



REPOSITIONING OF BRANDS AN ESSENTIAL TECHNIQUE OF SUSTAINABILITY A CONCEPTUAL REVIEW

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Abstract

In recent times most of the companies are encountering positioning pitfalls. Many of them are compelled to stick to a particular segment that does not yield much benefit to the company. In order to overcome these segmentation constraints, companies need to reposition their products or services according to the changing preferences, perceptions and lifestyles of the targeted consumers. In this regard, consumer behavior dimensions must be studied to make innovative repositioning strategies. This would not only make the companies competent in the existing market but also paves path for new markets, offering huge profits and considerable market share leading to sustainable competitive advantage. This study attempts to find out some innovative repositioning strategies that can be adapted by the firms seeking competitive edge over the competitors.

Key Words: Repositioning, competitive advantage, innovative strategies

1 Introduction

In general, companies adopt repositioning strategies when their products and services performance is not to the optimum. Sometimes, even by keeping their target audience in mind and after careful understanding of their existing competitors positioning strategies, companies are unable to sustain their market share and getting burdened of their shortened product life cycles. In recent times, it has become a major challenge to many companies. This is because of rapid and continuous changes in the target customers preferences, perceptions, attitudes and then their changing lifestyles. Hence, companies positioning platforms which have been selected and strategies adopted are no longer yield beneficial returns to companies.

Moreover companies which afforded a large amount of investment especially on promotional campaigns might have to limit themselves to low profit market share and face a difficult situation by entering into Question mark (BCG matrix) position. Threat of new entrants, substitute products, availability of alternatives in the segment market push companies into miserable position and throwing a biggest challenge they have ever faced before.

Brand or product managers need to realize that studying of existing segment consumer behavior dimensions are not just sufficient enough to make marketing strategies. Marketers must understand the frequent and continuous changes in the consumer perceptions and attitudes that are offering opportunities to new entrants in the current markets and also to competitors. Lack of strong brand and sometimes economic volatility in the economy (hotel industry) may cause business failure. It is necessary to think about paradigm shifts possible in the market segment. Sudden shifts from type of business (eg. Banking to investments), demands the organization to think also about investors, employees, clients perceptions. In critical situations like prolonged recessions, business approaches that were effective may become ineffective during healthy economies and it becomes necessary to change a firms positioning. All these things involve critical decision making without the benefits of sufficient information, because of unpredictable changes in the consumer perceptions and competitors reaction.

Methodology: To get to the heart of the challenges raised

above, this conceptual paper is an attempt to find out some innovative strategies by carefully observing and analyzing successful historical repositioning strategies adopted by different companies globally. Understanding of those strategies may offer innovative ideas to develop new marketing plans including very important aspect of selecting communication channel for the targeted audience. This study needs further empirical evidences and also the findings are questionable as this paper largely depends on conceptual framework of repositioning of brands and products globally. Approach is purely based on secondary data. Need of innovative approaches merely being me too product offerings and copying what others are doing will not make companies position in target market strong and also will not gain remarkable profits.

Effective repositioning conveys to target consumers why this company's products or services should be preferred over the competitive options. Excellent and innovative marketing plans clearly make the target audience to identify how the company products or services are different from competitors offerings and in what ways? They must stand out from the crowd in ways which yields sustainable revenue and pave paths for NPD as well as building brand image. But, it is not enough to carefully analyze internal organizational strength and weakness, marketers must think about communication channels to reach to their target customers. Companies must choose right communication channels that are correctly designed to reach their identified target customers with precise messages.

Importance of Repositioning:

This study observed that almost all the companies worldwide at least once had a thought of repositioning of their brands or products or services. It clearly indicates the importance of repositioning. As companies pass through the PLC stages, it has become necessary to think of offering their products or services to a new segment or attracting competitors crowd or look for a new market and even satisfying expectations of the existing segment.

In recent times, with the impact of inevitable, rapid and continuous changes in the perceptions of customers, every company needs to think about its PLC spans and should design marketing plans accordingly. Along with that the growth rate of working women population in the developing countries and changing life styles of

middle income class people (priority choices of children education, entertainment etc.), increasing awareness and over consciousness of Green marketing, Increased technology, societal relevance, social responsibility (CSR), communal development, are also creating challenges as well as opportunities to the companies.

Considering the historical successful repositioning case studies of companies it is known that many marketing plans were designed by largely relying on communication channel rather than product or service modification. This proves that the image of the brand or product is directly having the impact over customer behavior. Perceptions can majorly be altered by using effective communication channels and thus sending precise message to the target audience. It is less risky, safer (in terms of not loosing existing customers), cost-effective to send suitable messages about products or services to the target audience rather than thinking too much of product modifications.

Motivations and ideology:

Brand positioning positively means perception - Reeves (1986) defines perception as the art of selecting out of a number of unique selling propositions. The term "position" refers to placing a brand in that part of the market where it will have a favorable reception compared to the products competing with it (Jain, 1981). Crowford (1987) expresses his view in the following words: 'Once a target market has been selected, the new product marketers must differentiate their item from products ahead offered to that target group. This differentiating is called positioning the product and now is in widespread use'.

According to Wind and Oram (1982), 'the product (brand) positioning should be assessed, by measuring the consumer's or organizational buyer's perceptions and preferences for the product in relation to its competitors.

Ayers (1976) dictionary of advertising terms explains positioning as 'The art and science of fitting the product or service to one or more segments of the broad market in such a way as to set it, meaningfully apart from competition'.

A study by Smith and Lush (1976) has revealed that product position can mean situational conditions in the industry. When product position is the competitive basis, unique selling proposition advertising is the typical form of promotion. Aaker and Day

(1980) observe that multidimensional scaling addresses the general problem of positioning objectives in a perceptual space. Much of marketing management is concerned with such questions of positioning as "With whom do we compete?", "How are we compared to our competitors?", "On what dimensions?"

This literature on Repositioning suggest that many companies have been benefitted by repositioning their products and services as to gain more market share, sustain in the market, enter into new segments and most of the time when their sales growth has declined. Seeing into the successful case studies of Mother Energy Drink (coca-cola) in Australian market (2006) due to sales down, Napison laundry detergent for baby diapers (1980) due to life style changes (Preferring disposable ones), Miller beer- substitute for table wine, Marlboro cigarettes - woman to man, Cadbury tamper proof seal- due to market event- India, KFC due to health consciousness in the market segment are the few examples indicating the importance of repositioning of brands and products, in order to gain considerable market share.

When it comes to recent time happenings in the Indian market, Dabur repositioned successfully about its brand to tell clearly what category products it deals with, to remove the clumsy image in the segment customers. Tata Nano trying to reposition the car as smart city car by adding features such as electronic power steering, introducing CNG etc. Strepceles by giving testimonials in their ads, Horlicks and Boost repositioning themselves by entering into sachets market, maggi with different flavors are the few more examples of the same. Another very successful story of Phillips- with the tagline of sense and simplicity communicates target audience that the company provides simple to use solutions for everyday needs, Johnson and Johnson with No more tears- that it provides safe products for babies. HTC mobiles introduced music oriented phones targeting teenagers, coca-cola again repositioned in the western markets as meal time accompaniment. Revlon cosmetics successfully repositioned by placing their products in local retailers including drug stores. Many other companies are also adopting this concept of repositioning as a beneficial strategy and focusing on continuous repositioning their products or brands with regards to changing perceptions, attitudes, preferences and customers.

2 Conclusion

To gain more market share and sustain in the market for a longer time, it is obvious that companies should always follow traditional strategic approach that emphasizes on market analysis. And also customer analysis, advantages and disadvantage calculations, creating brand identity through consistent campaigns is necessary.

This study suggests that in addition to all the traditional approaches, it is an important thing that any company must give stress on communication channel to send effective message to their target audience to create strong and stable position in their minds. It is not only effective but also safe and cost effective way of repositioning the brand or product rather concentrating on price, quality and other attributes of the product. It is not that diluting the importance of product modification and new product development concepts but focuses on cost effective ways of successful repositioning approaches. In these times, consumers are well informed about the usage of products. Thus, market place has now become customer centric. Hence, by recognizing the constant change in consumer preferences, the companies have realized the importance of regular repositioning exercises. In this way, companies need to understand first about their current status of the brand and what does the brand stands for today, then developing the repositioning platform i.e. where can we take it tomorrow to go and more importantly selecting the right and effective communication channel. Constant need to innovate, update, recalibrate cannot be neglected. Current brand positioning must be analyzed. Key issues like price, quality, product attributes, distribution, usage occasions, and place also need to be considered. GCCP (global consumer culture positioning) is a useful one in this way in terms of soft sell (indirect and image based), Hard sell (direct and information based). Cosmopolitan consumers have desire to take part in a global community who often travel, engage with people from other cultures have different consumption experiences. Giving importance to communication channel enables consumers to see gaps in the positioning of all brands in the product class and make them to identify among in which consumers needs are not adequately met. Through promotional messages by stressing products attributes, sending effective messages that are likely to satisfy unfulfilled consumer needs. Niche

marketing is the another best option for the companies to reposition their brands that claiming better than competing brands by stressing attributes that fulfill the consumer needs. It strives to create a product image consistent with the relevant self-image and needs of the targeted consumer segment. In todays competition a distinctive product image is more important. Consumers rely on product image than its actual attributes in making purchase decision. Thus, repositioning has become an important and necessary marketing plan for companies today. Both direct and indirect competitors and their positions in the market place must be understood carefully. Technique of perceptual mapping helps marketers to determine how their product and services appear to consumers in relation to competitive brands. In addition to this, repositioning of brand/product demands the consideration of the following key issues:

- Perceptions of the consumers through market research
- Finding out attributes important to a customer through internal analysis
- Competitors price, availability of stores
- Appropriate segments.
- Size of segment
- Significant enough to target
- Understanding competition
- Ensuring of increasing profitability of the company.

This study cannot, naturally shed light on those companies who were unsuccessful. However, it sheds some light on what are the successful ways of Repositioning of Brands and Products when it is critical to make good decision.

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