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Brand Positioning: Control or Influence on Buying Patterns of Customers

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Abstract -According to the American Marketing Association a brand as “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller and to differentiate them from those of competitors.” A brand is thus a product or a service whose dimensions differentiate it in some way from other products or services designed to satisfy the same need. Branding has been around for centuries as a means to distinguish the goods of one producer from those of another¹. Brand positioning is the extended version of branding; it is to target consumer’s motivation to prefer a brand over others. In this article the researcher studies and discusses about how the producers create a distinctive place in the market for their brand, a niche market that they carefully choose to grab a differential advantage in the customer’s mind. Based on secondary research - the researcher talks about the effect of brand positioning on the buying decision.

Key words: *Branding, positioning, effective branding, marketing.*

I. Introduction

Brand positioning is an act of working around the company’s products and services offerings to its current as well as potential customers, in order to place the brand in the customer’s mind and create a space for the brand according to the customer’s expectations. The marketers study the customer’s need to own a product of a brand for tangible and intangible reasons. In the current world with developed technology, reaching to customers has become more and more competitive. For example if a buyer wants to buy a watch he has so many options available to pick out from. So the rough idea of the elimination process followed by the selection can be scribbled out as below:



Fig 1: Probable selection process that a buyer goes through while purchasing a product(In this case the product is a watch)

Apart from the usual advertising and marketing strategies there is something called sponsoring? The brand sponsor events, such as sports, marathons, entertainment events, and movies. When people see their favorite sportsman, actor and a celebrity a particular brand following occurrences can take place:

- A person unaware of a brand that is positioned will know the brand for the future buying options
- A person who had bought products of the positioned brand might become loyal because brand positioning adds intangible value to the brand's image in the buyer's eye.
- A person already loyal to the positioned brand will refer the brand to others because of the joy felt by seeing the brand positioned in one of the mentioned sources

The brands are even positioned according to the target segment of buyers. For example brands that are targeted for the middle income group are positioned through print media, television media, sports, movies, magazines, sources accessible to a layman reads. But brands that have only high end/ luxury products that are beyond a common man's pocket size are either not positioned or if positioned then in that case only in few specific sources such as niche business magazines, high end business magazines, etc. There are many wonderful brands that are unknown to people because they are not positioned through common media sources. These brands are either known to people because of the family heirlooms passed through generations or because some people are really interested in high end original stuff.

According to various available examples, brand positioning has quite an influence on the buying decision of a customer. Both products and services industry holds this fact. The main strategy of brand positioning is to create a strong brand preference which influences the target customers to buy a particular brand over the other or at least generate references that helps increasing the goodwill of that brand. Another motive of brand positioning is to stimulate buying behavior amongst customers that helps cement the loyalty. These strategies result into greater brand recognition as the effect of influence created due to brand positioning is generally inevitable if done in a right way and on the right target segment. It also helps retain the customers and results in greater market share.



Fig 2: Segmentation, targeting and positioning phases (Kotler and Armstrong, 2004)

The researcher has discussed various examples to support the research in the literature review section that will further help to draw conclusions for the study performed.

II. Purpose

- 1) To understand how people get to know about a brand- most influential sources
- 2) To understand why customers buy a brand
- 3) To understand whether customers buy the brand they can monetarily afford? Or they buy it anyway
- 4) To understand whether brand positioning changes a customer's brand choice

III. Literature review

According to the examples mentioned in marketing management by Philip Kotler, value propositions have a positive correlation with brand positioning. A classic example of positioning from the Indian market would be to mention the tussle between Dettol and Savlon (chapter 11, marketing management, 13th edition). According to the researchers Dettol being the traditional dominant of the antiseptic lotion market having the associated properties for an antiseptic liquid preserved by the consumers, Savlon being the competitor positioned the brand with opposite properties than Dettol. Savlon positioned the product by highlighting “no-sting”. The key differentiator made Savlon a success and gain market share. When a consumer sees a brand that can serve the same purpose with an added value/characteristic that product gets its visibility.

Buyers may change their buying preference when they measure the points of parity (POP). How can we say that buyers do change their preference? Brand equity and market share are the answer for it. This statement can be supported by an example, American express built its credit card brand with appeals based on prestige unlike visa cards. Amex defended against the competitors by increasing the number of merchants that accept the card, by creating the value enhancements, exclusivity over even gold and platinum visa cards.

Dana.L.Alden (1999) researched that Brands are going for global positioning to create a cosmopolitan, knowledgeable and elite image in the buyer's mind. Due to globalization customers are becoming aware of many brands. Buyers want to feel the credibility and authority when they buy a certain brand. The new construct of global consumer cultural positioning (GCCP) was discussed in a research for studying the brands positioning strategies by going global.

Sridhar (2006) indicated that a strong brand position means that the brand has a unique, credible, sustainable, and valued place with the customers. Brand has the capacity to capture the imagination. The brand name is what most people remember and recall. Sharply positioned brands stand out from the competition. Customers are loyal to the brand, but they become loyal only after knowing the brand, so a distinctive and strong brand positioning the key to a larger brand equity and market share.

The positioning strategies vary according to the target customer segment. According to a study by GUO Qi; LI Dandan, the luxury brands outstand because of their rich and strong values behind the brand's name. Consumers buying such brand do not need brand positioning through advertising or marketing campaigns, because the demand and supply dynamics in this segment varies. Customer's buying decision is also influenced by the concept called as celebrity brand positioning. Brand positioning in movies is becoming quite impactful when it comes to increased market share of the brand. But many times the celebrity brand positioning might not have a positive impact on the brand equity. This statement can lead to a complete new stance for a separate and niche research.

IV. Design/methodology/approach

Research methodology: secondary research. In this article/paper, secondary research and specific research review talking about brand positioning, effect of brand positioning on the customer's buying preferences and the facts, trends as well as assumptions moving the market share around brand positioning.

Period of research: March 2015- June 2015

V. Findings and conclusions

The research leads to the facts that positioning has a positive correlation with the market share and brand equity. Market share of a brand increases when the sale of the brand increases. Based on this correlation the researcher has considered a positive point between brand positioning and influence on buyer's choice.

Also from the secondary research and further readings the importance of positioning to create an intangible brand value by comparing the points of parity is the key to gain buyer's attention towards a brand.

The correlation of negatives is the latest trend that influence buyer's behavior, such as "low price-high quality". This kind of brand positioning makes the buyer at least think twice about the positioned brand over the regularly used brand by that customer.

Brand positioning also triggers a sense of pride and helps increase the popularity by spreading the good word about the brand by the existing loyal customers.

Brand positioning is also target segment oriented. Utility brands offering several products including cars, electronic items, food, services, etc., have a different strategy of positioning. They usually study what the customer is missing from the existing product of a brand and then come up with a competitive strategy to gain market share and brand equity. On the other hand the luxury brand market has different dynamics, the brand functions on the rich value and beliefs passed on through generations to the brand owners as well as the buyers.

The researcher also touch based the celebrity positioning effect on the buyer's choice regarding brand preference. The available reading shows that it has both positive and negative effect on the buyer's choice. Celebrity brand positioning is a broad subject and needs further research before coming to a defined conclusion.

VI. Research limitations

The available literature has old values and limited facts and figures. Most of the available literature research paper for a niche topic. They are helpful readings but considering the conclusions for the general market would not be relatively accurate.

Brand positioning is a vast subject. In this article the researcher has touch based the possible ways of brand positioning by which the buyers get influenced. But the in depth research of each type of brand positioning around various industries would provide relatively more accurate data.

VII. Scope of research

In depth research about the topic can be achieved by using exploratory research method that would help the researcher to understand the first hand customer's perspective.

The various points such as segmental brand positioning, celebrity band positioning, etc, discussed during the paper can be considered as separate topics for future research

The research can be categorized based on factors like age group, gender, geographical area, income group, etc.

The research can be made industry specific as well as niche by considering a single product chain of that brand; if the company owns multiple brands then the researcher can select two or more out of many and then perform a comparative study between the chosen ones.

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