

Tips for crafting a corporate positioning

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The CEO had a problem. Customers, employees, Wall Street analysts and other stakeholders saw his company as a specialty parts supplier, but it was more than that. The \$3-billion, middle-market firm had moved into environmental-protection products and services, but they were complex and sold only to businesses. Customers didn't grasp the change because the company marketed 5,000 components and services: Any one customer bought no more than 50. Employees didn't understand because they were in seven divisions engaged in their own markets. Stock analysts looked at components, where 70 percent of the firm's revenue was earned, but not at environmental solutions where the firm was moving.

The CEO knew the flexibility of the company depended on gaining better awareness of where it was going. He knew upcoming changes in operations would require better understanding of what he was trying to do. He considered corporate advertising, but it made little sense for a BtoB firm. He researched a brand-image study, but changing the logo to make it more environmentally friendly seemed unnecessary. He decided on a public relations campaign with media relations as a central element.

The PR counselor faced a challenge – how to present a complex manufacturer as a credible and compelling news story to skeptical business media, especially when newsroom budgets were being cut and business coverage scaled back. The counselor knew her first task was to learn the company. Her second task was to describe it in a simple positioning statement from which newsworthy story ideas could flow.

She printed key pages from the firm's web site and those of leading competitors. She called the CEO's office and asked for material. Five days later, a Federal Express employee delivered a box stuffed with 10ks, annual reports, sales brochures, analyst presentations, planning documents, DVD's, a corporate history and a schedule for interviewing 12 top executives. Staring at the heap, she felt panic, but she had felt that before. Being overwhelmed was natural, but crafting a positioning statement was achievable.

Getting started

Constructing a positioning statement is the skill of finding connective tissue among company activities that differentiates a business from competitors. Many times linkages are not apparent and sometimes, especially with conglomerates,

there is no visible connection among operating units other than financial. However, there might be hidden links, especially in company culture.

Finding what binds a company together often requires plowing through detail, where it is easy to get lost and forget what you are doing. There are, however, practical steps to keep from losing focus.

- **Start with secondary materials.** Digest and outline secondary materials before interviewing executives. There is little to be gained by going over ground that one should have known before an interview has started. The rule of thumb is “Read first: Question later.”
- **Prioritize materials.** 10ks are more useful than product brochures, analyst presentations usually fresher than annual reports. There is only so much time to get through mounds of secondary information. Know where to look first. Make sure to review financials and the sales process. Knowing how a company markets itself can tell one how a company sees itself.
- **Highlight key points** as you read. This simple first step helps one move quickly through materials, but highlighting isn’t enough. Key points have to form a story.
- **Stay organized.** Plowing through secondary information should build a picture of the company. If there is nothing but jigsaw detail at the end of research, you have missed connective tissue.
- **Work quickly.** PR practitioners do not have the luxury of conducting long and expensive studies: CEOs are impatient. PR’s goal is to make do but remain accurate.
- **Digest to understand.** Positioning is induction, not deduction. It describes a company as it is and is striving to be. It doesn’t depict what isn’t there. Detail tells you what a company is. The essence of a company may lie in seemingly insignificant matters.
- **Be pragmatic.** PR cannot stray too far from a CEO’s view but can suggest modifications with evidence. For example, had the CEO called in the PR counselor when environmental products were just 10 percent of revenues and earnings, the counselor would have had a difficult time making the CEO’s case. The CEO was intelligent enough to wait until he had enough business before moving forward with a PR program. However, this doesn’t always happen. Counselors may have to “walk a tightrope” between CEO demands and factual accuracy.
- **Isolate themes as you work.** There may be several themes. Record them all. Eventually they tend to coalesce into a position.
- **Build an outline of key points into a logical flow.** This is a tedious but essential task. Extract key highlighted points from secondary documents

and order them into a rational construct. Often a positioning for a company will become clear as an outline grows, but don't expect it. Be prepared for an outline that runs as many as 15 to 20 pages.

Interviews

Prepare interview questions from the key points outline. Focus on strategy and gaps in your knowledge. Ask questions that convey your understanding of secondary materials and guide executives to a deeper level. Tell executives up front that you are trying to understand the company. This sets the scene for a more productive interview and removes misunderstandings of why you are there. It also helps to present competitive research in order to clarify differentiations among competitors. Be prepared for executives who parrot party lines. Nudge them from spin into substantive discussion, if possible. Listen for offhand comments that spark insight. Sometimes a key to an interview is a throwaway line that reveals a gap in the interviewer's knowledge. It comes often in a reference to a business unit or policy or process that has not been discussed in secondary material. Exploration of this unknown can open new insights into the positioning of a company.

Some executives are hard to engage and others are open. Most importantly, some have different views and the extent of divergence about what comprises a company tells a communicator whether there is an overall sense of corporate positioning or not. It is important as well to distinguish between conviction and differentiation. E.g., For example, the CEO might maintain that the company's environmental products distinguish it from competitors, but competitors may have moved into environmental products as well.

One may record interviews or take extensive notes. My preference is to take notes. Transcribing interviews takes time and results usually have elliptical remarks that are hard to decipher. Even so, typing notes may fill 15 or more pages single-spaced.

The important step in processing interviews is to summarize notes to key points and to incorporate them into the outline. This may require significant changes to the outline, but with outlined secondary materials and interviews, the communicator has an organized body of knowledge leading to the next step.

Journalistic whitepaper

A journalistic white paper is equivalent to an extensive corporate profile in a major business medium such as *Fortune*, *The Wall Street Journal* or *BusinessWeek*. It is written with the reader in mind. In this case, the reader is a reporter or editor who has an interest in a company, knows little about it and might be searching for story ideas. The idea behind the white paper is to provide the corporate positioning as well as story lines that a journalist might pursue – all

buttressed solidly by facts. The journalistic white paper doesn't replace reporting but supplements it. The reporter can refer to the facts packed into it in the same way that he might refer to a fact sheet except in a journalistic white paper, facts are placed in context of corporate positioning.

Use the key points outline as the basis for writing an outline for the journalistic white paper. Choose a theme for the outline that summarizes what you know. This theme will be the corporate positioning. If the theme is too long or complex, it won't work. Write one, simple sentence, and tie each word in the sentence to facts. If you cannot find a common theme, move the concept a step higher and try again. If you have a number of iterations of a possible theme, choose the simplest one. Usually, except in the most disparate of companies, a theme has emerged before writing of the journalistic white paper begins. For example, with one multiple-division company that made many kinds of products, there was one common theme – its products made customers more productive. Underlying all of the company's engineering and research was an effort to achieve greater productivity. The beginning of the journalistic white paper, then, was a series of examples using different products and how these made customers' work better, faster and less expensive. And, even though engineers and managers in one division had few dealings with engineers and managers in other divisions, they all related to the productivity theme.

The outline for the journalistic paper should prove the theme and support it in depth with facts taken from the key points outline. Circulate the journalistic white paper outline to key executives before writing the paper itself. This gives executives a chance to see where the document is going and to correct errors. Be prepared for discussion, if there are divergent views about a company. The white paper outline might present for the first time a common viewpoint to which executives are reluctant to subscribe. Be prepared for skeptics within the company. Sometimes, an executive will even ask that his division be kept out of a journalistic white paper because he disagrees with the approach or with telling competitors what he is doing. In fact, the CEO might have to forge a consensus around the outline that otherwise might derail it. However, once the whitepaper outline is approved it becomes the positioning for the company.

There are rules of thumb for writing the paper itself. Keep it readable. Eschew jargon. Explain complexities. Edit harshly. Cut words to essentials for fast reading and minimal spin. Don't be surprised if the initial draft of the white paper again sparks discussion. This is common for people working inside a company who see trees but not a forest. A shift in perspective can be disorienting. However, don't let a white paper become bogged down in argument. Too often it happens that the work one has done goes for naught because executives disagree. As with the outline, it is up to the CEO to push a white paper through to approval and to establish it as a central document to which executives refer.

It's not easy

The PR counselor spent a month digesting secondary materials, writing a key points outline and talking to key executives about the company. She discovered widely divergent views about the corporation and its activities. With some difficulty, she crafted a simple sentence that summarized the divergent businesses in which the company operated. It wasn't perfect, she knew, but it was close. Her outline for the journalistic white paper sparked days of discussion and a dozen or so changes to supporting facts. Her first draft of the paper made it through the leadership council with fewer emendations, but there were still executives who had strong disagreements. The CEO approved the final white paper by the end of the second month and she began contacting media. Her command of the company's positioning made her presentations more persuasive, and by the end of the third month, she had arranged an editorial board for the CEO to tell the company's story. However, it was a year before most of the executives in the company accepted the whitepaper as an accurate description of the company. One who was in charge of a key division refused to participate for two years, then relented when he saw the positive stories the PR counselor had generated. He became an enthusiastic supporter of the PR counselor. It never entered the PR counselor's mind to say, "I told you so."

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