
Brand Positioning - A Marketing Resource and an Effective Tool for Small and Medium Enterprises

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In order to acquire an effective competitive advantage on the market, the product/ brand must be understood by the prospects in a certain way. The outcome of positioning is the depiction of a clear image in the prospect's mind of what the product can offer or mean. A clear position in the prospect's mind should be one of the most important goals in marketing. The marketing endeavor in any company should be focused on achieving a desired position in a prospect's mind. A marketer must be able to distinguish between real positioning options and wishful thinking, because the barrier between these two is very thin and could lead to success or failure. A strong brand and an enduring position should be planned and attained together by any Small and Medium Enterprise, because they can differentiate the survivors from the perished, the winners from the losers, and the leaders from the pursuers.

Keywords: marketing, brand positioning, positioning instrument, marketing mix

Introduction

At present, positioning is considered a concept with a broad applicability, being used for offerings, companies, NGOs, places and even people, as individuals differentiate themselves through accomplishments at least partially obtained through continuous learning [1]. From a marketing perspective, the concept of positioning (an offering/ brand, a company or a place) refers to the building of a distinct and valued perspective in the mind of the target market relative to the competition [2].

The marketing literature regards positioning considerably in association with marketing communication. Jack Trout and Al Ries argue in “Positioning- The battle for your mind” [3] that there is too much communication and markets are flooded with messages and the purpose of marketing would be to present bluntly the benefits of the product with as little poetry as possible.

Philip Kotler considers positioning as having the same weight as the 4 Ps as resources for the company: product, price, place and promotion and underlines that an offer can be positioned in the prospect’s mind [4] as being better and/or different through the use of points of parity and points of difference. The first group refers to features, characteristics, benefits, convenience etc. which are found in other offers but the respective offer excels at them while the points of difference are features, convenience, price, communication found only in the considered offer.

Keller, Sternthal and Tybout [5] propose 7 possible positioning strategies which could be used by an organization. These strategies are centered on the following aspects:

- attributes of the product, such as: size, taste, weight;
- benefits offered by the organization or product, such as: fast delivery, fast remedy;
- use/application, such as: products/services used on special occasions;
- user, such as products or services used mainly by the teenagers (e.g. cosmetics for pimples);
- competitors: very effective but very difficult to be used due to legal constrains. For example, one company could emphasize its

- strengths in comparison to another competitor (e.g. better endurance or better taste);
- product or service category: an organization can position itself in a product category not usually associated with it. For example, a soccer stadium could position itself as a tourist attraction;
 - quality/price: usually used when the offers are not very cheap or of a top quality.

Papers' purpose

The purpose of this paper is twofold, one to provide a broad picture of what positioning is and its significance to the existence of any company and, second, to present a positioning tool which can be effectively implemented by any SME to achieve a well-defined competitive advantage through a desired position in the minds of the prospects.

Are we different? Are we special?

These two questions should be the first ones in any entrepreneur's mind. Any new product or service must be different, regardless if it is sold under an established brand or not. A product sold on a particular market is successful as long as it is perceived by the customers and prospects as being special.

An offer is purchased if the prospect considers that it will bring more value in comparison to the competitive offers. If this offer is valued better than the other options on this market, it can be said that the offer has a competitive advantage. The competitive advantage gives the edge and pushes the offer ahead of the other options on the market.

In order to acquire an effective competitive advantage on the market, the product/ brand must be understood by the prospects in a certain way. The outcome of positioning is the depiction of a clear image in the prospect's mind of what the product can offer or mean. A clear position in the prospect's mind should be one of the most important goals in marketing. Actually the marketing endeavor in any company should be focused on achieving a desired position in a prospect's mind. A marketer must be able to distinguish between real positioning options and wishful thinking, because the barrier between these two is very thin and could lead to success or failure.

Brand positioning

Brand positioning refers to the place the brand occupies in the consumer's mind. [6]

Any seller would like to be perceived by the target market in a particular way. For this reason the seller will try to demonstrate that the company's offer is better than the competitors' ones, trying to be remembered by the potential consumer/ user in a specific way.

Positioning does not refer to the way in which the seller wants to be remembered by the target market (in this case we speak about a positioning approach), but what the consumer/user understands about the respective seller or brand.

A brand must have something special in order to be remembered by the target market. This objective can be achieved by offering a particular market benefit or offering better conditions than the competitors. The positioning approach must start from the segmentation criteria used on the respective market (geographic, demographic, psychographic and behavioral criteria). The segmentation process deals with the demand selection criteria, and also with methods for offer compliance to these criteria. The positioning outcome is shaped through the marketing mix elements: product, price, promotion and distribution.

For a successful positioning, the element of differentiation must be: [7]

- unique
- important to the consumer
- communicable
- easily understood and remembered
- sustainable by the company's approach through all the mix elements

The positioning tool proposed in this paper is designed in such a way as to provide the SMEs a guide for assessing the situation and building a competitive positioning strategy regardless the market in which a company is present.

The tool is comprised of the following sections:

1. Brand situation analysis
2. Competitive advantage configuration
3. Competitive advantage communication

4. Competitive advantage sustainment
5. Implementation of positioning element/s
6. Positioning outcome

The design and implementation of a positioning strategy include the following steps:

1. Brand situation analysis

- *Identification of strong and weak points of the brand and its competitors*
 - i. Analysis of comparable elements and identification of unique elements of competitive brands
 1. The common characteristics of the product/ service are compared with the competitive offers – analysis to be made on marketing mix components:
 - a) Physical features: color, shape, package
 - b) Price: level, variation
 - c) Distribution: methods, type of channel, number of channels, placing on shelves
 - d) Promotion: type of message, advertising, type of media, broadcasting frequency
 - e) Marketing services: consumption monitoring services, after sales services, after warranty services
- *Identification of opportunities and threats*
- *Conclusion of the brand position on the market*
- *The following tools can be successfully used: Secondary data assessment grid, Focus- Group, SWOT analysis and Porter model analysis*

2. Competitive advantage configuration

- *Identification of differentiation element/s:*
 - i. It starts from the business idea
 - ii. It is based on phase 1 conclusions
 - iii. The brand can be differentiated through:
 1. something that others do not have
 2. „we do a certain thing better than the others”
 3. „we sell it cheaper”
 4. „we offer something extra”

- iv. We select that „thing” through which we intend to attract customers:
 - 1. it needs to be easily understood by the target market
 - 2. difficult to be imitated
 - 3. ideally, it should be specific to our brand only
- *Elaboration of positioning strategy*
 - i. Usage of brand specific elements:
 - 1. they can be the most effective, as they are specific to our brand
 - 2. they ensure a clear place of the brand in the consumer’s mind, because they cannot be found elsewhere
 - 3. if understood by the target market and difficult to be imitated, they provide at least a medium-term competitive advantage
 - ii. Usage of comparable elements:
 - 1. must be clearly worded and distributed, because the target market can compare
 - 2. the seller’s disadvantage is that the company is not the only one to offer that „thing” on the market; there is a permanent threat that another company could manufacture or do that „thing” better
 - 3. this is an advantage difficult to be sustained on a medium term and it requires continuous monitoring of competitors
 - 4. it is an effective measure for adaptable companies
 - 5. it is the only way small enterprises could stand out, as they do not have sufficient innovative force
 - iii. Usage of mixed elements:
 - 1. this is the ideal situation
 - 2. ensures a clear place on the consumer’s mind, due to the specific elements and comparable elements
 - 3. ensures a competitive advantage over a longer period of time, as it provides more anchors on the consumer’s mind

3. Competitive advantage communication

- a. *Elaboration of a positioning statement – what we want to communicate – it will be accomplished by efficiently combining the communication strategy with creativity:*
- i. Must be clear
 - ii. Must be supported by the differentiation element
 - iii. The message must:
 1. clearly establish the product category of our offer (e.g. detergents, chocolate, natural juices)
 2. clearly emphasize our offer – brand and product (e.g. liquid detergent, pot chocolate)
 3. clearly show the differentiation element:
 - a) by emphasizing the product features
 - b) by approaching the consumer's emotions

4. Competitive advantage sustainment

- a. Positioning is the result of a continuous effort
- b. The differentiation element shall not be modified too often
- c. The differentiation element must last for a long period of time.

5. Implementation of positioning element/s

- a. We speak about the offer in general
- b. The difference comes from: product, price, promotion, distribution and marketing services
- c. Product:
 - i. Product features
 - ii. Degree of novelty
 - iii. Variety of types
- d. Price:
 - i. Price level
 - ii. Price flexibility
 - iii. Methods and terms of payment
- e. Promotion:
 - i. Communication: methods, channels, etc.
 - ii. Frequency of communication
 - iii. Message creativity
 - iv. Communication time (hour, date)
- f. Distribution:

- i. Type of channel
- ii. Number of channels
- iii. Area: extensive, intensive, exclusive
- g. Marketing services:
 - i. Consumption monitoring
 - ii. After sales services
 - iii. After warranty services

6. Positioning outcome

- a. The brand must be remembered by users/consumers as it delivers a specific benefit and/or has a specific meaning (emotional or social meaning).
- b. The users/consumers must perceive the difference between the respective brand and the other brands.
- c. A favorable attitude toward the brand must be developed and the purchase motive/benefit must be clearly emphasized.

ATTENTION: The brand shall be repositioned as soon as the differentiation element has become unclear.

Conclusions

The proposed positioning tool is an effective instrument but it must be used in accordance with the business line, vision, mission, values and objectives of the company and in close relation with market segmentation and targeting. Also, this instrument must represent the starting point of all marketing programs, meaning all these programs must have as objective the attainment of the desired positioning in the minds of the consumers.

Branding and positioning are interrelated. A brand cannot be built and/or preserved without a proper position in the minds of the prospects. A position on the other hand cannot be a long-lasting one without a strong brand. A strong brand and an enduring position should be the most important long-term marketing goals of any Small and Medium Enterprise, because these two can differentiate the survivors from the perished, the winners from the losers and the leaders from the pursuers.

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