



THE ROLE OF POSITIONING IN STRATEGIC BRAND MANAGEMENT – CASE OF HOME APPLIANCE MARKET

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Abstract

With growing competitiveness in the national as well as international markets, brands have increasing importance in consumer decision making process. Brands help consumers to choose products that satisfy their needs, fit their emotions and help them demonstrate their place in the society. Current financial crises proved that strong brands can do well even in bad times. Global brands ranked at the top of the most valued world's brands put a lot of efforts in development of the right positioning, keeping it up-to-date and consistent across all brand's activities.

Positioning is broadly used tool of brand development but deep analyses and real cases of positioning development are rare. The objective of this paper is to analyse the existing theoretical fundamentals of positioning as well as day-to-day business practices and following that to formulate a positioning development model, a tool that will help marketers in brand management to create proper brand positioning and develop intended consumer brand perception.

Keywords: *positioning, consumer perception, brand differentiation*

Introduction

The objective of branding is development of deep and long-lasting relationship with the consumer. Rational products' or services' attributes are no longer the decision drivers of the consumers' choice as there is little differentiation of those among producers. Associated emotions are the decision makers. The issue is not just to produce what meets consumers' expectations in terms of the rational product attributes but to successfully attract consumer interest. Selection of the brand represents user's lifestyle, social status, attitudes and values. One of the most important aspects of branding is clearly development of proper brand positioning capturing all the above aspects.

This paper firstly reviews the literature concerning the brand positioning and other theoretical aspects that lead to definition of positioning model and consequently presents research analyzing different elements of the model applied on practical example of brands in home appliance sector as syntheses of collected information and data is discussed in the first part. The analyses prove the interdependence of positioning elements and their role in defining the frame of reference and point of difference in the process of positioning the brand to the minds of the target audience. The model also identifies difficulties in the phase of implementation of the intended positioning statement and creating real position of a brand in consumers' minds through marketing mix. The brand positioning model may potentially serve to brand management teams as a practical tool for strategic brand planning in its broad sense, e.g. lead to increased brand equity contributing to both increased value for the company as well as for the consumers.

It was proven that strong brands with strong emotional bond with its' customers fight better with the economic downturn compared to generic brands or products. The financial crisis brought obviously cost savings on the consumers' side. It was confirmed (Leinwand, Moeller, & Shriram, 2008) that majority consumers reacted to the financial crises with decreased spending. Impact of the lower consumer spending differed category by category, but across all of them the brands that have fostered the sense of alliance with their customers are more likely to withstand an economic downturn than those, that lack these consumer tights. Brands with strong positioning and truly clear and unique consumer perception have much better chances not only overcome the financial crises, but even strengthen their market position (Leinwand, Moeller, & Shriram, 2008). This fact is based on the assumption, that consumers consider and evaluate their stable purchasing patterns more carefully in bad times and those brands that manage to create a strong relationship with their consumers may win their loyalty and harvest the success when the times get better. If brands can succeed or not, depends vastly on their ability to stick to a long term strategy creating unique brand position even in these times.

The objective of this paper is to present and discuss the positioning model that helps marketers to develop effective, consumer relevant brand strategy and translate it into the marketing tools addressing brand relevant target audience, their expectations, needs, values and attitudes. From day-to-day business point of view the positioning discussion usually starts either when totally new brand is under development or when the current brands are not performing according to the expectations. This is the case that will be discussed in this paper through an example of a specific brand – Bosch home appliances.

Literature review

Different authors understand brand positioning slightly differently. Literature shows that there is a development in understanding what positioning means for brand management, moving from advertising strategy to core long-term brand strategy determining consumer perception of the brand. The word „positioning” was first used by Ries and Trout in 1969 in an article in *Industrial Marketing* (Keegan & Schlegelmilch, 1999, p. 378) describing a strategy for 'staking out turf' or 'filling a slot' in the mind of target customers. Many authors associate the importance of positioning with advertising concept of USP (Unique selling proposition). One of them, Jack Trout, associates positioning to a great extent to

successful communication, leaving the preceding process of developing the strategy for this communication (and positioning of a brand or idea) aside, as demonstrated by his statement: “The term positioning means, that the company concentrates on one idea or slogan, with which the consumer identifies himself” (Rivkim & Trout, 1996).

A. Ries and L. Ries stress also the importance of consumer: “Advertisers and agencies do not position product. Consumers do. Companies need to determine what position their products already occupy in the consumers mind and relative to other products: only than they can act to reinforce or change that position.” (Ries & Ries, 2002) The important object in positioning is not the producer (marketer, advertiser) of the brand but the consumers.

Some other authors relate positioning closely to segmentation of the market and achieving competitive advantage through differentiation. Kuss and Tomczak understand under positioning “achieving a competitive advantage throughout specific target group” (Kuss & Tomczak, 1998) while according to Belch and Belch it is “the art and science of fitting the product or service to one or more segments of the broad market in such a way to set it meaningfully apart from competition” (Belch & Belch, 1995), This means, that consumer, or more specifically target audience and competition are source of differentiation of a brand.

Kroeber-Riel and Esch relate positioning with consumer associations and brand image, describing positioning as “measures leading to subjective customer perception of the offer, which is differentiated from the competition and therefore preferred” (Kroeber-Riel & Esch, 2000). K. Keller defines: “The essence of positioning is that the brand has some sustainable competitive advantage or unique selling proposition. Such a selling proposition gives consumer a compelling reason why they should buy a particular product. Thus one critical success factor for the brand is that it has some strongly held, favorably evaluated associations that function as a point of differentiation and are unique to the brand and imply superiority over other competing brands” (Keller, 1998, str. 77).

David Aaker, one of the most respected authors on the topics of branding points that “Brand position is part of the brand identity and value proposition that is to be actively communicated to the target audience and that demonstrates an advantage over competing brands” (Aaker, 1996, p. 176).

The further development shifts positioning into category of strategic marketing tools as brought by A. Tybout and B. Sternthal in Kellogg on Branding “Brand positioning plays a key role in the building and managing of a strong brand by specifying how the brand is related to consumer’s goals.” (Tybout & Calkins, 2005, p. 25) The authors present the positioning statement composed of four parts: targeted consumer, frame of reference, point of difference and reasons to believe. Compared to other authors they put more emphasis on identification of the frame of reference as a potential source of brand’s future growth.

Positioning is, despite his long history, a very contemporary tool in strategic marketing. There are some common opinions about what positioning should consist of, but there are also many uncertainties in how to achieve a clear and unique brand position in consumers’ mind. P. Kotler points that “marketing is not a static discipline. Marketing is a constantly changing discipline and positioning is one of those revolutionary changes that keeps the marketing field alive, interesting, exciting, and fascination” (Ries & Trout, 2001, p. foreword).

Methodology

This paper is focused on analyses, evaluation and interpretation of data collected in 1996-2009 in several international and local businesses. Those data are either internal or based on primarily sources. The theoretical background is based on our long term research of relevant sources from strategic brand management field with special focus on brand positioning. We analyzed the approach of different authors towards positioning and using this we developed a scheme for development and implementation of proper brand positioning presented at the end of the article. To demonstrate its applicability we present specific case of Bosch brand to validate the process.

Data included to the analyses comprised of market information data (market size, trends of development etc...), consumer relevant data (consumer behaviour and preferences) and specific brand information (brand awareness, brand image, loyalty, etc). The data were analyzed, evaluated and interpreted into the format suitable for brand positioning and brand strategy development, researched with comparative analyses and inductive methods.

Elements of Positioning

Although there are different definitions and approaches toward positioning, literature research as well as business experience confirm, that there are four core elements, which must be taken in consideration when developing brand positioning – brand, represented by brand equity, target consumer group, consumer benefit and competitive frame (illustrated in Figure 1). We will justify the role of each individual element in the positioning strategy on both theoretical bases as well as on case study of the home appliance brands. Consequently a model will be presented as an outcome of the analyses

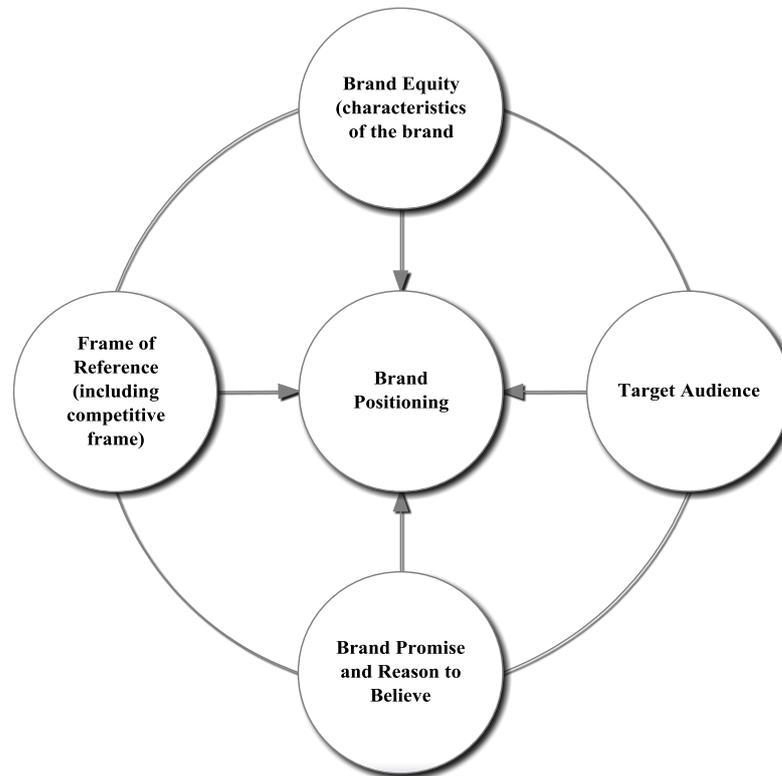


Figure 1: Elements of positioning

Brand

Brand is a tool for differentiating the product or service from those of competitors. To fulfill this task, consumers need to recognize the brand and must have strong motivations to purchase the specific brand over any competitive one included in the same frame of reference. This statement derives three further fundamentals of brand positioning – identification of target consumer group, unique and attractive benefit that can brand offer to this target consumer group and differentiation from competitors.

Analyses of primary research in targeted companies proved that vital precondition for assessing the latter three foundations of positioning (target audience, relevant and unique consumer benefit, and differentiation from competition), is a profound understanding of own brand. Aaker (Aaker, *Managing Brand Equity, Capitalizing on the Value of a Brand Name*, 1991) suggests three types of research – customer analyses, competitor analyses and self analyses which step by step enable to audit the brand’s performance in key indicators (brand awareness, brand loyalty, brand image - consumer associations with brand, their strength, brand heritage and perceived quality, identification of current customers and competitors). Brand equity in positioning stands for not to assess the financial value (equity) of a brand, but deeply understand its market situation with all consequences for the brand management and brand strategy. Low brand awareness, as an example, requires strong communication with consumers focused on brand recognition, while high unaided brand awareness allows concentration on specific brand values when communicating with the consumers.

Initial brand audit is a vital precondition for developing brand positioning strategy. Table 1 deals with the initial Bosch brand situation based on thorough cross analyzes of all data available from the consumer research, brand audit as well as competitive analyses of the home appliance category.

Table 1: Summary of the initial brand audit

Dimension	Initial status Bosch brand
Product/competitive segment	High quality/premium (not luxurious) home appliance
User	Total population with more focus on female, average to above average income level
Brand awareness	Relatively high, spontaneous 79%, prompted 98%
Brand image	Positive among male users above 50 years old, negative among female under 30 years old
Bosch umbrella brand (including do-it-yourself appliances, car parts) - brand image/perceived values	high technical and technological quality experience and competence functionality durability uncompromising reliability semi professional products
Bosch home appliances perceived image/values	high quality technology and innovation

Source: Authors based on BSH internal sources

Table 1 indicates two major issues of the brand, scattered targeting and eroding image, especially with younger and female consumer, and lack of clear associations connected to the brand, especially in the home appliances product category. Before taking further steps in developing brand positioning, it is necessary to explain the role of the remaining three positioning elements.

Target Audience

Consumer is the decision maker of a purchase. Target audience is a real group of consumers, the largest segment that can be concisely described in term of its interest in brand's point of difference. Target audience in brand positioning statement means the most suitable potential consumers with highest potential, segment that is consistent enough to be able to positively react to our point of difference. It can be described either generally in terms of demographics, personality, lifestyle, psychographics or more situation specific, e.g. towards consumption of the brand, heavy/medium/light users, loyalty patterns, competitor usage or buying situation.

To do so it is vital to carefully analyze the consumer needs, their motivations for certain product purchase, usage habits and satisfaction with product. To segment the target audience properly it is beneficial to combine traditional methods of segmenting consumers (e.g. demographical, socio-economic) with psychographics (which both have limitations in terms of explaining the reasons why consumers choose to buy or prefer particular products) with the benefits appealing to the consumers of given category. The benefits, when they are present as attributes of a brand positioning, cause consumers to purchase those products and should therefore be discussed here due to strong correlation with the brand positioning model used for developing profound brand strategies.

To be able to address consumers with attractive offer, it is necessary to understand consumer behavior before, during and even more importantly after purchase, their feelings, moods and values relevant for the product. What the brand means to consumer and what consumer expects from it (functionally as well as emotionally). To identify and understand consumer needs and the process of their satisfaction, there have been developed many models and concepts of consumer behavior or purchase decision-making. Most of them are based on psychological methods of understanding consumer motivations, perception, attitudes and values, which are influenced by the process of human thinking.

Core to the human thinking and decision-making is perception and its enduring comparison with previously collected information stored in our memory. "Perception is process by which each individual selects, organizes and evaluates stimuli from external environment to provide meaningful experiences for him." (Mooij, 2009, p. 47). We conclude that the process of perception is influenced by different factors directly connected to the product like own experience with the product, contact through media, mentioning by friends or others, but also by factors indirectly influencing our perception of the product (brand) such as values, motivations, attitudes, experiences not related to the brand. The values are deeply settled in our minds and are stable through our life, the attitudes and motivations tend to change depending on environment and social milieu, in which the individual lives. Therefore this is crucial to identify proper consumer segments based on socio-economics, psychographics and benefits valued by category users.

Table 2 presents examples of consumer segmentation study results for Bosch brand. The objective of the research was to identify consumer segments, with respect to the consumer values, attitudes, social and psychographic profiles reflected into product expectations in the category of home appliances.

Table 2: Overview of consumer segments identified for the category of home appliances

Segment	Profile of the segment	Consumer need expression
Expressor	„The things I own say something about who I am."	Everything with innovation and design
(Young) Design Connoisseur	"Design is important in all areas including household appliances."	Modern quality products for an eye
Status Driven	I can afford to choose the best."	The most expensive is just enough
Home Hedonist	"I enjoy spending time at home. My surroundings are pleasurable and make me feel happy."	Mix of design, technology and innovation to express personality and harmony
Sociable	„These products are a part of my way of life."	Everything for the family
Time Saver	"These products give me time to do other things."	Everything that makes life easier
Simplicity Seeker	"I just need a simple, basic product."	Simple handling
Brand Believer	I prefer to trust a national brand."	It must be a brand
Home Enthusiast	"I enjoy investing in my home."	Quality products for comfort
Household Manager	"I am proud of my kitchen equipment."	Professionalism and quality
Shrewd Enthusiast	"I won't pay more than I have to for a quality product."	Quality and Innovation for favourable price
Expert Investor	"I know how to make the right choice for a long term investment. I enjoy advising my friends/family..."	The newest products with design and convenience
Reluctant Adopter	"Why can't these products be simpler?"	Few uncomplicated functions
Utilitarian	It's only as good as it works!"	The essential
Economically Constrained		Already basic equipment is a luxury

Source: Authors' based on BSH internal sources

The table clearly differentiates the consumer segments with various expectations in terms of consumer benefits that the brand should offer. There are segments (The “Utilitarian” vs. the “Expressor”, as an example) where consumers’ expectations directly oppose. The difficulty of targeting and segmentation in positioning development process is not just to identify consumer segments, fully understand various profiles, needs and expectations, but more importantly to focus the most perspective segment. Marketers must decide based on criteria matching their business objectives in terms of profit and volume delivery. The criteria are potential segment size, profitability, competition and the right match between brand characteristics (e.g. what the brand can deliver to the consumer) and profile of targeted consumer segment.

Once the target audience is defined the positioning must focus entirely towards this segment or segments with respect to target consumers’ values, emotions, product expectations, features and attributes. The rest of the market should be strategically sacrificed to be able to bring the product which is designed specifically for the selected target group.

Consumer Benefit

The point of difference indicates how the brand is superior to other alternatives within the frame of reference (Tybout & Calkins, 2005). It consists of the brand promise, e.g. the unique offer of a brand to the specific target group followed by the attributes making the promise believable. Brand promise is created based on the set of benefits delivered by the brand and appealing to the consumers. This is the most challenging exercise of the brand positioning development. Deep analyses of the brand benefits and construction of benefit ladder precedes the brand promise definition (see Figure 2 for benefit ladder composition). After that is successfully done it should be decided which of the benefits is the most appealing and relevant to his target audience as a brand promise. The benefit at one step lower level of the ladder usually serves as reason to believe (or reason why) in the final brand positioning statement.

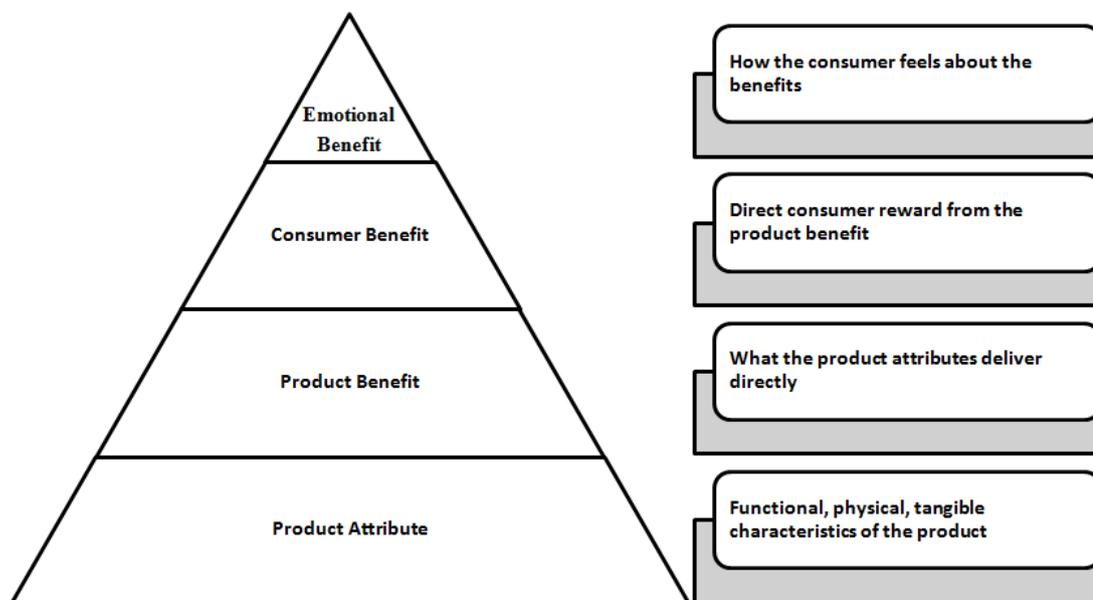


Figure 2: Benefit Ladder

The measurement for believability of the brand positioning itself is usually the relation between brand promise and reason to believe which should be consequent. The brand promise connected with reason why is the key differentiator known as point of difference.

The process of finding truly differentiating brand benefits is very complex. In practice it often includes testing via at least qualitative methods like focus groups or in-depth interviews with sample of the target audience because a mistake at this stage affects brand performance for longer period and takes a lot of effort to re-position it. Very often companies use studies combining quantitative data with qualitative image data resulting in diagrams called brand or perceptual maps showing the locations of each product against the attributes and relative to the preferred level. (Trott, 2012, p. 391). Brand in one product category differ by product attributes, quality, price, design, usage and many other characteristics. All of them act as brand specific attributes that may be reflected in benefit ladder. Which of them are important decision making factors depends on the target group’s expectation from the product.

This concept considers the benefit as an important transmitter between brand specific product’s attributes (tangible and intangible) and consumer perceived brand value. Benefit is product relevant and represents product attributes translated in consumer mind to brand specific values (rational and emotional). Based on these brand specific values, consumer perceives the brand. Perception of a brand is in consumer mind translated into consumer-specific picture of a brand, which may be called consumer oriented brand equity (mix of brand image, brand loyalty, brand awareness etc.).

This model to certain extend simplifies the reality, but it helps to realize the complexity of human thinking in the process of brand perception. It shows the large scale of factors that are important not just for purchase decision-making process, but most importantly for perception of a brand. It shows which factors are important to study when trying to understand creation of brand perception in consumers mind.

Figure 3 summarizes application of this theoretical framework to the example of examined brand (Bosch) in respect to identified target groups. As potential target groups we have chosen two largest and most attractive segments that showed significance across the region of Western Europe. Example illustrates the relationship between the values of specific target group and their reflection in product/brand benefit and product attribute. We have analyzed socio-demographic, socio-cultural profiles as well as their demands on products and brands. Those were set against relevant Rokeach’s terminal values (Mooij, 2009, p. 97) matching them to the consumer benefits and corresponding product attributes of target groups and finally compared.

Expressors	Benefit Ladder	Sociables
✓ Self esteem, social recognition	↑ Emotional Benefit	● Family security
✓ Exciting life with unique innovations	↑ Consumer Benefit	● Comfortable life ● Convenience for me and my family
✓ Contemporary design and technology	↑ Product Benefit	● Reliable, long-lasting top quality products
✓ Products with professional functions, new materials and trendy luxurious design	↑ Product Attribute	● Easy-to-use and time saving technologies

Figure 3: Value structure for the segments “Expressors” and “Sociables”

This case demonstrates that benefits offered by one brand may differ greatly if addressed to two different target groups. And more importantly this proves that segmentation decision determines not just the communication but to a big extent the remaining parts of the marketing mix.

Choosing the “Expressors” as a target group of Bosch brand would mean to feature trendy, fashionable design oriented product with implications for product part of the marketing mix. R&D would need to focus on new trend in design and materials and new professional functions oriented more on look than easy-to-use features. Distribution part would be affected by selecting the channels reflecting trends in modern design with implication of higher pricing. Communication execution would also be affected by selecting people, environment and tone appealing to design lovers. Addressing the “Sociables”, on the contrary, would need R&D focus on friendly and useful functions enhancing safety, time effective operation and pleasant, modern while convenient design, friendly to frequent family usage with all consequences as no sharp edges for families with children, as an example.

Benefit as understood in positioning concept is whatever consumer perceives as a value and a reason to buy. Brand benefits can be rational (specific product features, on the lowest level of the benefit ladder), emotional (addressing consumer emotions connected to consumers’ values and attitudes) or self-expressive (demonstrating consumer’s own personality or belonging to certain life-style group through purchase or usage of a brand). Brand communication should be seriously focused on one of the benefits from the benefit ladder with supporting benefits from the lower level. Well-developed brands in highly competitive environment position themselves with emotional benefits as rational product benefits or attributes are not unique and could be easily copied and produced. While the emotions connected with the brand are truly differentiating.

Competitive Frame of Reference

Frame of Reference describes what is the brand’s realistic source of business. It is important to ensure that the selected frame is (i) broad enough to allow for growth potential, (ii) is consistent with how consumers instinctively think and feel about the brand, (iii) reflects the question - who will be competitors in this frame of reference, how will they respond and whether it would be acceptable by the trade partners. „Choosing the proper frame is important because it dictates the types of associations that will function as points of parity and points of difference“ (Keller, Sternthal, & Tybout, Three Questions You Need to Ask About Your Brand, 2002). The frame selected for this case is home appliance market with three competing brands representing the higher mainstream part of the market.

Positioning is how consumers perceive or we want them to perceive a brand compared to the competitors. To be able to differentiate a brand from the competitors through truly unique positioning it is inevitable to thoroughly analyze position of the competitive brands on the market. Understand who are the consumers of these brands, how do they perceive the brand, which attributes of these brands they value or not and what is their perceived brand image.

Table 3 compares the important aspects of competitive analyses (researched brand and two main competitors) on the home appliances market.

Table 3: Competitive comparison – Miele, Siemens, Bosch

Dimension	Siemens	Miele	Bosch
Product/competitive segment	High quality/premium (not luxurious) home appliance	Very high quality, premium (still not luxurious) home appliance	High quality/premium (not luxurious) home appliance
User	Whole market with more focus on female, average to above average income level	Whole market with more focus on female, average to above average income level	Whole market with more focus on female, average to above average income level
Brand awareness	Relatively high only in Germany, spontaneous 79%, prompted 98%, other markets significantly lower than Bosch, but mostly higher than Miele	Relatively high only in Germany, spontaneous 69%, prompted 98%, other markets significantly lower	Relatively high, spontaneous 65%, prompted 98%
Brand image	Strong in most advanced technology, less clear in excellent aesthetics, design and innovation	High quality with superior performance, long-lasting product, prestigious and worth paying more	High quality technology and innovation Positive among male users above 50 years of age, blurred among female under 30years of age

Source: Authors based on BSH internal sources

Competitive analyses in Table 3 indicates, that none of the competitors is very focused, they all reach the whole market with only slightly differentiated benefits. We can conclude that the Bosch is relatively the least successful as clarity and uniqueness of image concerns while Miele is perceived as prestigious brand due to its quality and long durability that is worth its higher price, Siemens is seen as technologically advanced brand with a bit of credit for design. Bosch is left with non-specific technical quality.

Bosch has several problems that can be solved by focusing on brand positioning: it does not address brand relevant target group and does not deliver clear benefit to consumers, partially because it does not have decided who the consumer is. Its offer is generic and cannot differentiate the brand from its competitors represented by Miele and Siemens.

Brand Positioning Statement

Brand positioning as a tool of strategic brand management is build upon four fundamentals described previously. It is good blend of all 4 elements constructed on thorough and targeted brand, consumer and competitive research and analyzes. To achieve clear and consumer relevant brand positioning it is important to use cross analyzes to find the right match between the target consumer, his expectations, needs (values, expectations) and brand's offer (benefit reflecting product and brand attributes) – consumer reference.

Strategic planners tend to formulate a short and specific positioning statement that specifies brand and product, its target consumer, benefit for the consumer and relevant competitive reference. Positioning statement helps to achieve a summary of all analyses done in the process of positioning development and helps to prevent misleading interpretation of brand positioning in the process of implementation. Table 4 summarizes positioning statement for case example of home appliances brand Bosch formulated on bases of previously presented research and analyses.

Table 4: Brand Positioning Statement

Positioning statement	
Brand/ product category	Bosch home appliances
Competitive frame of reference	are premium, high quality, usage oriented home appliances,
Target group	which offer to sociables (family oriented people with sense of responsibility and quality consciousness)
Benefit (also known and value proposition = brand promise with supporting reason why)	convenience and user-friendliness enhancing quality of their family life because of Bosch's superiority in reliability and technology

Source: Authors

As a result of cross analyzes of all available data the "Sociables" were selected as target audience because of its match with core Bosch values. The benefit ladder provided space for match between desired brand values and current Bosch brand imagery. Additionally the competitive analyses confirmed potential for brand differentiation. This is to summarize the general conclusions:

- Brand benefit needs to reflect initial brand core values, as consumers perceive them. Consumers are very conservative. It is extremely demanding in terms of time and financial resources to change consumer's perception of a brand completely, but it is very likely to build on it and shift the benefits into direction where they better correspond to consumers' expectations.
- Brand benefit must address main consumer's preferences; represent their emotional satisfaction and association with the brand. Brand values (benefit and attributes) and consumer's attitudes must correlate.
- Brand benefit should be unique with respect to the closest competitors within selected frame of reference and must differentiate the brand from them. Benefit shall deliver the values that are different from competitors and provides

target consumer with additional advantage. This benefit must be not only unique but also sustainable over long period of time.

Positioning Execution

Formulation of brand positioning statement is an important step in branding strategy. Consequently it needs to be implemented across all levels of marketing planning and all parts of the marketing mix. The final product of the positioning process, e.g. the final positioning statement should be well readable from all parts of the marketing mix in order to achieve consistency across the brand foundation and utilize synergies on all levels of its execution. While positioning is one of the main pillars of marketing strategy, marketing mix is the tool to translate the positioning statement into reality, which is presented to the consumer. The establishment and maintenance of a consistent product positioning for a brand and its pervasiveness across all elements of the marketing mix is an essential component of marketing success, mainly because it creates and communicates a sustainable competitive advantage based on perceived superiority and differentiates the brand from competitors significantly and desirably so that the consumers perceive a clear choice and develop repeated preferences.

Translating brand positioning into marketing mix may be even more difficult than developing the positioning statement. To achieve this, positioning statement needs to be further elaborated into more details depending on the marketing mix element, as each of them addresses the consumer in a different way. The more specific and shorter-term element of the marketing mix we are considering, the more detailed insight into the need of consumer must be addressed. With this on mind, the individual plans for the four P's shall be created based on the strategic positioning statement with the brand image and brand equity building as a priority.

It is not just marketing communication that forms consumer perception of a brand through delivering message about the brand. It is the product itself, its workmanship, design, performance that addresses certain consumers, while it leaves others uninterested. Product itself translates consumer benefits into attributes representing such consumer benefit (for example time-saving technology for sociables target group in presented case). It is price, which sets the brand into certain competitive context and gives consumers signals about the brand values. It also helps to target selected target group (the "Utilitarians" from the case example would not even consider products with higher to premium pricing, while the "Expressors" would most probably overlook low end products). Variety of different distribution channels gives marketers opportunity to select those that not only make the brand available to the target group, but also deliver the differentiating message about the brand.

Marketing communication is naturally extremely important as it translates companies' vision of the brand into consumers' language. It needs to address and attract selected target group. In the process of communication it is important to develop the message that will clearly communicate brand benefit to the selected target group in a tone and manner, which reflects target consumer values, milieu, psychology and social environment. All pieces of marketing communication should be integrated with common message resulting from the positioning statement.

The positioning development and implementation process discussed by this paper is summarized in scheme presented in Figure 4.

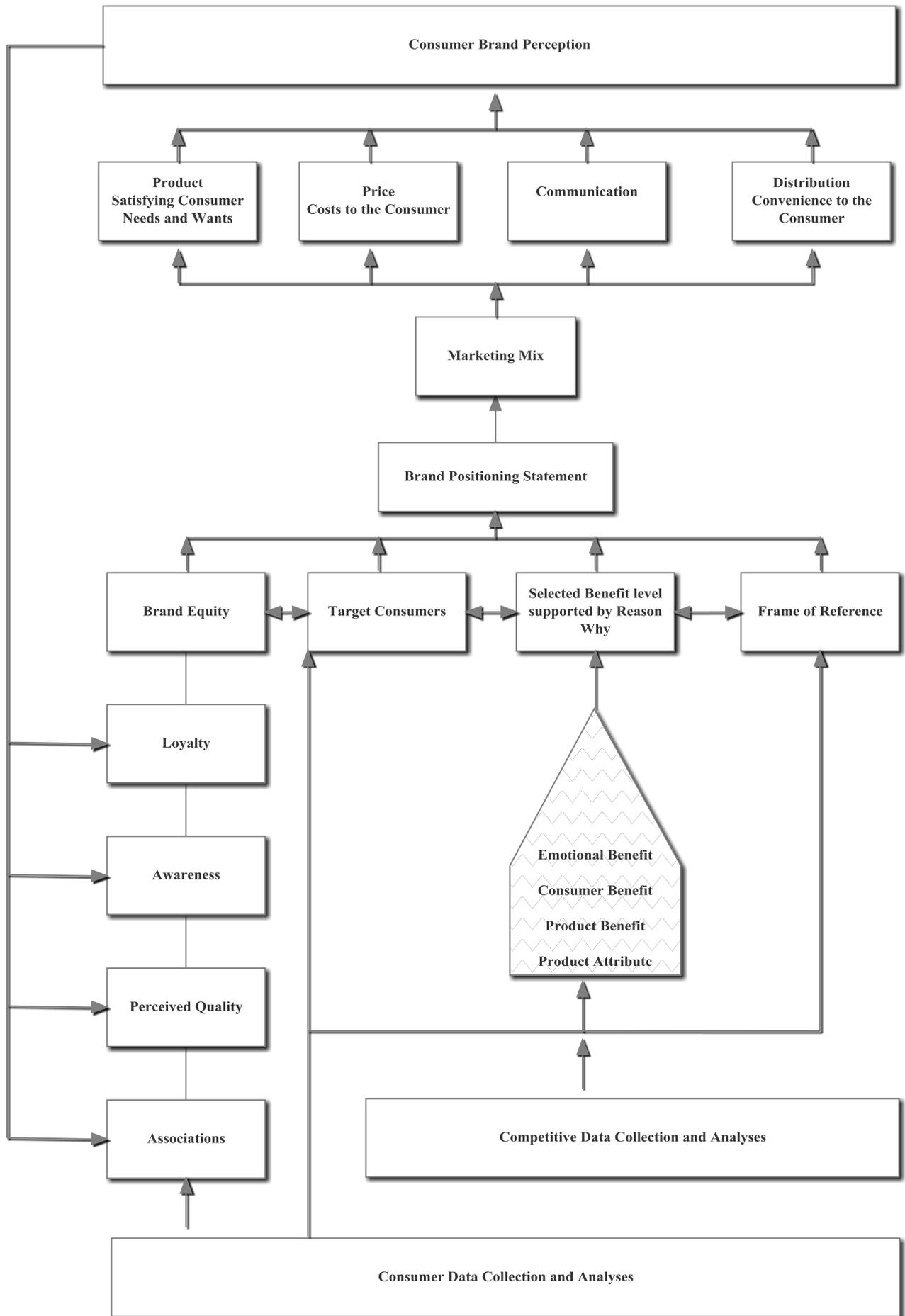


Figure 4: Brand Positioning Process Development and Implementation Scheme

Conclusion

Positioning is a brand management tool that helps marketing managers analyze, plan and execute consumer relevant brand strategy. The objective of this paper was to present and discuss the positioning model that helps marketers to develop effective, consumer relevant brand strategy and translate it into the marketing tools addressing brand relevant target audience. The process was discussed in its complexity without forgetting the impact to the whole organization through the marketing mix components.

Brand positioning statements consists of four elements – brand, target consumer, consumer benefit and competitive reference frame. This paper analyzed in every detail the process leading to development of each positioning element. The process was presented based on theoretical background and consequently it was applied to specific case of Bosch brand. The application part was based on continuous research effort as well as on our experience with brand development in different marketing driven companies.

It was demonstrated that proper brand positioning is result of profound brand, consumer and competitive analyses based on four pillars of the statement discussed in this paper on example of Bosch brand. The final outcome presented in the form of brand positioning development and implementation scheme simply summarizes results of the analyses and provides marketer with clear guidelines following the same logic and structure of the positioning development as it was discussed in the paper.

Importantly it also emphasizes the need for implementation the positioning strategy across the organization through the marketing mix elements. Consistent approach and respect to brand positioning brings significant added value through setting clear directions for anyone in the organization and creating synergies in marketing mix. Disregarding it should be perceived as missed opportunity for both the organization and the brand itself caused by lack of basic marketing intelligence across the company. Finding and implementing a differentiating brand positioning is a long and demanding process which pays back in increasing brand value.

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