

STRATEGICALLY REPOSITIONING RUSSIA

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Positioning is a very important marketing concept. Its importance was strongly emphasized and implemented in the case of companies, but is somehow neglected when it comes to states. A country acquires a position in the mind of a person very much like any other product does, which is very important especially when that person exerts an executive role. Nowadays Russia has a poor image or no image at all, both internationally and in Romania. In order to regain an important position in the Balkans region, Russia must set aside any political agenda and reposition itself as a business partner on equal terms. The first goal of this article is to clarify Russia's position in the minds of future Romanian executives. The second goal is to outline a recommended course of actions for Russia's repositioning.

Keywords: marketing, positioning, strategy, Russia, marketing research.

JEL Code: M3.

Conceptual framework

The concept of positioning is strongly linked with the process of trade. Positioning was one of the marketing elements that had been used since the beginnings of trade. However, in those days its meaning was rather limited, focusing on the concept of "reputation". All the merchants were seeking a good reputation and wanted to stand out with something: the best/fresher products, the widest range of goods, the most famous/important clients. Further on, at the beginning of the 20th century, the social and economic progress led to the appearance of marketing as a science. However, we can definitely conclude that this isn't the birthday of positioning. This concept is not typical of the first two stages in marketing's evolution, namely the orientation towards production (1900-1930) and the orientation towards sales (1930-1950). This is due to the fact that the concept of positioning cannot endorse a theory whose primary focus is not the consumer. Therefore, the concept of positioning is typical of the orientation towards marketing.

The word "positioning" was introduced by Jack Trout, an advertising executive, in his 1969 article published by "Industrial Marketing" and "Advertising Age". A few years later, in 1972, he teamed up with Al Ries, another advertising executive, in order to write an article called "Positioning cuts through chaos in marketplace", also published by "Advertising Age" (Enis and Cox 1988: 410-420). This was only the beginning of their lifelong crusade aimed at establishing positioning as one of the most important concepts in marketing.

The first battle that had to be fought was over the content of positioning. As always, when a new concept arises, there is more than one opinion about its meaning. For instance, some authors considered that positioning is the differentiation of brands by studying the ways in which their consumers differ as well as how consumer perceptions of various brands differ (Alpert and Gatty 1969: 65). The flaws of their approach are that positioning is not presented as a process which unfurls in the mind of the consumer and its result is a classification of brands. There are authors

who consider positioning to be a promotional strategy which attempts to place a brand along one or a number of dimensions relative to other brands in the same generic class. No matter what dimensions are employed, positioning is essentially a strategy used by the marketer in an attempt to find a niche for his brand (Houston and Haneski 1976: 38). This is obviously a narrow definition with respect to positioning. This concept has equal importance for product, price, promotion and placement, which means that it cannot be just a promotional strategy. Positioning is very useful not only when looking for a market niche, but especially when confronted with strong competition. From the management standpoint, the author believed that positioning is a decision to serve a particular segment with a program tailored to those specific customer needs (Biggadike 1981: 624). Unfortunately, we can highlight here a confusion between targeting and positioning.

Nevertheless, after a few decades of debate the Ries & Trout definition of positioning prevailed. The story goes like this: a company discovers different needs in the marketplace, segments the market accordingly, targets those needs that it can satisfy in a superior way, and then selects and communicates a position which is relevant, effective and consistent with the company's distinctive offering and image. Positioning is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market. 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 (Kotler and Keller 2006: 310). If a company does a poor job of positioning, the mind result will be a generalized confusion and a poor classification. On the contrary, if a company does an excellent job of positioning, then the rest of its marketing planning comes along smoothly.

The second battle that had to be fought was over implementing the concept of positioning in the daily business practices of every organization. We are still in the middle of this battle. Any organization should be interested in this concept, as all the successes and failures that were recorded on the for profit and not for profit battlefields can be easily explained using the positioning paradigm. Nowadays, there are still companies which go straight from identifying the need to marketing mix, but there are also many companies which use positioning as a weapon to undermine the competition and hypnotize the consumers. Nonetheless, there is still work to be done in order to clarify the role, ease the implementation and expand the scope of positioning to every human activity on Earth. There is also a need for improved marketing research methodology for positioning studies. A good progress in this area has been made by using the "means-end chains theory" (Vriens and Ter Hofstede 2000: 4-10).

Unfortunately, we face a much greater challenge when it comes to countries. Before embarking in such a difficult endeavor, we must ask ourselves: is really positioning a concept that can be applied to nations? Not only that the answer is yes, but it's very important for a country to make a constant effort regarding its position in the public's mind. Let's examine a few examples which support my theory (Popescu 2010: 119):

A) countries which ignore the concept of positioning:

1) Romania.

After 45 years of communist rule, Romania emerged on the world stage as a country with a very poor international image. For the international public, Romania was the country that shot Ceaușescu (the former communist leader) during Christmas, after the bloodiest and most violent anti-communist uprising in the whole Eastern Europe. The easiest way to see the results of little to no effort concerning positioning is when a conflict arises. In March 1990, Romania was experiencing an interethnic turmoil in Târgu Mureș, a city with a strong Hungarian minority. After a few weeks of rising tensions the Romanians and Hungarians clashed, leaving five dead and tens of others wounded. Romania/Romanians were depicted by the international media as the

aggressor. Why? Let's examine the facts. Romanians were the majority, Hungarians were the minority. Romania had a poor international image, Hungary had a good image, boosted by a very active lobby. Conclusion: the country with a poorer international image is very likely to be depicted as the aggressor and/or the guilty party in any conflict. A further downside is that, in the near future, such a poor image tends to go from bad to worse. In our case, Romania's image was further deteriorated by repeated miner uprisings and the illegal activities of the Romanian émigrés.

2) Serbia during the Yugoslav secession war.

The secession of a few members of the Yugoslav Federation should have been a peaceful process. Unfortunately, Serbia made the mistake of going to war against its neighbors under pretext of protecting the Serbian citizens who lived there. Although all parties were guilty of genocide and ethnic cleansing, Serbia was depicted as the aggressor. Why? Serbia had the advantage of numbers over any of its adversaries. Moreover, the international image of Serbia was damaged by the dictatorship of Slobodan Milosevici. Conclusion: Serbia had a poorer international image than Slovenia and Croatia, and it was immediately designated as the aggressor.

3) Russia during the 2008 Caucasus war.

The Caucasus is a sensitive region for Russia. On the one hand, Russia faces a separatist movement in Chechnya, and so far it has been unable to end this conflict with a negotiated solution. On the other hand, Russia supports two separatist movements in Abkhazia and South Ossetia, at the expense of Georgia. When Georgia tried to regain control over South Ossetia, the Russian troops intervened under the same pretext of protecting its citizens who lived there. This is a fallacious pretext and, as a result, Russia was depicted as the aggressor by the international media. The reasons are more than obvious: Russia has a history of imperial behavior towards smaller nations and it enjoys an overwhelming military advantage over Georgia. Moreover, the other side had a good international image as Mr. Saakasvilli came to power by ridding the wave of the orange revolution.

B) countries that apply the concept of positioning – The United States of America.

They are the classic example of outstanding communication for positioning purposes. Not all the conflicts in which America involved itself were just wars, but they were able to see them through without being labeled as the aggressor. The best example was the 2003 war against Iraq. Saddam Hussein had no weapons of mass destruction, but with tenacious and focused communications they convinced the public that he had. When the facts proved them wrong, they claimed that the morally acceptable reason for having this war was overthrowing Saddam Hussein and bringing democracy to the Iraqi people. This kind of mind juggling is possible only when you have a good international image, and such an image cannot be built overnight. America built its image since World War II by offering financial support to the Western Europe countries, by supplying security to its NATO allies, by exporting the American way of life, by movies in which is depicted as "the land of promise", "the home of the brave" and so on.

Based on the above examples, I believe we can derive a few conclusions (Popescu 2010: 119). First of all, it's obvious that the concept of positioning can be applied and is useful even when it comes to states. The positioning paradigm has helped us to analyze and understand the above examples. Second of all, the international image of a country is the main element which determines the position it occupies in the mind of the public. A country acquires a position in the mind of a person very much like any other product does. During its life, a person uses a multitude of sources (personal experience from visiting the country and/or interacting with its citizens, close relatives, friends, opinion leaders, mass media, other sources) in order to accumulate information about a country. Based on this information flow, a person builds and constantly

updates the image of that country. This image can be summarized in one or a few words which describe the position it occupies in the mind of the person. This position is very important, as it will determine the person's future attitude towards that country and everything related to it. We can further conclude that international media plays a vital role in implementing positioning, but there are also other tools for creating and communicating one's position. Last but not least, we can doubtlessly conclude that the easiest way to see the results of little to no effort regarding positioning is when a conflict or a crisis situation arises.

Our research

Keeping in mind the above conclusions, we can now take a closer look at the case of Russia. Generally speaking Russia has a poor international image, but when it comes to the Eastern European states the image is even poorer. This shouldn't come as a surprise for anybody. When the Soviet Union collapsed, Russia was very eager to inherit most of its assets and very reluctant to inherit most of its liabilities. Willy-nilly, Russia has to accept this burden, as it is considered the rightful heir of the USSR. The research has been conducted in Romania, so the results present only the position of Russia in the minds of my Romanian respondents. A future development on this theme would be to determine Russia's position in every Eastern European country and in Eastern Europe as a whole.

In order to guarantee the validity of our findings, we chose a full research. Thus, all the 3rd year (last year) students were asked to fill in a questionnaire regarding the positioning of Russia. We chose this group of respondents because starting this September they will begin working for Romanian or multinational companies. Their opinion is important because in the long run they are the future executives of those companies and, who knows, maybe the future leaders of the country. The following results were just a confirmation of our previous assumptions.

Our first objective was to determine whether the respondents believed Russia to be an interesting tourism and business destination or not. Previous research (Popescu 2010: 119) has shown a strong correlation between thinking highly of a country and selecting it as a future tourism or business destination. First of all, I compared Russia with other major European tourism destinations, such as France, Spain, Italy, UK and Germany. In this case Russia finished in the last place, having a poor minus 0.64 Likert score. Only 24% of the respondents selected Russia as a possible tourism destination, far behind UK with 80% or France with 79%. Second of all, I tried a regional approach by comparing Russia with all the other Eastern European countries. There were no positive Likert scores, which tells us that the Eastern European countries are far less popular as tourism destinations than their Western counterparts. Russia was indicated by only 23% of the respondents, trailing Croatia with 39%, The Czech Republic with 32%, Bulgaria with 30% and Hungary with 26%. We can now conclude that Russia's results are mediocre. From the tourism standpoint Russia isn't among the market leaders, as it was mentioned as a possible future destination by less than a quarter of our respondents.

The next step was to determine whether the respondents believed Russia to be an interesting business destination or not. First of all, I compared Russia with Germany, UK, France, Spain and Italy as main European business destinations. Again Russia finished in the last place, with a poor Likert score of minus 0.62. Only for 20% of my respondents Russia is a possible future business destination, far behind UK with 59% or Germany with 58%. Second of all, the regional approach compared Russia's business opportunities against the potential of all the other Eastern European countries. This time we had only negative Likert scores, as an indication that the regional business opportunities are either unknown or unattractive for our respondents. Russia was indicated by only 22% of the respondents, trailing Hungary with 30%, Bulgaria with 29%, The

Republic of Moldova with 27% and Poland with 26%. Again Russia is not on the podium. This is a disastrous result if we take into account Russia's abundantly existing business opportunities.

Besides the poor international image, the above results are also due to the lack of information about Russia's opportunities. Most of my respondents confessed that they know very little about anything concerning Russia, but they are eager to learn more. 67% of our respondents showed a lot of interest regarding Russia's touristic and business opportunities.

We have shown previously in this article that during its life, a person uses a multitude of sources (personal experience from visiting the country and/or interacting with its citizens, close relatives, friends, opinion leaders, mass media, other sources) in order to accumulate information about a country. Now we can tell for sure which are the sources used by our respondents in order to gather information about Russia. The internet was by far the most widely used source, as it was mentioned by 91% of the respondents. Very popular sources of information are also television (52%), the opinion of friends and relatives (48%) and the press (35%). Lesser used sources include participation to various events (24%), Russian cultural centers/associations (9%) and student organizations (6%).

The above results allow us to derive a few important conclusions. First of all, there is an obvious lack of information about everything concerning Russia, and this situation doesn't lead to a neutral but to a negative image. Russia needs to communicate more and do so in languages of international circulation. Second of all, Russia needs to communicate better, meaning that it should supply the international public with all the information that might be of interest. There is a significant interest for touristic, business and other types of opportunities, but the information available are scarce. Last but not least, Russia needs to take full advantage of the information sources available. If most of the respondents are using the internet, there is a need for better information sites, with at least an English version. If the respondents are using television, we need to support as many news about Russia as possible and we need a Hollywood-like film industry. Russia also needs to organize as many events as possible and to offer educational opportunities in partnership with student organizations.

This is the road ahead. It's a difficult road, but at the same time it's the only road. If Russia doesn't take this road, its image can only go from bad to worse.

VI. Note

This paper was co-financed from the European Social Fund through Sectorial Operational Programme of Human Resources Development 2007-2013, project number POSDRU/1.5/S/59184 "Performance and excellence in postdoctoral research in Romanian economics science field".

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