

POSITIONING, AN IGNORED CONCEPT?

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Positioning is a very important marketing concept. Thus, it is our opinion that any student who graduates the first 3 years cycle should know the fundamentals of positioning. Unfortunately, this concept still doesn't have a clear place in the marketing faculty's syllabus and, as a result, it's not properly taught. The research is focused on determining the students' current level of understanding regarding the positioning concept and on identifying possible solutions for the future.

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Ideas on positioning

The word "positioning" was used for the first time by two advertising executives, Al Ries and Jack Trout, in their 1969 articles published in „Industrial Marketing” and „Advertising Age”⁵⁰⁴. "Positioning is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market. A good brand positioning helps guide marketing strategy by clarifying the brand's essence. The result of positioning is the successful creation of a "customer-focused value proposition", a cogent reason why the target market should consider buying the product"⁵⁰⁵.

There are still many unclear aspects about the concept of positioning. The first problem is where to fit this concept in the marketing process as a whole. In my opinion, positioning should have its place between marketing research, with its results of segmentation and targeting, and marketing mix design. Nowadays, there are still too many companies which go straight from identifying the need to marketing mix, without taking into account and choosing from the number of positioning alternatives. This situation of "no positioning" is the worst possible.

The second problem derives from the first: what role does positioning fulfill in the marketing process? I believe that positioning has the role of coordinating the company's marketing policy. We can break the marketing process into four stages:

- the research stage: the company gathers all the necessary information related to the general environment, the market and its competitors;
- the positioning stage: after analyzing the above data, the company must select a position that offers the best chance of success on the market, but also a position it can support with its strong points;
- the marketing mix stage: upon choosing the desired position, the company's task is to communicate it through all the components of the marketing mix. The company's brand cannot occupy the desired position unless the four components of the marketing mix converge to the same image;
- the implementation stage: this stage can determine the success or failure of the above program, because process management errors can result in seriously damaging marketing mistakes.

Consumers usually choose products/services that offer them the greatest perceived value. The brand's **value proposition** refers to the full set of benefits upon which the product/service is positioned. There are many value propositions upon which a company could position its products. However, there are only five winning value propositions, that is positioning that gives the company competitive advantage. These **5 winning positioning alternatives** are:

- 1) **More for more.** This alternative involves providing superior quality, craftsmanship, durability, performance or style and charging a higher price to cover the higher costs. The strong point of this alternative is that it symbolizes status, thus giving prestige to the buyer. Yet, this alternative is vulnerable to imitations and economic downturns.
- 2) **More for the same.** This alternative is aimed at attacking the more-for-more positioning. If applied correctly, this alternative can be highly successful.

504 Enis, Ben, Cox, Keith - "Marketing classics: a selection of influential articles", Ed. Allyn and Bacon Inc., S.U.A., 1988.

505 Kotler, Philip, Keller, Kevin - "Marketing management", Pearson Prentice Hall, Upper Saddle River, New Jersey, 2006, page 310.

3) **The same for less.** This can be a very powerful alternative, building its success on the fact that everyone likes striking a good deal. This alternative is also applied when companies develop imitative and lower-priced brands in order to steal market share from the leader.

4) **Less for much less.** This alternative is built upon the idea that not everyone can afford only the best in what they buy. Many consumers will settle for a product/service that offers less and as a result costs less. One of the risks involved in applying this alternative is going beyond the lowest level of quality and performance acceptable for the consumer. A second risk appears when this alternative is used by two or more companies on the same market, which can lead to price wars.

5) **More for less.** If possible to achieve, this would no doubt be the winning positioning alternative. In the short run this is actually possible, but in the long run companies will find it very difficult to deliver on both of these promises. As offering more usually costs more, sooner or later companies must decide if they want to compete primarily on "more" or on "less".

Each brand must choose the positioning alternative that best serves the needs and wants of its target market. In any market, there is always room for many different brands, each successfully occupying different positions.

Once a company has selected its desired brand positioning, there is still a long way to go. There are still four marketing mix components to be harmonized, which is always a difficult task. "Thus, a firm that seizes on a more-for-more position knows that it must produce high-quality products, charge a high price, distribute through high-quality dealers, and advertise in high-quality media. It must hire and train more service people, find retailers who have a good reputation for service, and develop sales and advertising messages that broadcast its superior service. This is the only way to build a consistent and believable more-for-more position"⁵⁰⁶. Moreover, there is still the implementation stage, a never-ending battle for market supremacy. Yet all the upcoming battles are half-won if the obtained brand positioning provides a solid foundation.

The research and its findings

Positioning is a very important marketing concept. This is probably an idea that needs no more reasoning. Enough of a reason should be the very important part positioning plays in the strategic marketing planning process. If positioning is such an important concept, it should be taught in one of the marketing faculty's courses. No student should graduate the first 3 year cycle without knowing the fundamentals of this concept: the meaning of positioning, what is a positioning map, which is the positioning's place in the strategic marketing planning process. Unfortunately, at the moment positioning is barely mentioned in the introductory marketing course, and it enjoys a few other sporadic appearances throughout the core marketing courses. Having in mind the purpose of advocating for a distinct place for positioning in the marketing faculty's syllabus, we've set up the following marketing research, which should provide us with all the necessary reasons.

In order to guarantee the validity of our findings, we chose a full research. Thus, all the 3rd year students were asked to fill in a questionnaire regarding the positioning concept. The following results were just a confirmation of our previous assumptions.

Our first objective was to see whether or not the students know the meaning of positioning. Obviously, if all the student would know what positioning means, there would be no need for further study regarding this concept. Thus, we discovered that only 26% of the students don't know the meaning of positioning. We believe this result to be encouraging, having in mind that a solid 74% are familiar with the concept. Still, the results show us the need for a more profound study regarding positioning.

Our second objective was to find whether or not the students know what is a positioning map. Besides knowing what positioning means, another fundamental issue is knowing how to measure this concept. The results are surprising, to say the least. Thus, we discovered that 85% of the students know what is a positioning map. Is it possible for someone to know how to measure a concept, without knowing what that concept means? This is a paradox which will surely disappear when the students will undertake a thorough study on this concept.

The third objective was to find whether or not the students know which is the positioning's place in the strategic marketing planning process. If a student knows what a concept means, how to measure it, and where to insert it in the general theory, there is no need to further study that concept. Unfortunately, the results are disastrous. Only 20% of the students know the correct answer to this question. This result is a more than enough reason to accept the need for a distinct place for positioning in the marketing faculty's syllabus.

In the end, we wanted to see whether or not the students themselves perceive the need to further study this concept. In other words, we wanted to know if there would be a "market" for a course on positioning. Thus, we discovered that only 7% of the students think they don't need further training on this subject. 48% of the students want to know more about positioning, by making it a chapter in the marketing introductory course. The rest of 45% believe that the presence of a "Positioning" course in the marketing faculty's syllabus is highly desirable.

⁵⁰⁶ Kotler, Philip, Armstrong, Gary – "Principles of marketing", Pearson Prentice Hall, Upper Saddle River, New Jersey, 2006, page 225.

Based on this research, it's easy to conclude that there is a need to further study the concept of positioning. It is our belief that this need would be best addressed by a "Positioning" course at the masters level.

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1. Enis, Ben, Cox, Keith - "Marketing classics: a selection of influential articles", Ed. Allyn and Bacon Inc., U.S.A., 1988.
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