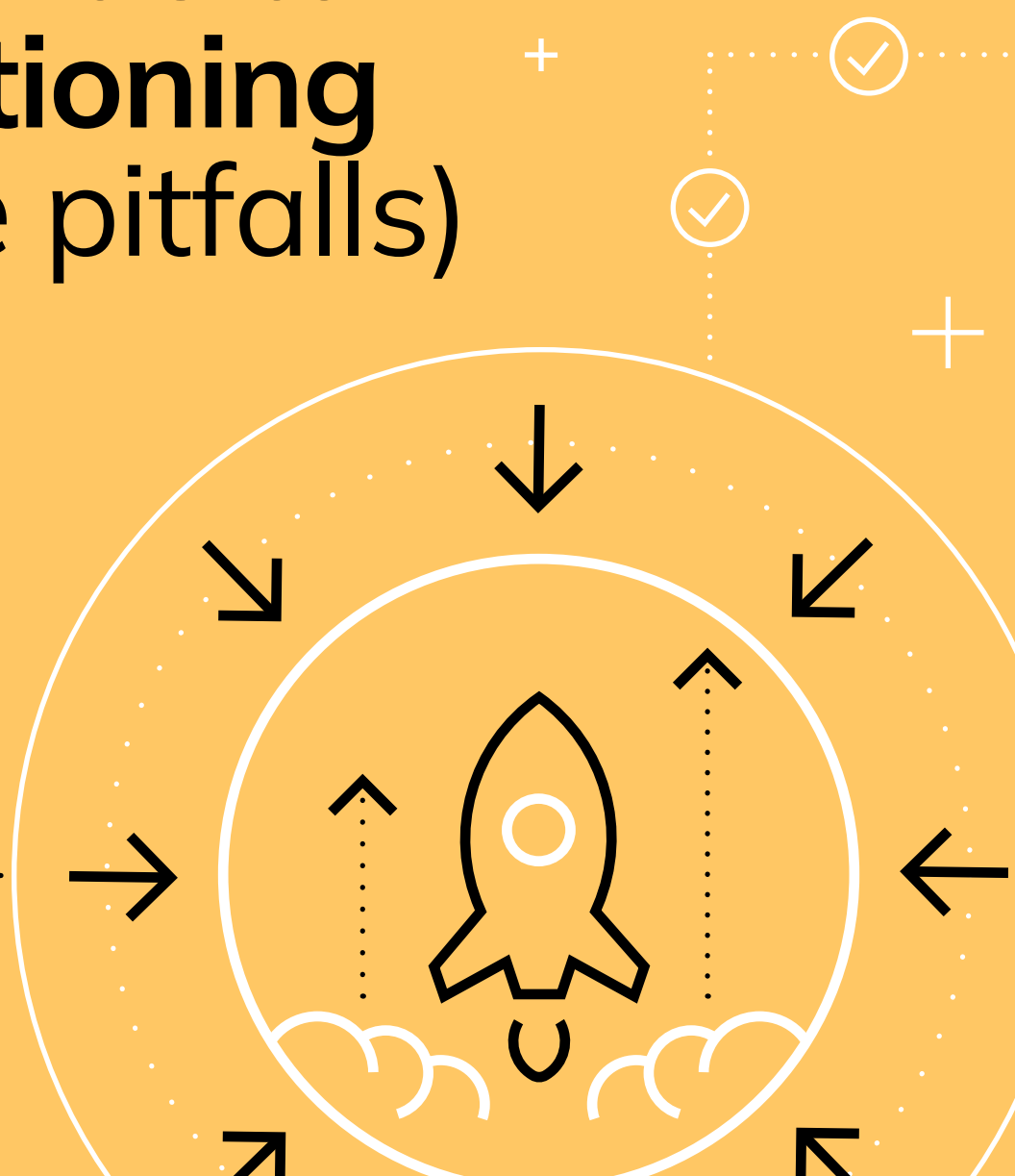
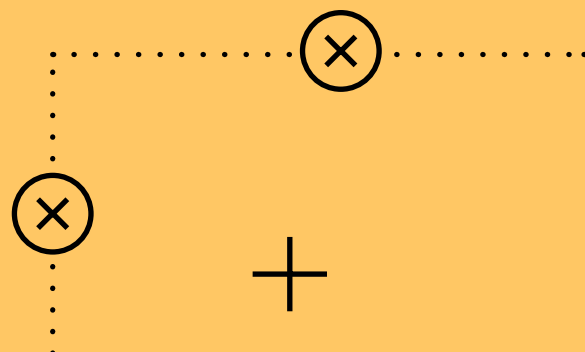


The B2B SaaS guide to nailing your positioning (and avoiding the pitfalls)

How to approach the giant thing at the very centre of your business.



Why is positioning so important?

It covers what you sell, how you sell it, who you sell it to, and who you compete with.

Been through a startup phase? You probably had a broad approach to selling. You identified some good targets, learned rapidly from each interaction, and adapted your sales pitch continuously.

Through these interactions, your customers gave you a picture of what was working – and that dictated your approach.

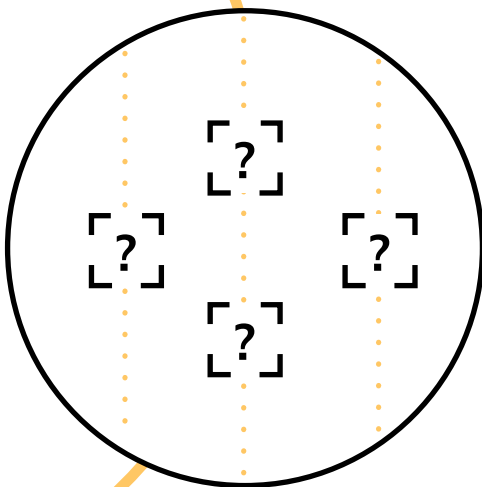
But when you hit the scale up phase, the tables turn.

A positioning goes right to the heart of your business.

Because, you can't be *everything* to *everyone* at scale. To make progress, you need to get more hands on.

This is where a strong positioning can help you:

- Galvanise your teams around a clear and compelling narrative
- Get your ideal customers to lean in
- Make ill-fitting customers step away
- Identify your USP for customers
- Focus your product development team on what to develop
- Inform your sales team how they should sell
- Find the right market category for your business
- Steal a march on your competitors



But as a scaleup, getting these benefits isn't a walk in the park.

You now have a growing list of employees you need to get aligned across different teams – especially sales and marketing. Your product has also evolved (along with your list of competitors).

And if you get your positioning wrong, it'll wreak havoc on your pipeline, your brand, and well...your entire business.

The good news? We've brought together a team of industry experts who've made careers out of wrestling down positioning challenges and distilled their insight onto this eBook.

Not to mention their top tips on the multiple pitfalls you need to avoid on the way.



— Let's dive in.

Contributors

Let's meet the brains behind this eBook's insights:



Erik Syrén

— Managing Director, Operations Lead, Monterro

Erik has over 20 years experience innovating in the B2B SaaS world. Over his impressive career he's been CEO of Lime Technologies, and board member of several B2B software companies. Over this time he's helped the businesses he's worked at overcome just about every positioning challenge imaginable. At Monterro, Erik uses that experience to help our portfolio companies ensure their positioning journey is a success.



Stan Woods

— CEO, Velocity Partners

Stan is another B2B tech positioning strategy supremo. Strangely enough, Stan started out in military intelligence, then found himself heading up the UK's biggest tech PR company (Brodeur), before co-founding Velocity Partners. [Velocity is a B2B tech marketing agency](#) that has helped hundreds of ambitious tech businesses unlock new value through a blend of meaning, metrics, and mojo.



April Dunford

— Author, Advisor, CEO Ambient Strategy

April is a bonafide B2B tech positioning superstar. She spent the first 25 years of her career as a startup executive, running marketing, product, and sales teams. Since becoming a consultant, she's helped over 200 companies with gnarly positioning challenges. That not enough? She's also written two hugely successful books: Obviously Awesome and Sales Pitch. [Be sure to check them out.](#)



Bob Egner

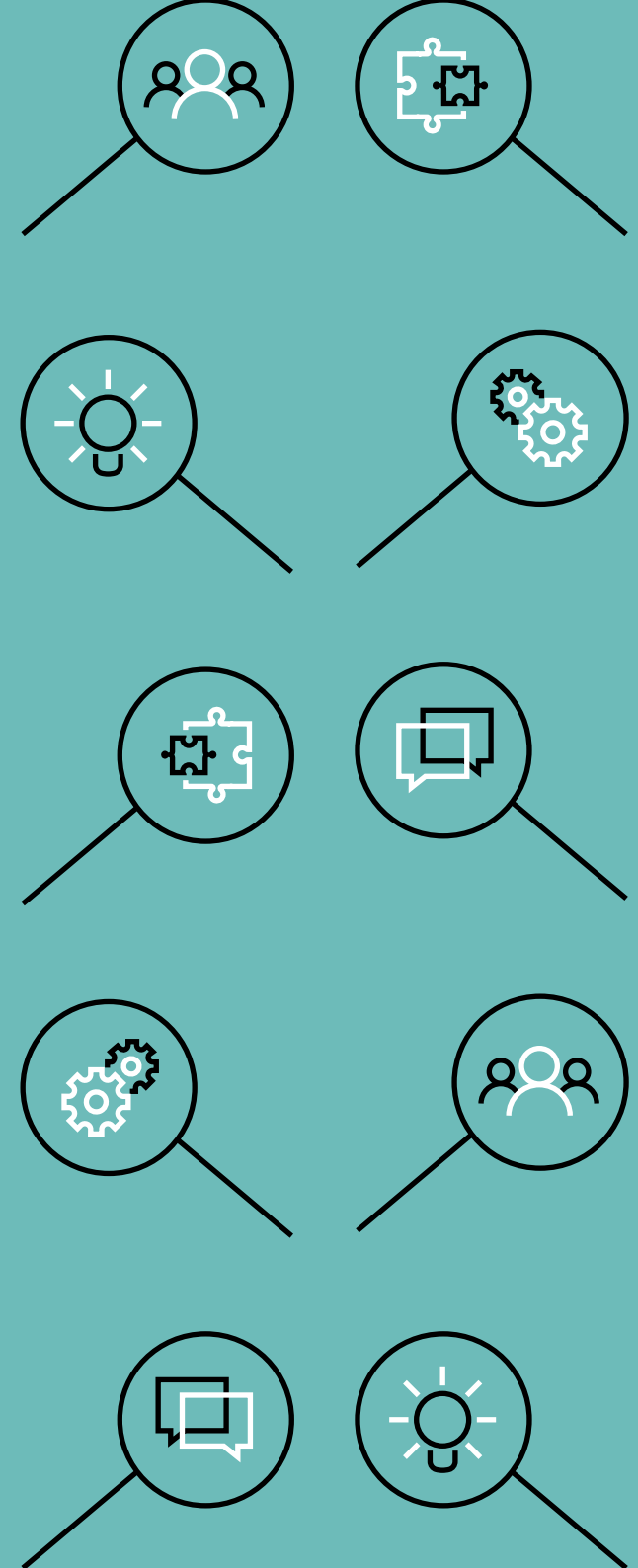
— CMO, Viedoc

Bob has the kind of B2B marketing, product management, and business development experience most folks dream of having. [He's carved out a reputation as a guardian of customer value](#) and experience, helping growth-minded businesses set themselves apart from their competitors. Bob's helped innovative companies such as Outpost24, Episerver, Check Point Software, and Pointsec (to name just a few) achieve their most ambitious goals.



Before you start: Get clear on what positioning is

Don't be one of those businesses that jumps headfirst into messaging or market categories without knowing what a positioning *actually* is...



A positioning is the foundation of your entire business.

Internally, it galvanises teams around what you develop and sell. It informs how you market it and identifies the specific ideal customer profile (ICP) you want to target. It also defines the *differentiated value* you create for those customers.

Externally, allows customers to understand(and get excited by) that differentiated value. It's why a positioning should be clear, authentic, well-researched, and compelling.

A **positioning is not** a vision statement about theoretical value. It's not a short-term campaign message or tagline that sits next to your logo. *And* it's not a 'company story' about your founding members or culture.

“Erik Syrén

“Your positioning strategy needs to be agile. This is core, not a ‘one and done’ project.”

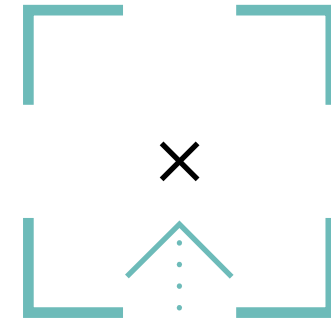
The positioning process isn't a once-in-a-life-time event.

The B2B tech market moves fast and the needs of customers evolve with it (sometimes ahead of it).

Your positioning will need to evolve with those market pressures and customer needs. But you can't tear up your positioning every time the wind changes. The key is finding the balance.

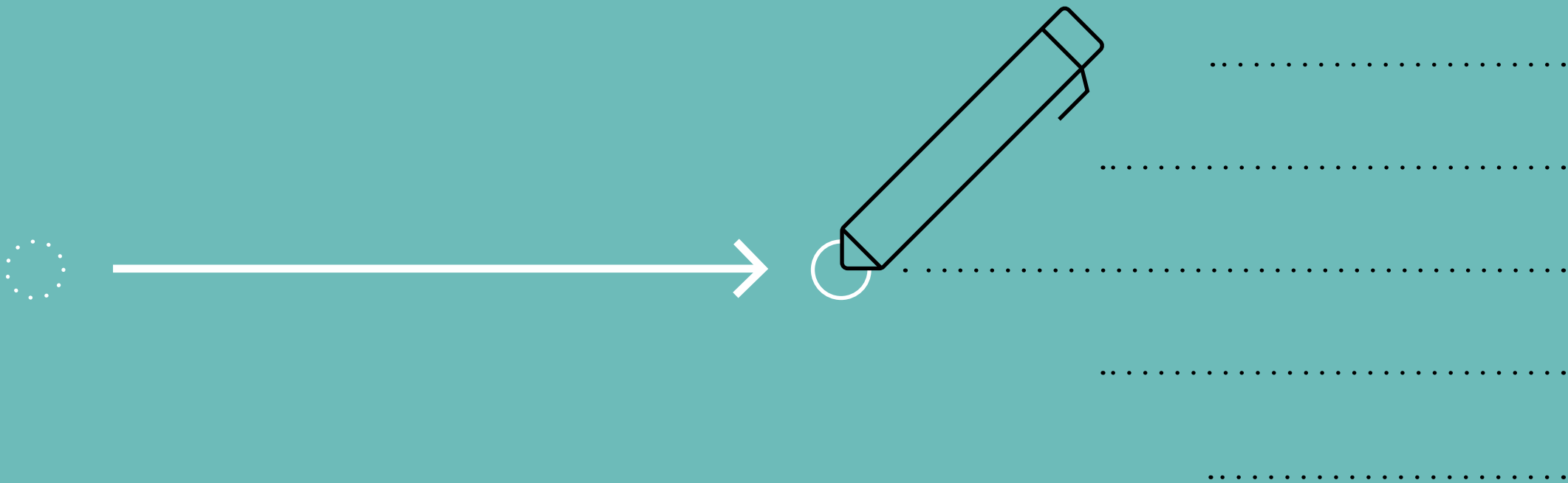
Strive for a positioning that provides persistent, long-term value and be aware you'll need to repeat the process many times during the lifecycle of your business.

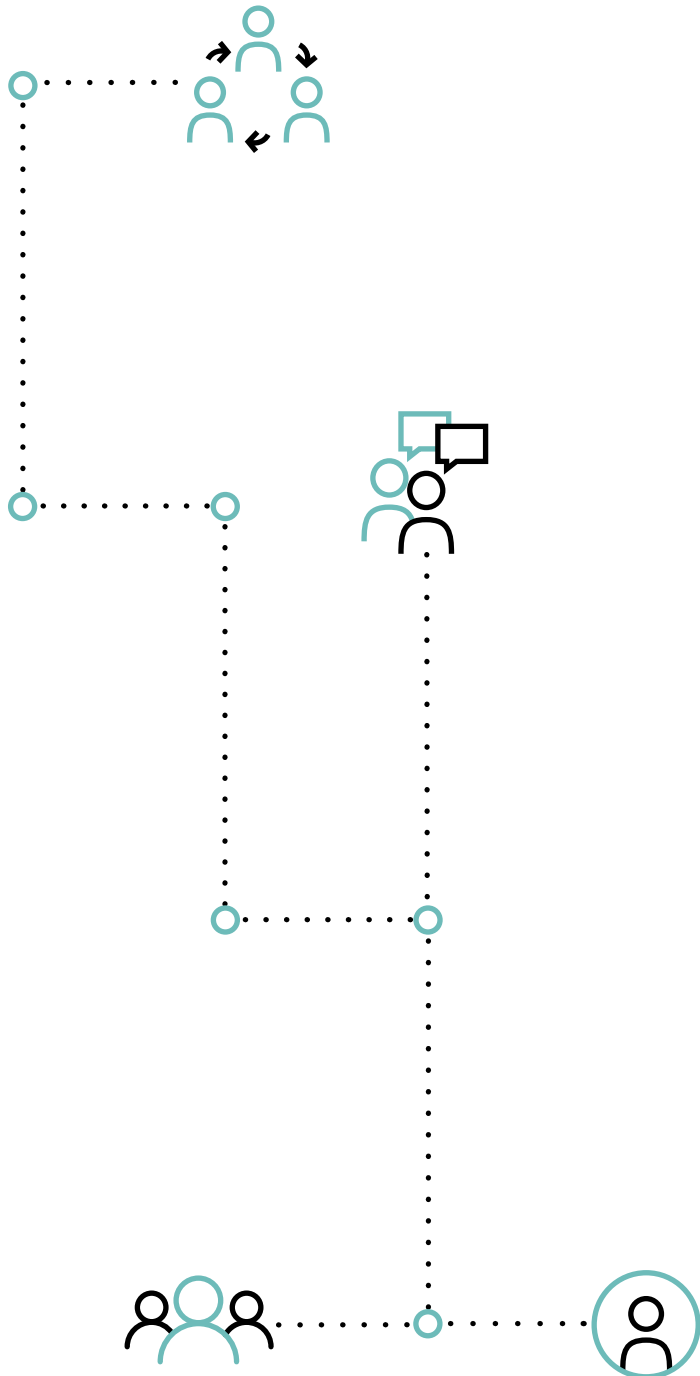
To know when that time is, regularly discuss it, assess it, and maintain it so you can understand what's working and what isn't.



Lay your foundations

Now you know what a positioning is, it's time to lay some foundations before you kick things off...





Where to get input from

Your positioning should be based on input from key stakeholders from your:

- Sales department
- Marketing team
- Product team
- Customer Success team
- Customer Support teams
- Partners
- Customer base

A positioning is going to touch every part of your business. That means you need to get input from key stakeholders across your business.

If you try to shortcut this and ignore those stakeholders? You're sending your positioning out to battle with half its armour on.

You'll also find it very hard to get people whose input you've ignored to adopt it after the positioning launch.



Top tip: Don't forget about adoption.

A positioning *without* a thorough adoption process will inevitably lead to silos across the company. You need all departments to sing from the same song sheet.

For example, if sales and product development are misaligned, your external communication can very quickly become confusing, contradictory – and ultimately, ineffective.

How to set expectations

Your positioning can't include *everything* that everyone says during input. Make this clear to your stakeholders at the beginning.

A positioning is a clear, simple, and compelling distillation of the most relevant input you collect. Who performs that distillation process? A core decision-making group.

Your core decision-making group needs to have representatives from the executive team (including your founder or CEO), from marketing (CMO), sales (CSO), and product development (CPO).

Make sure you involve the decision-making group throughout the process to get their buy-in. Incorporating decision-maker's feedback as your positioning develops is *much* easier than trying to do it after you think you've already nailed it.

We also recommend bringing in an external expert to the decision-making group. These experts give you an all-important "outside eye" that helps you challenge assumptions.

Make sure you empower those experts to be key collaborators in the process. Their input and expertise can make a huge difference if you allow them to make that difference felt.



“Stan Woods

“You need alignment amongst your core decision-making group but you don't need to stuff every viewpoint from your input sessions into your positioning. In fact, it's crucial that you don't.”

Why you can't start with market category

A market category is the area of the market you sell your products in, and as April Dunford puts it, provides “a way of setting context for a product”.

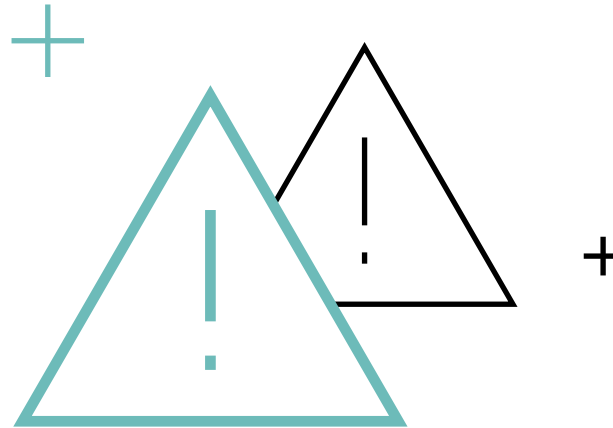
Do not start your positioning with your market category.

The reason? Businesses all too often position for the category they *want*, not the one they're *actually* in.

Your positioning should reflect what you can sell today, and will change and adapt as you grow. A company vision is important, it isn't the same as a positioning.

The ‘*market category first*’ approach can also blinker you, stopping you from unearthing big discoveries or challenging unhelpful assumptions.

These assumptions cover everything from the value your product or service provides to customers, right through to which competitors you need to be aware of.



April Dunford

“When people start with the market category, they often approach it aspirationally. The product does not necessarily fit nicely into that category but it’s the one the business desires to be in – and that’s a surefire way to get a bad positioning.”

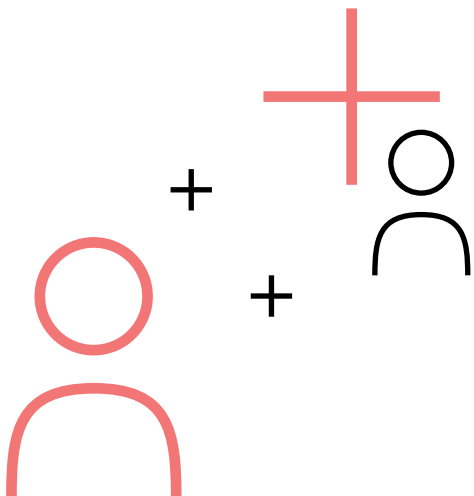
— Step 1

Identify target customers



OK. It's time to take the first official step – identifying target customers.

To get your targeting right, there are three steps we recommend you start with...



1

Identify your ideal customer profile

Some of your customers are more valuable to your business than others.

The most valuable ones? The customers that get the most value from your product (and really like it), and that provide you with a lot of value in return.

Analyse your existing customer base and work out which ones fit your Ideal Customer Profile (ICP). It's very, very, unlikely that *all* of your existing customers will.

As we explored in our Sales Efficiency eBook, the criteria for your ideal customer profile (ICP) need to be extensive.

That means including a potential customer's industry, budget, revenue, size, location, pain-points, age, and potential lifetime value.

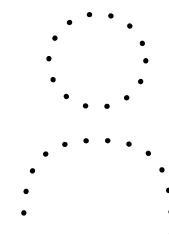
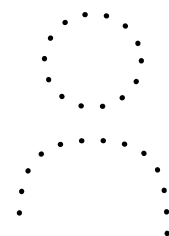
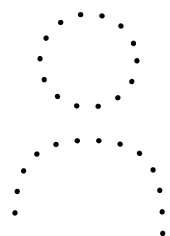
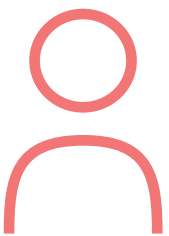
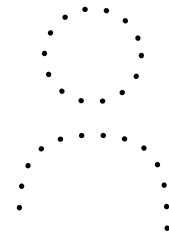
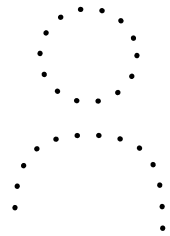
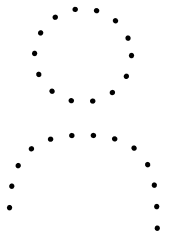
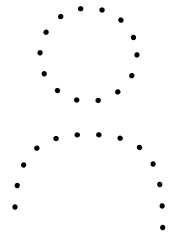
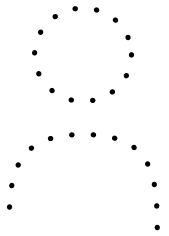
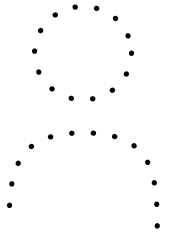
Some of the metrics you can use to aid this process are:

- Annual contract values (ACV)
- Lifetime values (LTV)
- Costs-of-acquiring-customers (CAC)
- CAC payback

→ **Want to learn more about ICPs and how to get precise with prospecting?**

[Check out our Sales Efficiency eBook.](#)

— Step 1



2

Understand who you are *not* for

Your positioning needs to be as much about who you are for as who you're *not* for.

This takes confidence and bravery.

Don't make the mistake of targeting 'everyone *as well as your ICP*', you'll end up diluting your message.

Remember you want your positioning to be consistent, compelling, clear, and focused on a specific group of people.



Stan Woods

“Successful positioning means being prepared to alienate the unready to attract the ready. Successful businesses find the confidence to do that.”

— Step 1

3

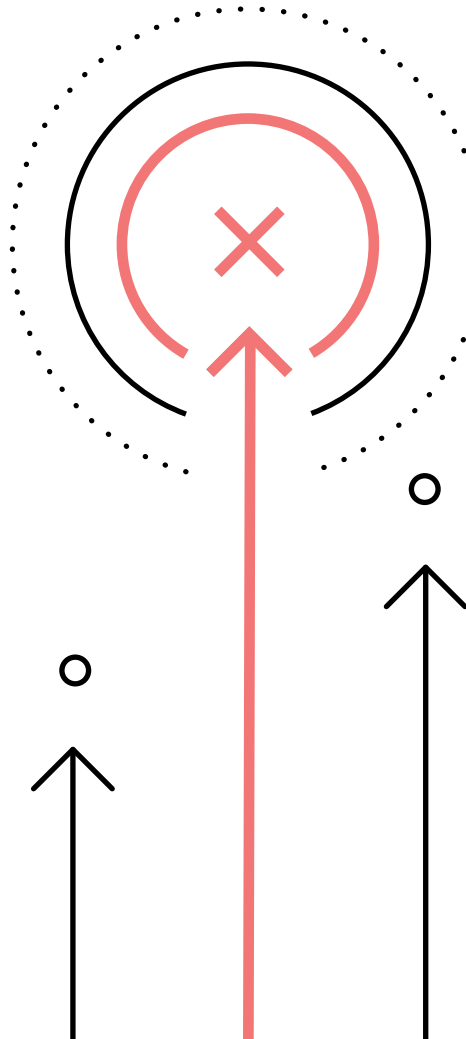
Identify your target segments and verticals

Next, apply this level of focus to your target segments and verticals.

Avoid the temptation to have a wide range of target segments as a way of 'keeping your options open' – it'll cause major headaches down the road.

It's vital that your ideal customers recognise themselves in your marketing – fast.

Being specific about your segments and verticals will give you the best chance of doing that. You can add segments and verticals as you grow – but move strategically.



“ Erik Syrén

“Having a wide range of target verticals is a huge resource drain. Prioritise a select number of verticals that are the best fit for you and focus your efforts there. The goal has to be a big player in that segment, rather than just being present in it.”

— Step 2

Understand the value you offer



So you have your target customers identified.

Now it's time to double down on the 'so what?' of your product or service for those customers.

Top tip: Don't start telling them why **you're** *industry-leading this or award-winning that*.

Start with **their** needs and struggles. Then work out how you provide a credible answer to those things.

Focus your thinking on this question: "What's the new value our customers get from us?"

If your answer is a list of features. Think again.

Feature-list marketing is a trap many businesses fall into. Your customers don't care about features until they understand *why and how* a certain feature will practically help them.

Give them a checklist of features they need to trawl through, and all you're doing is making them do all the work to connect the *why and how*.

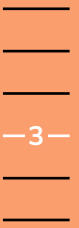
Your job is to make the '*why and how*' clear, accessible, and super compelling.

““ Erik Syrén

“When it comes to value, it's all about understanding why the benefits you provide actually matter for your customers. Not just telling customers why you're so great.”

— Step 3

Assess competitive alternatives



So you've got the 'so what'...now it's time to turn your attention to competitive alternatives.

Here, a good question to start with is: "If we didn't exist, what would our customers use or do instead?"

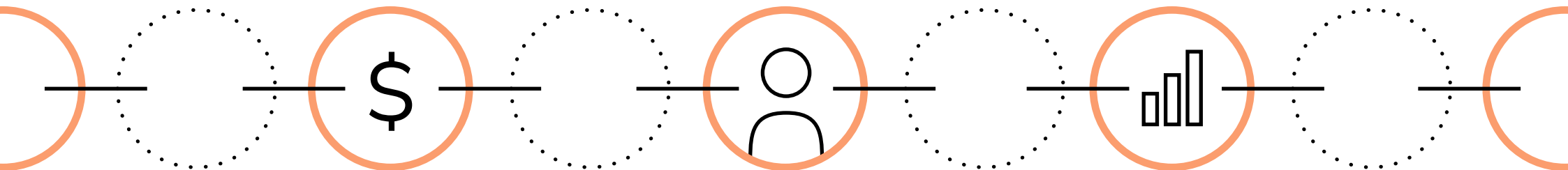
There are four things you can do to help find the answer...

1

Lean on your sales teams

Hypothesising over who you're losing customers to, isn't very efficient. So why not ask the team who deals with that subject every day? Your sales team.

Your sales teams' knowledge will give you a clear picture of the businesses you're in competition with.



— Step 3

2

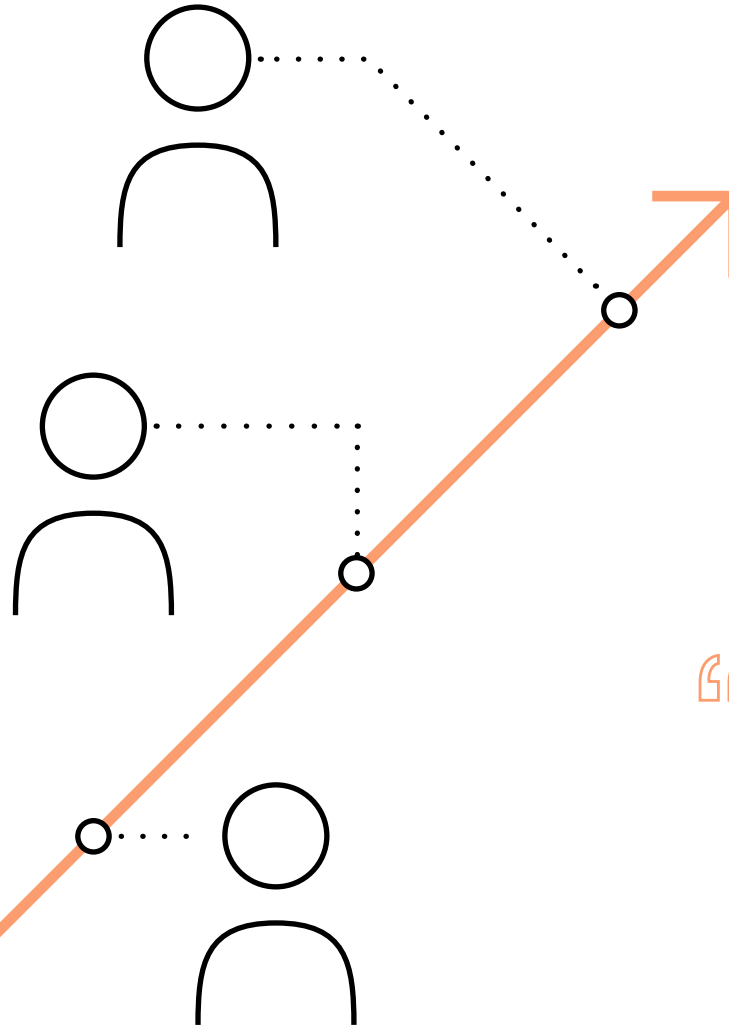
Use your customers

Don't forget your customers can be an extremely useful source of *extremely useful* positioning input.

Before you were an item in their budget, you were just an option on a shortlist.

Want to know who you were up against? Ask. Ask the customers you have a good relationship with why you were their chosen partner...and who else came the closest.

Add this to the insight you got from your sales team and it'll give you a new perspective into which marketing category your customers think you're in. This is going to be super valuable later in the process.



““ Stan Woods

“Customers are an extremely valuable source of information in positioning. You’d be amazed by how many businesses don’t use this to their advantage.”

— Step 3



3

Get your hands dirty

Don't forget good old fashioned desk research.

And get really detailed.

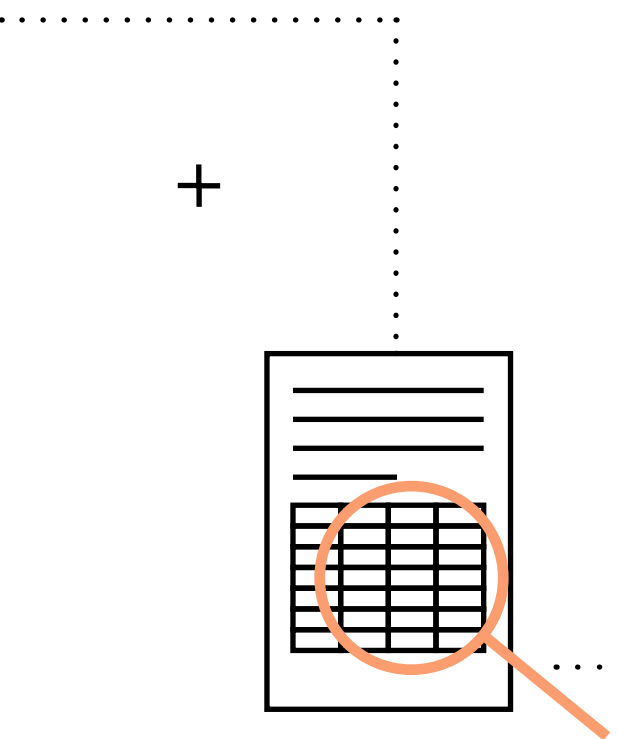
We recommend you look at:

- The metadata associated with your competitors' URLs.
- Your competitors' LinkedIn ads.
- The words your competitors put next to the hero image on their website.
- How your competitors describe what they do.

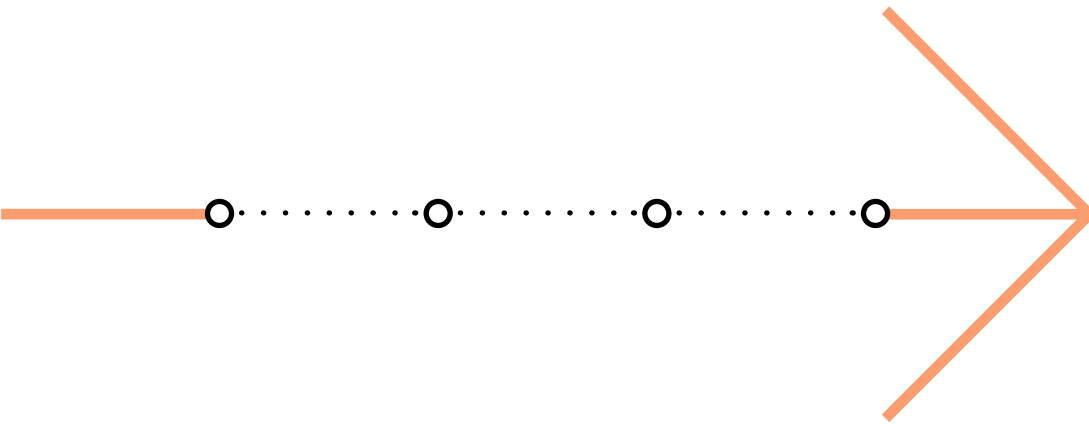
Commit to this level of research and you'll get a clear idea of how your competitors position themselves – and how you can position yourself against them.

“ Bob Egner

“With the right research, you’ll be able to work out your key competitors’ positionings. That includes how they believe they differentiate. When you compare your key competitors to each other, you can see which messages, themes, and even words that are being overused. Crucially, you’ll also see where the gaps are.”



— Step 3



“ April Dunford

“Don’t position yourself against a ghost. If you don’t see the competitor in a deal, they don’t exist in the minds of customers.”

4

Don’t overdo it

Don’t include every business that operates in your space in your competitive audit.

Keep it focused.

Your sales team and customers can tell you who you actually have a risk of losing to. Only worry about the people who are relevant.

→ **Pro tip: Do nothing can be a competitor.**

A competitive alternative might not always be a product or another business. There are many ways to solve a business problem – e.g. you can use Excel instead of a CRM, you can hire people to do the work a tech solution would do...or you can simply do nothing.

Remember to consider these in your competitive thinking.

— Step 4

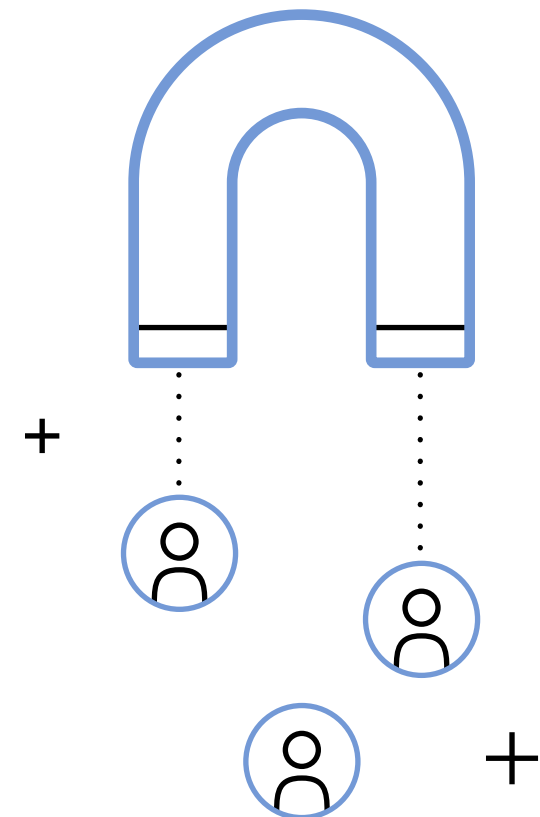
Understand how you differentiate

So now you have your target customers, you understand the 'so what' for them, and you know who else you're up against.

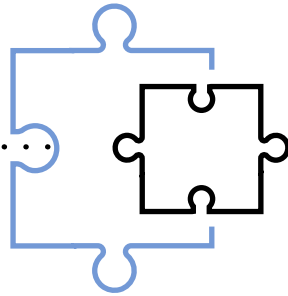
Here's where things get interesting.

It's time to go a layer deeper and identify the *specific* reasons why a customer should choose you over any of your competitors.

This is arguably the most important part of positioning and there are three things we recommend you do...



— Step 4



“ Bob Egner

“Your product team can help you ensure the differentiation points are authentic to the experience of using your product or service.

Sales will help make sure it’s aligned with the value your customers want to create and the obstacles they face.

Marketing will make sure all of the above is clear, compelling, and consistent. That’s the sweet spot.”

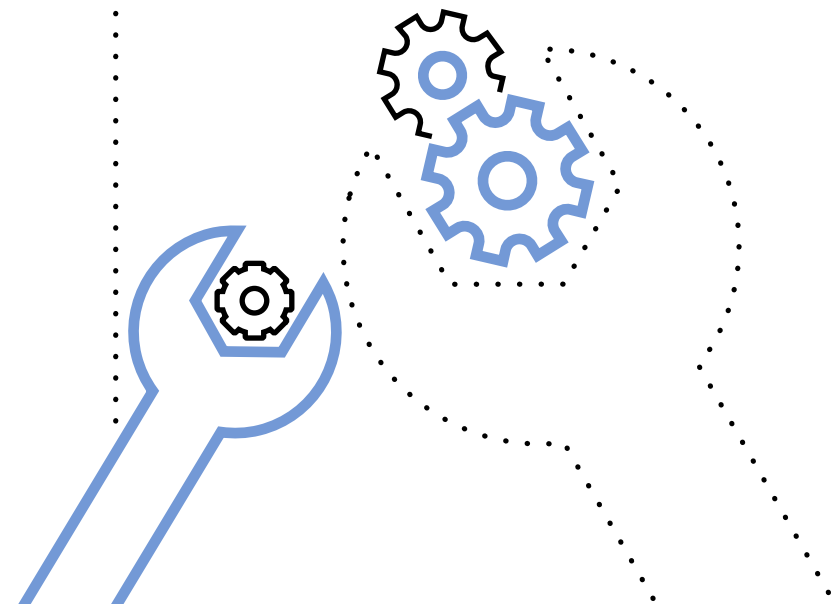
1

Break up with the word unique

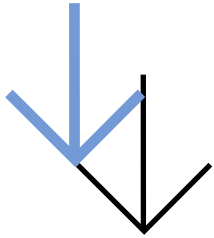
The word unique can lead you on a search for a “single defining feature” that none of your competitors have.

The best way forward is to ask: “what’s the *specific combination* of things we offer that unlocks new value for customers?”

This combination, or ‘special sauce’ is how you differentiate, and can be much more than just the product.



— Step 4

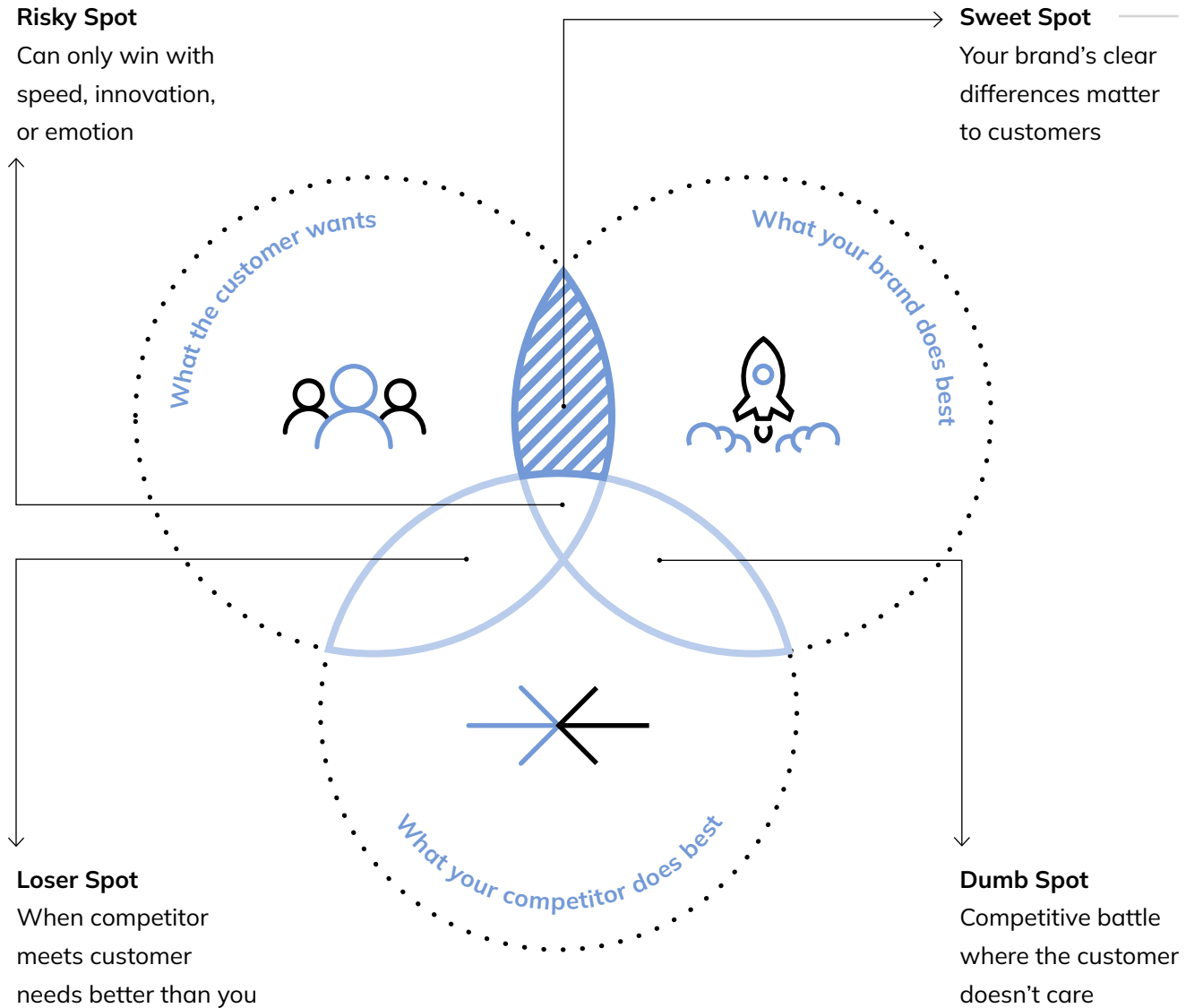


2

Double down on alignment

Spend time ensuring alignment between your sales, marketing, and product development teams. This is how you're going to get the strongest positioning.

As the diagram to the right from Bob Egner shows, when businesses fail to do this, they can really miss the mark...



— Step 4

3

Fight against blandification

Positioning is about distilling a wide range of input into something digestible, compelling, and most of all – specific.

Some stakeholders will be concerned that getting specific about the value you create means you'll lose customers. You will. But that's a good thing.

Because you *do* solve a specific problem.

If you try to be 'all things to all customers', your message will be diluted and your ideal customers might fail to recognise themselves in your marketing.

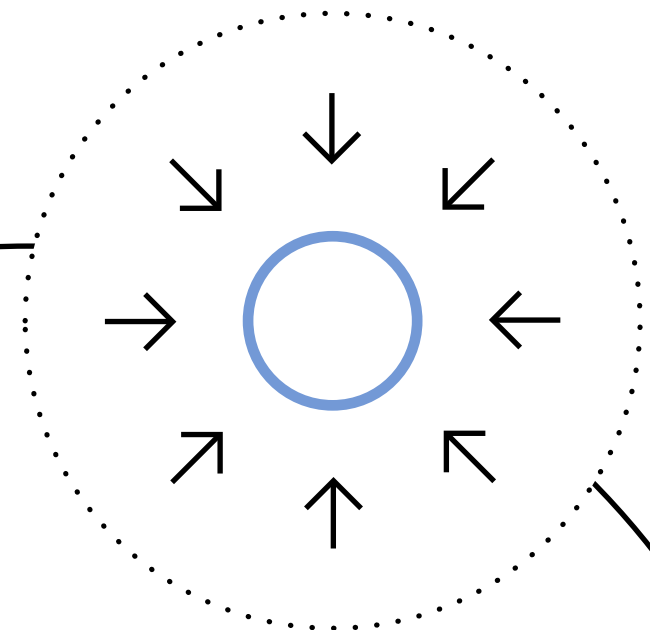
And that's very bad news – because you want a high percentage of your customers to fit your Ideal Customer Profile (ICP) otherwise your sales efficiency is going to take a big hit.



Pro-tip: You can do some deals outside your ICP.

Such deals can be very useful to test your product and find new potential growth areas. But these should be specific and targeted experiments.

A message that tries to appeal to *everyone* won't pack a punch for anyone.



— Step 5

Decide on your market category

—5—

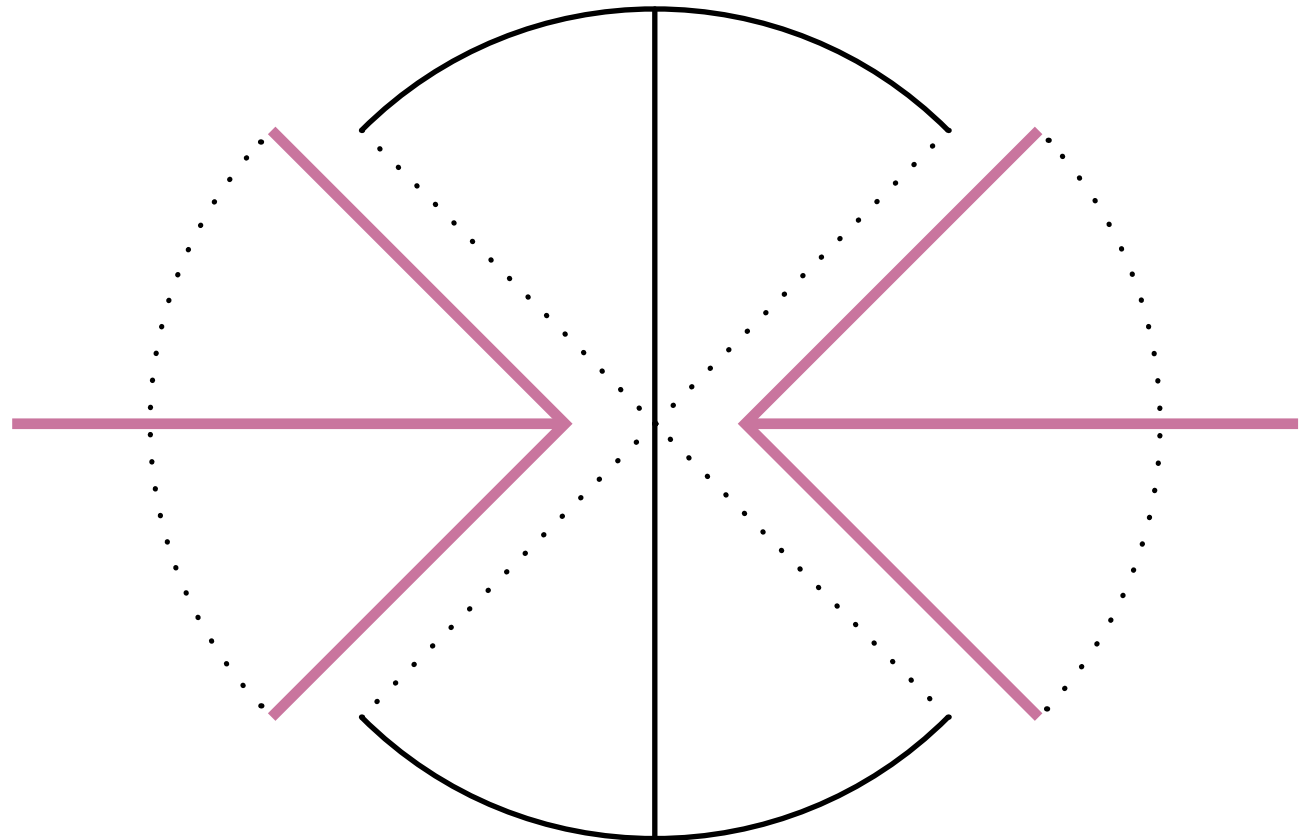
Next up? Time to identify your market category.

→ What's a market category?

A market category gives customers a shortcut to understanding the context for your product or service.

It's often the first point of your positioning that your customers become aware of.

"Oh, they're a CRM?" etc.



— Step 5

A good market category is one that's authentic to what you offer and **where you have a distinct competitive advantage**.

Remember, this is only possible once you fully understand your competition, your ICP, your differentiators, and the value you create.

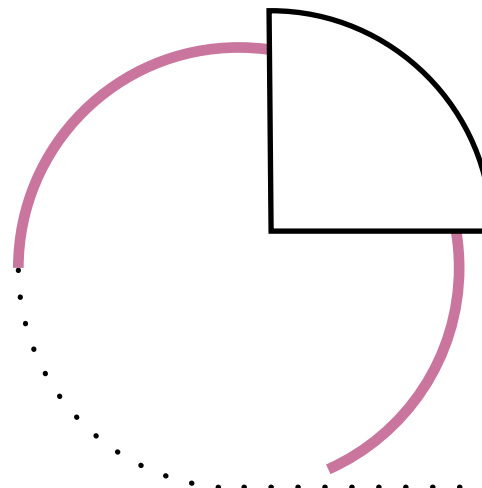
Don't be afraid of big competitors here. Just because there's a big player in one market category doesn't mean it's off-limits. In fact, it can help increase the demand for the market category overall.

The key is finding your differentiated value within that market category.

→ **Pro tip: Creating a new market category** can be the right option but only in some *specific* circumstances. Category creation is labour-intensive and needs to be weighed up carefully.

“April Dunford

“Attempting to do positioning by starting with a market category is the tail wagging the dog.”



— Step 6

Get your adoption right



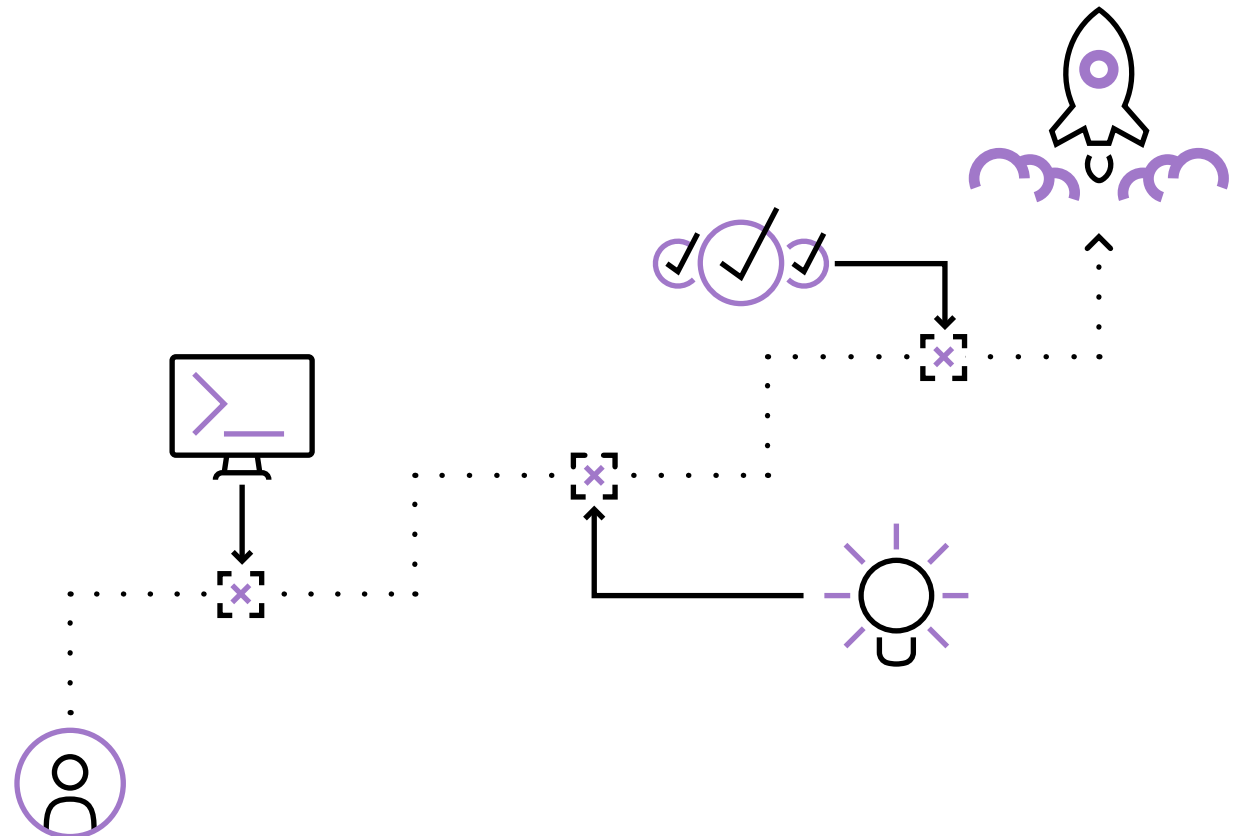
The final step is adoption.

Your positioning will affect everything you do, and how you communicate both internally and externally. **You need that message to be consistent.**

Our best advice to achieve that consistency is to be firm but patient.

Evangelise the importance of a coherent message to internal teams. Remember, this is going to be much easier if you've asked for their input during the process.

The adoption process is where you ensure the message is fully anchored into your business. **Don't skip over it.**



Key takeaways

And that's it. Now you have our experts' top tips on how to nail your positioning, make sure it's authentic, and make sure your customers see themselves in it.

But before we go, here are our contributors' six top takeaways.

01.

Identify target customers

Define your Ideal Customer Profile (ICP), understand who you are not for, keep your list of target segments and verticals focused.

02.

Understand the value you offer

Explore the 'so what?' for your customers. Remember, being a 'market-leading business' isn't enough and neither is a long feature list.

03.

Assess competitive alternatives

Ask your sales team and your customers for their insight on competitors, and get forensic with your desk research. Only worry about competitors you actually have the potential to lose to.

04.

Understand how you differentiate

Your 'differentiator' is likely a combination of things that unlock some new type of value. Double down on alignment of what that combination is. And beware of blandification.

05.

Decide on your market category

Make sure you have an unfair advantage of winning in your chosen marketing category and that it's authentic to the value you offer. Remember, it might not be the category you expected.

06.

Get your adoption right

Get rigorous with your adoption process to ensure your positioning is firmly anchored within your business and its teams.

We're Monterro, an investment firm (of the get-your-hands-dirty with strategy and operational support variety) that helps Nordic software companies hit their biggest growth goals.

— If that's you,

let's talk