

Different Light: Category Marketing



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What is category marketing? It's looking at your brand/consumer relationship in a totally 'different light' of possibility in categories of which you do not find yourself as part (video).



It's both exciting and empowering idea that has been around for a long time can be a great way to infuse new campaigns with a greater purpose.

FMCG, automotive, fashion, sports and electronics brands are all familiar brand categories. Within these silo brands compete in cluttered communication spaces and pressure is extreme.

Could a brand like Samsung benefit by exploring 'foreign' categories such as fashion, sports or even finance?

What category space do you think you occupy? What space could your brand occupy? How can bigger picture 'category awareness' take your brand to the next level...

Case studies

The Coca-Cola Company: In an interview for the popular documentary series 'Secrets of Superbrands', The Coca-Cola Company confidently state that they don't actually compete with other soft drink manufacturers. Instead, they compete for what they are terming 'share of throat'.

So in their mind, coffee, alcohol, juice and even water form part of their competitor set. If you are drinking anything not produced by them that's loss of market share.

Red Bull: Another great example of a brand redefining and broadening their category is Red Bull. Although you may think

of Red Bull as an energy drink, they consider themselves an events company. Red Bull as an event company is a more credible and compelling brand building story than Red Bull as energy drink company.

Another fun way to look at McDonalds could be that they are the biggest global distributor of children's toys.

Their expansion into an edgy sporting/event brand has cemented them in the minds of consumers and created a powerful personality. They place their marketing focus on marketing events like Red Bull Big Wave Africa, Red Bull Air Race World champion, Red Bull Flugtag, Red Bull F-1 Racing and the biggest online media event in history Felix Baumgartner's jump from the edge of the atmosphere.

Google: The Google brand is fulfilling a category much greater than 'search engine', they could be argued as being one the world's biggest communications (advertising/media) agencies as well as a search engine.

The purpose, they believe in is 'the power of sharing information' - democratising information to the world, no matter what form it comes in. It's their advertising/media vehicle that is there and main source of revenue. Google's total advertising revenues were US\$42.5bn in 2012

McDonald's: McDonald's too has made its success by re-evaluating the true category of their business and brand model. They have used real estate as the backbone of the business not only hamburgers. Buying or selling locations, and also charging rent to the franchisees. Another fun way to look at the McDonalds brand in terms of an alternative "category" could be as the world's biggest distributor of children's toys!

FNB: First National bank (FNB) has started to make inroads in 2013 as a provider of connectivity services traditionally reserved for service providers like MTN and Vodafone through VoIP and other next generation online communications tools. They are moving into full lifestyle services versus simply a financial service.

Kodak: Things don't always have happy endings in the shifting world of category marketing, as the Kodak case illustrated: Their category completely eroded as the world changed from film photography technology to digital photography technology, their brand slipped into obscurity from being the most powerful player in their category.

Exploration and imagination

Digital branding often allows for rapid re-perception and repositioning. How can brands balance trade-offs between existing brand equity at the cost of innovation? Social media listening is often a fantastic basis for research & development of a brand expanding into alternative categories.

You can create a new category or even imbue your brand with greater status by taking on unexpected competitors and winning. Samsung is turning the tide on Apple by daring to take on so much more than just personal computers/smartphones. Now brings 'converged' technology from home appliances to personal computing all the way to biometrics and medical innovations.

Some important 'thinkers' from past eras have also been fascinated with the idea of categories. Immanuel Kant/Aristotle spent some time philosophising about categories too, and they claimed that several generic categories could be considered of anything:

- 1. Substance
- 2. Quantity
- 3. Quality
- 4. Relation
- 5. Action
- 6. Affection
- 6. Place

- 7. Time
- 8. Position
- 10. State.

Can these 10 be the starting block for any brand manager to start imagining stronger, broader and fresher categories in which their brands can dominate and flourish?

To examine a few of these aspects of category that could lead to innovation:

Examples:

- 4. Relation: How can consumers relate to my brand differently?
- 5. Action: Can my brand be actively used in a different way that it's originally intended purpose?
- 6/7. Time/ Place: How can my brand develop its times/places of consumption?

"Category of One" is an ideal driver of differentiation in a cluttered category. This principle of management maintains image expectations or/and preferences about a new category.

By developing your brands category, you give more people more opportunities to connect with your brand. Often you got to fish where the fish are? But sometimes you got to stop being piscatorial and go vegan! (Or go full carnivore.) The point is that you could start eating someone else's lunch or create something new on the menu.

Purpose as a way to redefine category

A brand can be more than its product/service offering, and Simon Sinek's 'golden circle' theory seems especially relevant in this context: "People don't buy what you do; they buy why you do it."

It's the seventh most viewed TED talk and for good reason.

In a nutshell powerful brands begin with the question WHY, and then ask HOW, then finally WHAT? Different Light: Category Marketing might be a way to inspire and broaden your "WHY" and therefore category of consumption in the minds of consumers.

See the full Slideshare on Different Light: Category Marketing here.

ABOUT MATT ROSE

Matt Rose, avid trend watcher passionate about SA's people, is a senior strategic planner with Promise Brand Specialists (JHB), specializing in market research, shopper marketing, behavioral psychology. He brings a grounded, often controversial approach to uncovering consumer insights. Honours include 2010 Loeries finalist (Digital) and 2011 Cannes Lions shortlisting (Digital). Ernail mlw rose-gymail.com, follow himon @mlwrose Twitter, connect LinkedIn.

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