd/4.0/>.