

Marketing terminology is often used loosely and frequently inaccurately. Take small steps towards greater clarity. A little precision goes a long way.

Marketing term	Definition	Example
Marketing	The process of maximising the value to customers and consumers of the company's products and services	
Competitive set	The choices available to the consumer with which the brand competes for interest	Small ticket discretionary spending: CDs and DVDs, meals out, alcohol (the pub or at home), premium ice cream etc.
Asset	An owned or controlled resource or property	Secret ingredient: 'Merchandise 7X' (Coca Cola)
Competency	A physical or intellectual capability	Check-out merchandising expertise (Gillette)
Source of growth	An opportunity created by forces beyond the company's control (consumer trends, customers, channels etc.)	Increase in single person households (Ready meal manufacturers)
Source of competitive advantage	An opportunity created by the company's distinctive combination of assets and competencies	Reputation as consumers' champion vs vested interests (Virgin Mobile)
Strength	A source of competitive advantage or endurance	World Heart Foundation accreditation (Flora)
Weakness	Point of vulnerability to attack	Associated with older consumers (Levi's)
Opportunity	Favourable circumstances for advancement or progress	Rapidly innovating graphics technology (Sony PS3)
Threat	Something with the ability and intention to attack and inflict damage	Jamie Oliver (McDonalds)

Marketing term	Definition	Example
Brand	The consumer's total impression of the product or service experience offered	
Vision	A vivid and inspiring image of the future that the brand is working to create	Always within arm's reach of desire (Coca Cola)
Mission	The brand's role in the world. The primary reason for the brand to exist (other than profit)	The pursuit of social and environmental change: forging a new and more sustainable ethic for business (Body Shop)
Positioning	What the brand wishes to stand for in consumers' minds relative to its competitive set (future, not current equity)	Essence/ values/ personality/ proposition
Essence	The brand's distinctiveness distilled in to a single phrase. The core or distillation of the brand's identity	Obsessive innocence (Innocent)
Values	What the brand believes in – its ideals	honesty, integrity, simplicity (Innocent)
Personality	How the brand behaves – its character	straightforward, irreverent, easy going, no-nonsense (Innocent)
Proposition/ Discriminator	The single most compelling and competitive reason to choose the brand	Only the crumbliest flakiest chocolate tastes like chocolate never tasted before (Cadbury Flake)

Marketing term	Definition	Example
Attribute	An inherent characteristic or feature (the benefit of which may be implicit)	Toxic: 'Kills all known germs – dead' (Domestos)
Provenance	The territory (physical or metaphorical) from which something originates	Southern USA: 'Marlboro County' (Marlboro)
Functional benefit	What the brand does for you	Reliability (VW)
Emotional benefit	How the brand makes you feel	Valued: 'You're worth it' (L'Oreal)
Expressive benefit	What buying or using the brand says about you to others	I'm creative: 'Think different' (Apple)
Reason to believe	Source of evidence to support the proposition/ discriminator	Longer toilet rolls 'Soft, strong and very long' (Andrex)
Platform	How the brand consistently expresses its positioning to consumers through a variety of marketing channels	Adrenalin rushes (Red Bull)
Campaign/ idea	A creative expression of the brand positioning for consumers	Flugtag: an airshow for home-made flying machines (Red Bull)
Execution	A brand idea manifested through a specific media	Posters inviting applications to participate in Flugtag (Red Bull)

Marketing term	Definition	Example
Objective	The goal to work towards or strive for	'This nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the earth' (JFK 25 May 1961)
Strategy	How the objective is to be reached; the principle that underlies and unifies activity	'To develop alternate liquid and solid fuel boosters, much larger than any now being developed, until certain which is superior' (JFK 25 May 1961)
Tactic	Short term response to overcome unforeseen obstacles or seize passing opportunities	Bank holiday weekend BBQ promotion (Tesco)
Marketing objective	The desired change in consumer behaviour	Increase penetration/ frequency/ consumption
Penetration	The proportion of consumers who buy/ use the brand at least once in a given time period	27% of 12-20 year olds watch MTV at least once a week
Frequency	The number of times consumers buy/ use the brand in a given time period	17% of adults buy a newspaper at least three times a week
Consumption	The amount of the brand bought/ used by each consumer in a given time period	We eat, on average, half a tub of Haagen Dazs in each sitting
Communication objective	The desired change in consumer attitudes	Increase awareness/ consideration/ specific attribute association
Measurable objective	An objective that can be used as the basis for evaluation of future activity because it is both specific (what change?) and timed (by when?)	Increase penetration amongst women aged 25-45 from 24% to 33% by 31 Jan 09
Measure	Means of evaluating progress towards an objective	Sales data/ Shopper panel/ Brand tracking/ Customer EPOS/ Tailormade qualitative etc.

Marketing term	Definition	Example
Sales audience	The consumer group who we want to purchase the brand	All men and women aged 18-45 (Levi's)
Marketing audience	The consumer group who we want to directly influence (who the brand talks to)	Hip young things: 18-25 (Levi's)
User image	The consumer group who we want to be perceived as core users of the brand (who the brand talks about)	Hip young things: fresh, trailblazing, innovative (Levi's)
Volumetric segmentation	Dividing consumers by their relationship to a specific product/service category (purchase level, loyalty, knowledge, resistance etc.)	People who believe taxis are prohibitively expensive and use them only 'in an emergency'
Attitudinal segmentation	Dividing consumers by their attitudes (values, worldview, aspirations, beliefs, knowledge, motivation, lifestyle etc.)	Risk takers - always looking for the next new thrill
Demographic segmentation	Dividing consumers by their socioeconomic characteristics (age, sex, class, income etc.)	male, 25-34, ABC1
Need	Perceived deprivation of a perceived requirement	I need a DVD player (USA)
Want	Desire for a specific product or service	I want a DVD player (Brazil)
Habit	A sequence of behaviour which is so well established that it is primarily triggered by cues, not driven by a goal	Tooth brushing at bedtime
Insight	Penetrating understanding of consumers which provides clues that lead to competitive advantage	No-one cares about batteries until they run out - then they're critical (as activated by Duracell)
Occasion	Immediate circumstance that brings something about (external to consumer)	On the way home from the pub (targeted by Kebab shops)
Mood	Conscious state of mind or predominant emotion (internal to consumer)	Daydreaming (as targeted by lastminute.com)