Module 5
Your Positioning Statement

Module Outline

What is a Positioning Statement?
How is a Positioning Statement Used?
Mistake Number One
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Positioning Statement Formula
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Learning Objectives

The learning objectives for this module are to:

- Understand the uses of a positioning statement
- Avoid the common mistakes when introducing yourself
- Understand how to write a proper positioning statement using the Sales Magnetism format
- Understand how to answer the question “What do you do” in a way that engages the prospect to ask “How do you do that?”
- Create a foundation for all of your marketing messages including your call script and networking introduction.
Your Positioning Statement

What is a Positioning Statement?
Now that you have a Bull’s Eye Market established, it’s time to develop a positioning statement.

Your positioning statement is used to introduce you and your company to others. It is the answer to the question “What do you do?” In American business, this is perhaps the most frequently asked question. Yet it is one that the vast majority of loan officers struggle with their whole careers.

You’ve probably heard or read about using an elevator pitch or a unique selling proposition. These are basically the same thing as your positioning statement. We prefer the term positioning statement, because it better reflects the purpose and intent of this selling tool. An elevator pitch, on the other hand, implies that you are pitching or selling. It’s a more traditional, high-pressure approach. In Sales Magnetism, prospects are drawn to you, not pressured by you, so a positioning statement is a much more appropriate tool. It simply states who you work with and what results they get by working with you. There is no selling going on, no “pitching” and no gimmicks.

Positioning statements are powerful tools, and as such, they must be used properly. A well-thought out positioning statement will let everyone you meet know exactly who your best prospects are and how to refer you to them. It makes people aware of what you do and with whom you do it. A positioning statement not only builds your awareness, but it will also make you memorable if done correctly. It will make people think of you long after you’ve finished your conversation and parted company. You definitely want people to remember you because while they may not have a need for a loan today, their situation may change in six months or a year.

While it will take some time to craft the right positioning statement, it’s well worth the effort. It will help people identify themselves as your prospects as well as identify referrals for you.

MAGNETIC MOMENT #1: If a positioning statement is your personal brand, does it need to be the same as the brand for your institution?

No, it doesn’t have to be the same but it needs to be in alignment with it. In other words, your institution’s brand may be a little broader and your brand would fit within it. Within an organization, for example, there are many different loan officers. Each one could have a different focus or specialty. Each could have a different Bull’s Eye Market. So while all the loan officers would be under the umbrella of the larger organization, each loan officer may have a slightly different positioning statement. However, if there are two loan officers that handle the same market, perhaps in different territories, they could have the same positioning statement.
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How is a Positioning Statement Used?
Your positioning statement is used whenever you have the opportunity to explain what you do. This can be on the phone when calling prospects, at a business networking event or in a social situation. It can also be used in some form in your written communication, whether by letter, e-mail, or some other marketing literature.

As we said before, most loan officers have great difficulty answering the question, “What do you do?” In our research we’ve found three common mistakes that salespeople make in their answers.

Mistake Number One: The answer is factual, but lacks any additional information. When asked what they do, most people answer with their job title or the industry they work in. The response might be something like, “I’m a loan officer with Farm Credit” or “I work in financial services.” Loan officers often respond by stating that they sell a particular product. For example, “I provide commercial loans.” While these answers may be true, they can be real conversation stoppers.

That’s because we each have ways we process and store information. We essentially have boxes in our mind where we can put things so we can find them later. Think about the boxes you use to store stuff in your attic or basement. Another way of thinking of this organization system is that we have, in a sense, a filing system in our heads that allows us to categorize and make sense of the tons of information we are faced with each day. Without this filing system, we’d be overwhelmed when remembering where we put all of the information we carry around with us. Imagine your office if all of the papers you’ve ever touched were simply thrown in a room in a jumble. It would take hours to find the one you wanted when you needed it.

Your mind is no different. If you tell me you are a loan officer for a bank, I can process that and store it in one of the boxes in my head. I have a box labeled “Loan Officer” in my head and I probably have one labeled “Bank” or “Financial Institutions” also. I’ll file you in both of those boxes so I can remember you later on.

The challenge comes once I’ve filed it. From my perspective, I now think I know what you do – even though my perception may not fit the reality of your job and responsibilities. And because I now have a place to put your information, unless I’m particularly interested, I probably don’t need to ask you any additional questions. I simply store you in the box and forget about you. You haven’t given me enough information to be interested in you and so the conversation stops or shifts to something that has nothing to do with you.

Mistake Number Two: The answer is too long and unfocused. Some loan officers have the opposite problem found in mistake number one. Instead of giving too short an answer, they give a long, drawn-out answer to the question “What do you do?” This is what we call “puking.”
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Have you ever been puked on? You ask a simple question and you are stuck listening to a long-winded answer that is much more than you wanted to hear or that you even care about. Many loan officers have a problem with puking. They are so excited about what they do or that they might be in front of a new prospect that they can’t stop themselves from spewing information all over their unwitting victim. They ramble on, totally unaware that their listener has mentally checked out and written them off as a bore. They are becoming memorable, but memorable for something that is negative, not positive.

A well-rehearsed positioning statement will help you avoid puking. By pre-planning and practicing your positioning statement, you’ll not only keep from puking on your listener, you’ll actually elicit questions from him, such as “how do you do that” or “tell me more, that sounds interesting.” While those phrases might be music to your ears, they aren’t a license to start puking. Plan and rehearse the answers to those questions so you don’t fall into the bore trap.

Mistake Number Three: The answer sounds too much like a selling commercial. While it’s ok to “dress up” your positioning statement to be more interesting and creative, you don’t want to scare people off. Remember, no one likes a pushy loan officer; so don’t act like one. If someone asks what you do, don’t say something like “I provide loans to people like you.” That makes your listener feel like a giant target has been painted on his chest and he’ll surely find a way to get away from you as soon as possible.

Another way that loan officers make their positioning statements sound like commercials is by using what we call “marketing language.” This is using words and phraseology you find in marketing brochures and the like that is supposed to sound convincing or professional but often is just too salesy and stilted. You’ll want to avoid big words, flowery language, and words that don’t sound authentic. In other words, keep your words conversational.

For example, many financial advisors are guilty here. They say thinks like, “I work with individuals to build and preserve their wealth.” Think about it; do you ever think to yourself, “I want to build and preserve my wealth?” Of course not. That sounds like some bad marketing copy, not the way people talk. One of the secrets to a good positioning statement is making the language you use match the language in your listener’s head. That way no translation is necessary for them to fully understand your message.
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MAGNETIC MOMENT #2: Writing a positioning statement seems like it will take a lot of time to do right. Is it really necessary?

Absolutely. The question, “What do you do?” is one of the most frequently asked questions in business. Isn’t it worth the time to create a great response to it that will help you grow your business?

A good positioning statement will also set you apart from your competition. Think of it as your personal branding statement. What makes you better and different and what separates you from others that do what you do? If you can clearly communicate that, you will be well on your way to being more effective in your role as a loan officer.

Positioning Statement Formula
If loan officers are always making mistakes in their positioning statements, how do you write a really good one? What does a good one sound like?

There are two parts to any good positioning statement. The first is your answer to the question, “What do you do?” The second is the answer to the question, “How do you do that?” Let’s examine these in depth one at a time.

For statement number one, we recommend the following formula:

“I work with ______________ to ______________.

In the first blank, fill in your Bull’s Eye Market by industry or job title. In the second blank, fill in a benefit statement that you provide.

The first blank is always filled by a job title or industry. Remember, this is how most of us classify each other professionally. Almost everyone you meet will file themselves in a box that way and they will file people they know in a box that way. By clearly stating whom you work with, you are allowing the listener to either 1) self-identify as a prospect for you or 2) identify someone else he knows that might be a prospect.

For example, you might say something like, “I work with farmers to put more profits in their pockets.” In this example you are clearly defining farmers as your primary prospects. At this point, one of two things will likely happen. One, your listener might be a farmer, in which case he will be quite interested in results you achieve for people like him. Or two, your listener may know some farmers. Because you have clearly defined with whom you work, he can simply open the “Farmer” file in his head, look inside and see who is in there.

An interesting thing happens in this second scenario. Humans are very social animals, and as such, most of us seek to find connections with other people, even those we don’t know well. Because of this, if your listener knows a farmer, he will often ask you if you know the same person. He is looking for a connection with you and you’ve just given
him an easy way to make one. If you know the farmer he does, you can spend a moment strengthening your new relationship by saying nice things about the person whose acquaintance you share. If you do not know the farmer, it’s quite easy to say that you don’t but that you’d like to meet him someday. Viola! Instant referral!

Now that you’ve got an idea of how to fill the first blank in the formula, let’s take a look at the second blank. This one is often harder to establish, but well worth the effort.

Think for a moment about all of the benefits your clients get by using your product or service. What results do they achieve when they get a loan from you? Do they get a patronage refund of 10% - 20%? Do they get more flexible terms and repayment schedules that match to their cash flow? Do they get greater expertise in crafting creative solutions to their finance needs?

The key to filling the second blank is to get down to what clients really, truly get from you. This is no time to be generic or sound like everyone else. Get rid of all of the brochure-speak and get down to actual results. Be creative, without being too silly about it. Remember to use conversational language and speak the way your prospects think.

For example, you might say something like, “I work with attorneys to give them an escape from their daily grind.” Doesn’t that just beg the question, “How do you do that?”

Regardless of what you say, you should have one goal here. State your positioning statement in a way that will elicit the question “How do you do that?” Of course, that means that you are not telling someone everything that you do. It also means that you are being precise by narrowing your focus to a bull’s eye market.

**MAGNETIC MOMENT #3: Can you give us some examples of positioning statements that have worked well for other loan officers?**

*Here are a few that I think work well…*

*I work with farmers to ease their cash flow crisis.*
*I work with teachers to increase their buying power.*
*I work with cattlemen to grow more profitable operations.*

*Of course, the test for each of these is do they make you want to ask the question, “How do you do that?” I think all of these do a good job in that regard.*

**Part Two of Your Positioning Statement**
The answer to this second question should be succinct but memorable and should describe what you do without puking or giving away all of your information. Don’t let someone stuff you in a box in their head too quickly or you’re doomed.

Keep your answer to “How do you do that?” to a few sentences or less. You should be able to answer this question in less than 30 seconds. That’s far below the puking level
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but it allows you to provide a nice answer without getting carried away with providing too much information.

Here is an example:

What do you do?
I work with attorneys to give them an escape from their daily grind.

How do you do that?
Well, most of the attorneys I work with put in really long hours, have very demanding case loads and so they spend way too much time in the office. So, they want to be able to leave work behind and really unwind in a peaceful place where they can “unplug” and spend time with their families. I help them finance their home estate or getaway in the country where they can do just that.

See how that is different than saying “I provide loans for large acreage lots.” Why do I care? I probably don’t because it sounds like something that costs money and I don’t understand the value. But if I know that I can reduce my stress and find the perfect getaway, I’m interested and want you to tell me more.

Notice that the response moved beyond a typical “marketing” answer like “I finance loan packages to meet the special needs of attorneys so they can get a place in the country” or “As a loan officer for Farm Credit, I meet with my clients to understand their unique needs and put together a loan package that is just right for them.” These answers simply sound like it could be said by any loan officer at any bank or institution.

Instead, in our original example, we demonstrated an understanding without talking about “unique needs” by stating “most attorneys I work with…. “Not only does this statement demonstrate your understanding, it also enhances your credibility by making it clear that you work with other attorneys. The response also paints a mental picture which gives people a visual image to anchor to, as well as an emotional connection. Both of which are positive ways to illicit a favorable response or reaction from others.

Still another way to respond to the “How do you do that?” question is by asking a question in return that you can then answer based on their response.

For example, if you were talking to an attorney, you might answer with a response like:

“I’m sure you work really long hours. “At the end of the day or the end of your week, what is most important to you?”

Their response, “I just want to chill out and have a break.”

Your response, “Well, that’s what I find with my clients too. So, I…” And now, you’re off and running.
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Using our suggested format for your positioning statement works to build awareness and make you memorable. In the first part of your statement, you position yourself with your Bull’s Eye Market. This, in turn, helps people associate you with the prospects that are your best targets. In essence it puts you in the same file in their head as the people you are targeting.

So if you specialize in working with attorneys and you have told me that in your positioning statement, I will think of you every time I meet an attorney. I will put you in the attorney file even though you aren’t one. Then, every time I meet an attorney and go to store him in my mental file, I’ll see you and potentially mention you. This alone will dramatically increase your referral opportunities. It’s the power of association which is what you want people to have for you and your services.

This association will not happen if you position yourself as all things to all people. Yet most loan officers are afraid to narrow their focus, because they don’t want to limit their options. The truth is, it will actually catapult your success. People like to work with and refer to people who are focused. They appear more confident and in control. And the fact of the matter is, they are.

Also, by giving others a simple benefit statement of how you help attorneys, they will be able to make better introductions and create more referral opportunities for you. The reality is that other people don’t need to know about all your product or service offerings which is precisely what most people like to include in their positioning statement. And it’s likely that they wouldn’t remember most of them even if you told them. Simply let them know why attorneys would benefit from working with you. If they know attorneys and like them, they’ll want to help the attorneys by introducing them to someone who can do good things for them. They won’t, however, introduce them to just any loan officer, so be careful what you say and how you position yourself!

Once you’ve got your positioning statement written, you need to practice it. The best way to do this is to write out your response to the two questions: “What do you do?” and “How do you do that?” Say each out loud at least 25 times. After you practice, go to family members, friends and work colleagues to test it out. Once it has been sufficiently tweaked, use it in real-life situations. Do you feel comfortable saying it? Are you getting the response you desire? If not, how can you change it to be more effective?
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MAGNETIC MOMENT #4: Can I change my positioning statement for different situations?

We recommend that you don’t. If you only have one BEM, you only need one positioning statement. If you do a good job of writing it, it will be applicable regardless of your audience. If it isn’t, check to make sure you’re in front of the right people. You want a consistent message to build unshakeable memorability in your market. Changing up will not help people remember you.

There may be some exceptions where you would have another positioning statement. If you serve multiple markets, you will want to appeal most to the people that you are with. Often times, however, you will be with a generic group, possibly a group that doesn’t fit your Bull’s Eye Market. In those cases, do not default to a “generic” market, but have one Positioning Statement that serves as your “default” one.

Remember, your Positioning Statement is great to use with people who don’t fit into your Bull’s Eye Market because they may know people in your Bull’s Eye Market and can give you positive word of mouth and refer business to you.

Things To Keep In Mind

Here are a few more things to keep in mind when you’re crafting your positioning statement:

Be interesting and creative – Are you able to say what you do in an interesting and creative way? Does it encourage people to want to find out more? Saying you’re a loan officer who focuses on loan products will probably elicit yawns, while saying that you “keep more profits in their pockets” stimulates conversation.

Be unique – Are you truly unique when you explain what you do or do you sound like everyone else in your industry? What is the one thing that makes you different? One hint here… customer service is not an acceptable answer unless you can actually back it up with hard data.

Be confident and passionate – Can you deliver your positioning statement and feel good about it? Do you believe it? Can you project it with confidence? Does your passion for what you do come across in your tone of voice and body language? If you’re not excited about what you do, how can you expect anyone else to be?

Be short and concise – Can you state the first part of your positioning statement in 10 seconds or less? If not, what can you do to express it more succinctly? Your positioning statement should be a sentence. The follow-up response can be several sentences. There’s no sense in watching someone’s eyes glaze over unnecessarily because you ramble on and on. Remember you can always elaborate more when you’re asked to tell someone more.
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**Be accurate and honest** – Is your positioning statement accurate and honest? Is it a description of what you bring to the table without overstating what you bring to the table?

Your positioning statement can be modified to fit the situation, but the essence of your statement can be used over and over again for many different purposes. It’s an essential tool you can use to develop interest. Your ability to tell a prospect what you do and what makes you unique is a critical skill to your sales success. Use your competitive advantage to stimulate interest and convey your passion. Make sure that your positioning statement is short and sweet and that it can roll off your tongue at a moment’s notice. You never know when the opportunity may present itself. So... what do you do?

**MAGNETIC MOMENT #5: So what’s the process that you take folks through when you’re creating a new Positioning Statement?**

The first thing I want to do is understand what makes them better than their competition. The exercise, “What Makes Your Organization Unique,” is designed to help clarify the unique differences. Then, I zero in on what are the one or two things that really stand out from the customer’s perspective. In other words, why does someone buy from you versus your competition?

Then, it’s a matter of brainstorming different ideas and ways to phrase the benefits or results in a short, compelling and interesting manner. Recognize that it may take some time to come up with the right words, but it’s worth the time to tweak it until it’s something you feel really good about.

I also want to make sure that they avoid common traps like focusing on exceptional customer service as the benefit in their positioning statement. While that’s great, that’s usually the reason why customers stay with you, NOT the reason why they come to you to start with. The other problem with talking about exceptional customer service is that is what all your competitors are saying as well...we’ve got the best customer service. So who is the customer supposed to believe???

One last big trap that people fall into is not following the format provided. That’s the “I work with blank to blank.” They don’t realize that the structure is designed to enhance understanding and memorability which are both important to have the right impact.