## STP: Positioning

The last one, Positioning, is how a SaaS brand defines itself in the minds of its target segments. Essentially, the unique value proposition and brand image. In SaaS, positioning can be very fluid, especially in emerging markets.

Let's look at the strategic positioning in **Salesforce**. When Salesforce launched, the CRM market was dominated by on-premise software- clunky, expensive, and hard to use. Their message was simple: software as we knew it was over. To make their point loud and clear, Salesforce hired actors to pose as protesters outside Siebel Systems' annual event in San Francisco. They hold signs like "The Cloud Must Go On".

One person was even dressed in a software costume with the red circle-and-slash over their chest. This wasn't to say they had no product. So they were communicating that Salesforce was different from the traditional software. This audacious marketing approach differentiated Salesforce from its competitors and played a crucial role in establishing brand identity. Within less than a decade, Salesforce overtook Siebel to become the market leader. So, effective positioning for SaaS often involves **underscoring how your service better meets customer needs** than the old way or the competition.

Another example could be the positioning of **Slack.** They created an "enemy" out of email to rally users. Slack's tagline in its early ads was "Be Less Busy". They casted their chat as the refreshing, efficient way to communicate.
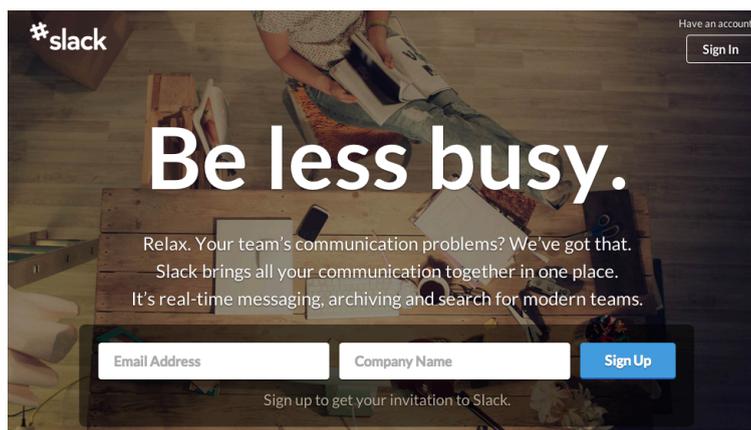
Internally, they even referred to email as the cockroach of the internet - hard to kill, but we're going to try. It's noteworthy that Slack didn't position as "just another messaging app" – they positioned as a productivity booster and email-replacement, which elevated its perceived value.

Even when Microsoft later introduced a competing product Teams, Slack's clear positioning helped it retain a passionate user base; Slack even ran a full-page newspaper ad welcoming Microsoft to the fight, reinforcing that they were the innovator and implying competitors were playing catch-up. Slack acknowledged Microsoft's entry into the market but emphasized that building a successful collaboration platform requires more than replicating features.

This agility in positioning – turning potential threats into narratives that bolster the brand – shows how **SaaS companies must continuously manage their positioning** as markets evolve.

It's also common for SaaS companies to **reposition as they expand their product portfolio**. A company might start as a single-product offering and position itself very specifically, then later broaden into a platform. **HubSpot** is an example: HubSpot originally positioned itself as inbound marketing software for small businesses. Over the years, they added a sales hub, a customer service hub, and scaled up to serve larger companies.

In essence, **SaaS marketers treat segmentation and targeting as ongoing exercises**. They continually ask: Are there new user groups emerging? Do we see a subset of customers with different needs or high value that we should cater to differently? Tools and techniques like customer personas, cohort analysis, and usage data segmentation help answer these. They might implement **behavior-based segmentation**, grouping customers by how they use the product. Or **industry-specific segmentation**, tailoring messaging to, say, healthcare vs. education if usage differs by industry.

So, positioning should be revisited frequently to ensure the SaaS product remains distinct and relevant in a crowded market. In tech, new competitors or new tech trends can quickly change the landscape. A dynamic positioning approach means always communicating your product's unique value in the context of "what customers need most right now."