

Play Your Position!

Marketing Lessons 3PLs Can Learn From Youth Soccer

Ever watch little kids play soccer? To them the ball is like a magnet that they follow, in one big pack, from sideline to sideline. They want to score, and you can't score without the ball, right?

So they bunch up and battle it out while, on the sidelines, the forlorn coach can be heard yelling in vain above the crying babies, screaming players and cheerleading parents, "Play your position!"

The irony the coach recognizes is that scoring chances greatly increase if players stop chasing the ball and, instead, stake out a position on the field and wait for the ball to come to them. 3PLs often make the same mistake as the six-year-old soccer player. They want to be part of every play. But in an increasingly competitive market, a "we'll do anything for anybody" message won't cut it. Customers know you can't be an expert at everything. And even if you wanted to, you couldn't afford it.

The alternative is to leave this "opportunity du jour" marketing strategy behind and define your positioning in the market. Decide what area of the playing field you want to occupy and control, then go for it.



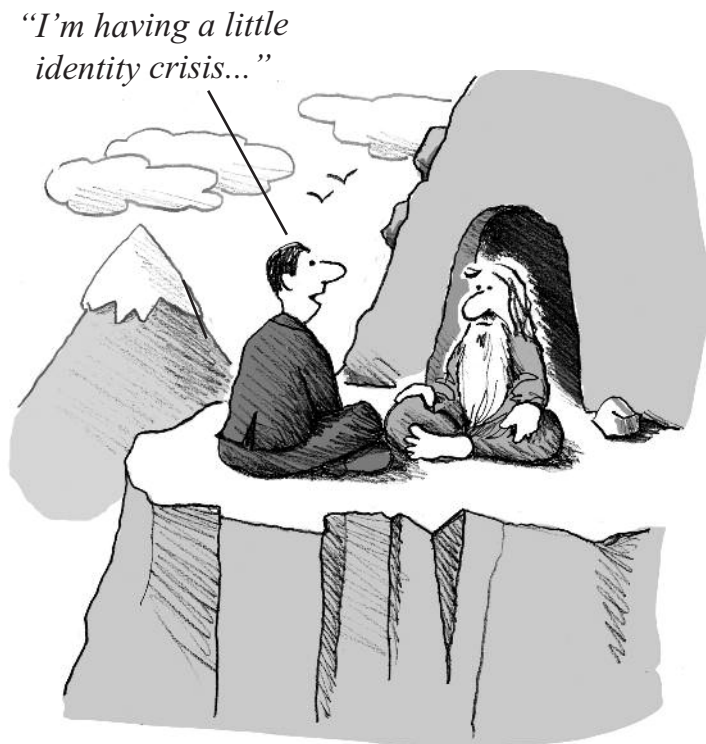
Why Positioning?

When you define your position in the market, you define your marketing destination – the perception your messages are designed to create.

Without a clear positioning, it's hard to intelligently assess specific marketing tactics and messages because, as the Cheshire Cat suggested to Alice, "If you don't know where you are going, any road will take you there."

Examples of positioning strategies are all around us. In the auto industry, for instance, Volvo's are positioned as safe cars, BMW's are drivers' cars, while Mercedes are positioned as prestige cars. Smart brands are willing to sacrifice parts of a very large market in order to win a big share of a specific market segment. With the U.S. outsourced logistics market now at \$150 billion, even small segments offer plenty of growth potential.

But many 3PLs are not comfortable with market strategies that they perceive as limiting. Consequently, their "middle-of-the-soccer-field" messages remain general and undifferentiated.



The problem with this becomes more obvious when you put yourself in the place of the increasingly cynical buyer of logistics services, who is bombarded with thousands of messages daily, including those from logistics providers. When she reads on a 3PL web site or in a sales letter that “The road to your success starts with ABC Logistics, which offers unparalleled support for all your supply chain needs,” she tunes out. Why? Because minds are limited and can’t process all the information to which they are exposed. Vague over-promises such as this fall victim to selective perception.

So, who wins in this little battle for mindshare? Not the prospective customer, who learns nothing of the provider. And not the 3PL, who has just wasted part of its marketing budget.



Developing a Positioning Statement

Your brand's positioning statement is essentially a 30-40 word elevator pitch that tells people who you are and what you do. It's your opportunity to clearly define your brand's value and set yourself apart from the competition.

Here are a couple of examples from outside the logistics industry:

Car Maker: VOLVO is family automobile that gives upscale American families the ultimate in safety and durability.

Life Coach: Julie Jones is a certified life coach that helps stay-at-home moms re-enter the workforce. Unlike other life coaches, Julie Jones maintains a limited client load in order to deliver a more personalized coaching experience.

So how do you develop a positioning statement for a 3PL? Let's start with what NOT to do. Don't gather a bunch of company staffers in a boardroom for the purpose – yet. Good positioning strategy starts on the outside.

First, consider your customers. What do they look like? (Your best prospects often look like your existing customers.) Why did they choose you? What are their needs and biggest frustrations? What are your prospects' needs and frustrations?

Then look at your marketplace. What trends are impacting your business or the markets you serve? How do you stack up against competitors?

Finally, examine your own strengths and weaknesses. What are the unique ways in which you drive value for specific customers?



"I get off on twelve."

The best positions are typically found at the intersection of the customer's challenge, current and future market trends, and your company's strengths. Consider all three and develop positioning options based on your analysis.

Here's a structure you can use:

ABC IS A _____(insert specific category of company, such as regional warehousing, global freight forwarding, etc)

COMPANY THAT HELPS _____(insert specific target market)

TO _____(insert the one *primary* benefit you seek to deliver; avoid laundry lists).

UNLIKE _____(insert specific competitors or category of competitors),

ABC _____(insert point/s of difference that provides prospects a reason to believe you can deliver on the promised benefit).



This may seem like an easy fill-in-the-blank exercise, but it's deceptively hard because it forces you to make choices. The worst statements are highly general and really not positioning statements at all. The best are important (to your prospect), believable (can you pull it off?), differentiating (does it truly set you apart?) and simple (will they remember it in five minutes?).

Come up with a few options and test them – with customers, with prospects, with colleagues in the industry. Once you've shared your statement, ask each person to recap what they heard. More general statements are likely to have the worst recall.

Remember that positioning statements embody not just a message strategy, but a business strategy. A 3PL that positions itself as a port logistics specialist should have knowledge of and solutions for freight forwarding, drayage, transloading, customs brokerage and other import/export-related logistics services.

Direct Your Message to Those Most Likely to Buy

Once you understand your unique value proposition and the prospects who offer the best fit with this value proposition, stop trying to talk to everyone! Talk directly to the companies that are most likely to buy, even if the medium (e.g., advertising) reaches a broader audience. With focus, your generic messages become aggressive, targeted communications with a clear promise and point of view.

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Positioning Becomes More Important in a Consolidating Market

Third-party logistics is a consolidating market increasingly made up of large generalist providers that offer scale and convenience and specialist providers that offer focused expertise. In the middle are the small and mid-tier generalists who offer neither scale nor expertise in a specific service, solution, industry or geography. For these providers, it may be wise to follow the advice of the youth soccer coach and play your position. After all, it's better to kick the ball three times and get two goals, than kick it 10 times with nothing to show.

About the Author

Jim Bierfeldt has directed marketing for major third-party logistics providers and today is president of Logistics Marketing Advisors, a firm that (get ready for the positioning statement) helps logistics businesses define and communicate their value, and then translate that value into revenue. Contact him at jim@logisticsmarketing.com.

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The 5 Deadly Sins of 3PL Marketing examines common marketing mistakes made by 3PLs, and how to fix them.

