



**THE EFFECT OF POSITIONING ON
CUSTOMER LOYALTY:
THE CASE OF ANBESA SHOE S.C.**

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OF ANBESSA SHOE SHARE COMPANY**

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DECLARATION

I declare that the project entitled “The effect of positioning on Customer Loyalty: In case of Anbessa Shoe Share Company” is my original work and has not been presented in Addis Ababa University or any other University, and that all sources of material used for the project have been duly acknowledged.

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LIST OF ABBRIVATION

SPSS: Statistical Software Package for Social Science

REL: Relevance

DIF: Differentiation

DEL: Delivery

COM: Communication

LOY: Customer Loyalty

POS: Positioning

ABSTRACT

Positioning has been an important part of marketing since companies began to recognize the relevance of having control over their image of the brand. It is a first element to address in strategic marketing, & everything else is aligned to it. The fact that how foundational most organization recognize brand positioning to be, but just how little companies are willing to spend to get it done right. Which indicate, there is lack of knowledge of understanding of the vital role of positioning in one's business success with the relationship between positioning & customer loyalty. Therefore, the objective of this research paper is to determine the effect of positioning Relevance, Differentiation, Delivery & Communication on customer loyalty at Anbesa Shoe S.C. Stratified Sampling Method was used & the data collection methods were documents, questionnaire & interview. A total no of 308 questionnaires were distributed to all Addis Ababa retail shops individual customers, out of it 257 questionnaires returned & properly filled. The questionnaires were analyzed using Cronbach Alpha, descriptive statistics, ANOVA, correlation & regression. Positioning relevance, differentiation, delivery & communication have a strong relationship with customer loyalty & the variability of customers overall loyalty can be explained to the extent of 71.2% by Positioning's Relevance, Differentiation & Communication but Delivery has almost negligible effect on the variability of overall customer loyalty. Finally, it was recommended that, to keep the highest customer perceived positioning or image i.e. "Durability" in its current positioning statement & to communicate effectively on few major strength of the company through assuring the actual delivery of the claimed positioning with continuous customers feedback. The negligible effect of delivery on customer loyalty doesn't necessary to mean it has no influence since there is strong correlation between delivery & loyalty. However, it could have been better to work more on the delivery of the articulated value in order to increase the customer's credibility, image & loyalty level & to do further study to identify the reason behind this result.

Key words:- Positioning, Relevance, Differentiation, Delivery, Communication, Loyalty

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Marketing concept has passed through three stages or trends, which evolved from a focus on product management in the 1950s and 1960s to a focus on customer management in the 1970s and 1980s. It then evolved further and added the discipline of brand management in the 1990s and the 2000s (Kotler, Kartajaya, and Setiawan, 2010).

In Product Centered era, the key function of marketing was to generate demand for products. The products were fairly basic and were designed to serve a mass market. Thus, in consumers' minds, many products were seen as commodities because they had no distinct positioning, which make demand scarce. Marketers realized that to effectively generate demand, "customer" should replace "product" at the heart of all marketing activities. These trends forced marketers to be Customer Oriented, in this era strategies such as segmentation, targeting, and positioning (STP), was introduced. However, to generate demand, it was no longer enough to target the customer's mind with the classic positioning model, this phenomena lead to the birth of brand management concept. The brand management concept is the extension of customer orientation concept which also defined as a consonant triangle of brand, positioning, and differentiation (Kotler, Kartajaya, and Setiawan, 2010).

From the three marketing perspectives, the customer oriented era is the birth of Modern Marketing concept. During modern marketing, marketers understood how every marketing activity should be derived from the needs, wants & values of the ultimate customer. Both customer management and brand management concept broadly holds the positioning concept. This is due to, the whole idea of positioning focused on delivering customer satisfaction than competitors through the help of marketing tools called perceptual mapping & market research. The concept positioning can be called by various terminology i.e. positioning, position, product positioning, market positioning etc., but these terms are simply "several sides of the same coin" and complement each other (Blankson & Kalafatis, 1999).

Positioning is a concept in marketing which was first introduced by Jack Trout “Industrial Marketing” in 1969 then popularized by Al Ries and Jack Trout in their best seller book “Positioning – The battle for your mind” in 1981 and subsequently, Trout and Rivkin wrote a book called “The New Positioning : The Latest on the World’s #1 Business Strategy”. Trout defined positioning as a game people play in today’s me-too market place due to consumer is overwhelmed with unwanted advertising, and has a natural tendency to discard all information that does not immediately find a comfortable slot in the consumers mind. It was then expanded into their ground-breaking first book, "Positioning: The Battle for Your Mind," in which they define Positioning as "an organized system for finding a window in the mind (Semans, 2010).

Positioning is the way a company wants customers to perceive, think and feel about its brand versus competitive entries (Janiszewska & Insch, 2012). According to Morrison & Anderson, (2002) “Positioning begins with the customer. But positioning is not so much what you say about your products or company as much as it is what your customers say about you”. Kotler & Armstrong (2011), define Positioning as arranging for a product to occupy a clear, distinctive, and desirable place relative to competing products in the minds of target consumers. Positioning also defined as the process of designing an image and value so that consumers within the target segment understand what the company or brand stands for in relation to its competitors (Baker, 2003). Once established, it has typically become a posture that influence and direct marketing communications (Akpyomare, et. al. 2013). Even though Positioning begins with a product, the concept is about positioning a product in the mind of the customer then positioning strategy emerges as a result of the modern mentality and it is a form of expression of how certain product or brand is perceived by customers (Akpyomare et. al., 2013). To conclude based on the above explanation, the concept of positioning is a modern customer driven marketing strategy which concentrated on delivering the highest customers’ value; providing differentiation in relative to competitors; and direct marketing communication which retain in the mind of prospective customers.

A traditional approach to brand loyalty was product quality which was the major reason for brand loyalty; perceived high product quality often resulted from prolonged brand positioning based on quality association (Denoue & Saykiewicz, 2009). According to Akpyomare, et. al

(2013), the long term overall objective of positioning is to build a brand equity, which will in turn achieve a positive long term purchase behavior.

Customer loyalty is the result of successful marketing strategy in competitive markets that creates value for consumers (Li & Green, 2010). As articulated by BOBÂLCĂ, (2013), the approach of loyalty defined as a relationship between attitude and behavior which facilitates the identification of different customers segments, according to their loyalty level and also the development of marketing strategies specially designed for acquiring specific categories of customers. Thus, based on the above elastration, customer loyalty can be entertained through Positioning because the concept positioning is the first element of marketing strategy in which others are aligned with it.

As indicated by Hartmann, et. al., (2002), the results of their study emphasized on the importance of brand positioning in context of customer loyalty management. Sullival, (2011), also identified Brand Positioning role in customer loyalty in his loyalty industry news. The ability to differentiate the brand name and brand positioning in markets and also the ability to use it effectively in creating brand image and brand loyalty is the critical in international and global marketing management (Denoue & Saykiewicz, 2009).

Therefore, this study tries to determine different variables of effective positioning and also tries to investigate the effect of positioning on customer loyalty at Anbessa Shoe Share Company in Addis Ababa.

1.2. Background of the Company

Anbessa Shoe Share Company is the first shoe factory in Ethiopia established in 1927 & it is recognized to be a pioneer in terms of introducing modern shoe making technology to the country. The company passed through government ownership up to today's private operation with more than 80 years of experience in shoe making.

The company has two factories located in Addis Ababa & 34 retail shops located in major cities of the country. It produces a variety of leather footwear for ladies, gents and children such as Moccasins, Casual, Officers, Sportive, Boots, Sandals etc; and belt & bag with more than one thousand skilled & experienced workers.

Concerning, the production capacity, the main & branch factory has a production capacity of 3000 & 1500 pairs per day consequently to make the aggregate production capacity of the company 4500 pairs per day.

Vision

To be a leader in product quality and customer service within the leather industries.

Mission

Produce and sale leather products by using up to date production, technologies and qualified man power in order to satisfy the need and requirements of customers in leather industry sector.

Values

Anbessa code of ethics, values & beliefs guide our employees and our companies in our day to day work and help us to conduct business in accordance to this philosophy of service and corporate responsibilities.

Positioning Statement

Anbessa Shoe S.C. is well known with shoes with features of function, fashionable, comfortable, and supporting a variety of activities for locals and international customers. We have remained the leading figure in Ethiopian footwear industry by offering proven quality & competitive price with consistence service.

1.3. Statement of the Problem

It is obvious that, businesses are operating in a highly competitive market environment which demands marketers to be competitive enough in order to ensure their survival in the market. This stiff competition also changed the business principle into “the Survival of the fittest”, i.e. fit or satisfy the customer’s value first to exist in the market. According to Kotler, (1999), it is not just a matter of being different; success comes from being different in a way that customers want. On the other hand, business success depends on how the marketing activities are customer focused and fulfill the needs, wants & preferences of the customers’ at large (Kotler et. al., 2010).

In order to cope up with such marketing problems & realities, positioning could be the best solution which help marketers, to understand & address customers' value in easiest way; to enhance companies capabilities of serving the market in a better way than rivals can do; and search for market opportunities to obtain sustainable competitive advantage over competitors.

As indicated by Kotler, et. al. (1999), the key to winning and keeping customers is to understand their needs and buying processes better than competitors do, and to deliver more value. Thus, it is possible to say customer loyalty could be achieved by effective positioning because the concept of positioning is emanated from the customer perspective through the help of tools called market research & perceptual map and also it is designed with comparison of competitors' offer. Different studies also mentioned how positioning is an important marketing decision that affects all marketing process; positioning is a powerful tool which allows the organization to create an image; how effective positioning has become critical in competitively packed market and how positioning have a role on customers loyalty (Sullivan, 2011; Janiszewska & Inch 2012; Hartmann, et. al 2002; Akpoyomare, et. al, 2013; and Samani, 2013). Similarly, Levi, (2011), argue brand positioning is the strong foundation of a house, but he articulate how foundational most organizations recognize brand positioning to be, but just how little they are willing to spend to get it done right.

Having positioning for your market or product or brand is not enough, the main question is whether your product is well positioned in effective & efficient way within the customer set value & perception, otherwise it will have negative consequence towards the company's goal achievement. The negative consequence started from attracting the wrong customer which might affect your business (Sullivan, 2011), and end up with positioning error such as over positioning, under positioning, confused positioning & so on (Kotler et. al, 1999). In addition to this, Sullivan, (2011) argue that that customer dissatisfaction or infidelity, not it is only due to deficiency of service you receive, but also to the fact attracting the wrong customers or bad policy to recover those who have suffered a bad buying experience with the company.

However, many companies have not taken advantage of this key marketing discipline because they have internal politics, are misguided by their advisers or because they simply don't understand positioning (Semans, 2010). To emphasize the reality Semans, (2010) also acknowledge that, not positioning the organization's brand is simply not an option in today's

overcrowded and over informed marketplace; hence, positioning is a crucial ingredient in the buying process and should never be left to chance. It's your opportunity to influence the market's perception of your products.

There is lack of knowledge of understanding of the vital role of positioning in one's business success with the relationship between positioning & customer loyalty. Therefore, the reason why the researcher chose this research topic is, to determine in how extent positioning influence the loyalty of the customer and to investigate the effect of positioning on customer loyalty which will be done at Anbesa Shoe Share S.C.

1.4. Research Question

The research has tried to address the following basic and sub questions while doing this research paper.

Basic Question

What is the effect of positioning on the Customer Loyalty?

Sub Questions

According to Janiszewska, (2012), positioning should be credible, significant to the audience (relevance or favorable), differentiating (unique) from the competitors and allowing for the organization's growth. This is due to positioning effectiveness depends on how the position is favorable, differentiation & creditable which are the key dimensions of well positioned brand (Christoph & Adamantios et. al., 2007). So, this research has tried to investigate the effect of the four dimensions of positioning on customer loyalty with the under listed research sub questions.

1. What are Anbessa Shoe S.C. market positioning; customers' perceived positioning; and what are the positioning gaps between the two parties (if any)?
2. Are customers' perceived positioning & demand differed with respect to their sex, age, educational status, duration, purchase frequency?
3. Is the loyalty level varied with respect to the respondent's sex, age, educational status, duration, purchase frequency?
4. To what extent positioning relevance, differentiation, delivery & communication affects the customer loyalty.

1.5. Objectives of the Study

1.5.1. General Objective

The major purpose of this research is to analyze the effect of positioning on customer loyalty at Anbesa Shoe S.C.

1.5.2. Specific Objective

- ❖ To examine the company's market positioning and the customer perceived positioning.
- ❖ To identify the customer perceived positioning & demand in relation to their sex, age, educational status, duration & purchase frequency.
- ❖ To analyze the customer loyalty with respect to the respondent's sex, age, educational status, duration, purchase frequency
- ❖ To determine the influence of the company's Positioning Relevance, Differentiation, Delivery & Communication on customer loyalty.

1.6. Research Hypothesis

The variables of the research hypothesis are derived from the different aspects of the positioning concept itself which can be mentioned as the core feature of effective positioning called Relevance, Differentiation, Delivery & Communication. Different authors have also mentioned that positioning should be significant to the audience (relevance), differentiating (unique) from the competitors; delivery (credible) actually deliver the promised differentiation, and allowing for the organization's growth in order to manage the marketing activity effectively & efficiently (Janiszewska, 2012; Christoph & Adamantios et. al., 2007; and Semans, 2010). Based on these concepts, it is possible to draw the following hypothesis.

General Hypothesis

Positioning has positive & significance effect on Customer Loyalty

Specific Hypothesis

H₁: Relevance (desirability) has positive & significance effect on customer loyalty.

H₂: Differentiation has a positive & significance effect on customer loyalty.

H₃: Delivery (Credibility) has a positive & significance effect on customer loyalty.

H₄: Communication has a positive & significance effect on customer loyalty.

1.7. Significant of the Study

The research will have the following contributions to different parties living inside and outside the organization.

- ◆ The company would have better understanding on the vital aspects of effective positioning.
- ◆ The finding of the study would help the company's managers to know and realize their customers' perception & demand about their product.
- ◆ Managers' and subordinates' would get some insight on how "well positioned" brand enhance their customers' loyalty as well as the companies' capabilities.
- ◆ Based on the paper findings, researchers might perform further study on the underlining concepts.
- ◆ Practitionaries and scholars might get evidence how it is possible to attract and retain customer through effective positioning and understood the vital role of positioning in their daily marketing activities in order to assure sustainable company image.

1.8. Scope of the Study

The research paper had focused on the investigation of, "The Effect of Positioning on Customer Loyalty" of Anbesa Shoe Factory individual customers for all retail shops (Eleven shops) located in Addis Ababa which is capital city of Ethiopia.

The researcher only focused on individual customers of Anbesa Shoe S.C. since wholesalers were excluded from this research paper considering the time, cost limit & also most of them were not distribute the company's products to the ultimate customer instead it was used for different organization's employees as uniform i.e. the researcher acknowledged that the employees were not real or loyal customer whom purchase has been by their own personal initiation rather it is by their employer regulation.

1.9. Limitation of the Study

This researcher has the following limitation. First the research was conducted in one organization within the leather shoe industry. Even if the researcher understood the concept of positioning should consider the rivals exist in the industry, due to the time & cost limitation, the study hadn't included competitors but the researcher believed that competitors' information could be regained

indirectly through Anbessa Shoe S.C customers' questionnaire responses. This assumption could be approved by "frequency of purchase" analysis result of this paper which revealed most of the respondents' were purchased the company's product regularly but the rest respondents were sometimes & rarely users which indicate some of the respondents were also users of rivals products. Second, the researcher faced different problems while conducting this research like;

- ◆ From the 11 retail shops supervisors, some of them were not cooperative enough which made the researcher to extend the collection date of the distributed questionnaire;
- ◆ As per the supervisors' confirmation, some customers were not also willing to respond all or part of the questionnaire which made the response rate to be decreased in somehow;
- ◆ There was also time and money limitation to get the relevant information & documents.

1.10. Operational Definition of Key Terms

- ◆ **Positioning:** - is how marketers want a brand to be perceived by consumers (group of consumers) in comparison to a competing brand (Lhotáková & Klosová, 2009).
- ◆ **Loyalty:** is a commitment to continue to make business with a company, on the long term, is a state of mind, a set of attitudes, beliefs or desires or loyalty is a relationship between attitude and behavior, where attitudinal loyalty is generated by satisfaction, trust and involvement and behavioral loyalty is the act of purchase (BOBÁLCĚ, 2013).
- ◆ **Relevance:** - personally meaningful (Lombard, 2007) or relevance deal with does the target audience care about your differentiation and is it important in their purchase decision making? "(Semans,2010).
- ◆ **Differentiation:** - what makes your brand different and unique to other brands in the frame of reference, and the reason why consumers choose to purchase your brand (Semans,2010).
- ◆ **Delivery:-** deals with to assure weather the company actually deliver on the differentiation or is it a promise you will be able to keep over time? (Semans,2010).
- ◆ **Credibility:** - convincing and true to life (Lombard, 2007) or Brand credibility is the brand's consistency in keeping the promises it makes (Janiszewska, 2012).
- ◆ **Communication:** - represent the voice of the brand and are a means by which the brand can establish a dialogue and build relationships with customers (Lombard, 2007).

1.11. Organization of the Study

The arrangement of the research paper was organized into five chapters; the first chapter deal about background of the study, statement of the problem, research question, objectives of the study, significant of the study, scope of the study and organization of the study. The second chapter of the paper was concerned on presenting the review of the related literature which described the detail theoretical aspects that support and clarify the practical aspects of the study. The third chapter focused on research design and methodology. The forth chapter discusses about data presentation and analysis and other necessary information. The last final chapter leads the research paper to the end with summary, conclusion and recommendation.

CHAPTER TWO

LITRATURE REVIEW

2.1. RELATED LITRATURE REVIEW

2.1.1. Historical Background of Positioning

At the very beginning according Chang (2013), as a marketing strategy, marketing position rose in importance in the middle of the 1950's. Although, other writers argue the concept of Positioning was first introduced by Jack Trout in the book named "Industrial Marketing" in 1969 as "positioning as a game people play in today's me-too market place" (Janiszewska & Insch, 2012; www.wikipedia.org/wiki/positioning). This is due to consumer is overwhelmed with unwanted advertising.

In the 1970s era marketers realized that to effectively generate demand, "customer" should replace "product" at the heart of all marketing activities. The customer management discipline, including strategies such as segmentation, targeting, and positioning (STP), was introduced. At this point, marketing was no longer only tactical. Since then, the development of the four Ps has always been preceded by the development of the STP (Kotler et. al. 2010).

In 1981 the concept was further popularized by Al Ries and Jack Trout in their best seller & ground-breaking book called "Positioning – The battle for your mind" in which they define Positioning as "an organized system for finding a window in the mind"(Semans, 2010). They argue that, Positioning starts with a product, but positioning is not what you do to a product rather it is you position the product in the mind of the prospect (Morrison & Anderson, 2002). They describe also how positioning is used as a communication tool to reach target customers in a crowded marketplace (Merwin, 2005). While in the concept of positioning a brand's communication activity is the major area of reference, it is now emphasized that positioning has a broader market impact and refers to a brand's broadly defined marketing activity. Therefore, brand positioning refers to all its external activities and, at the same time, it determines behavior within an organization (Janiszewska & Insch, 2012). Based on this trend, Trout and Rivkin subsequently, wrote a book called " The New Positioning: The Latest on the World's #1 Business Strategy". As indicated by SmallBizU (2002), this new book takes the original ideas of

the old one, and reinforces them with some more current examples as well as the empirical results of research.

2.1.2. What is Positioning?

Consumers are over loaded with information about products and services. They cannot re-evaluate products every time they make a buying decision. In order to simplify their buying decision making, consumers organize products into categories that is, they 'position' products, services and companies in their minds. In other words, the general audiences receive numerous daily messages from different media, so the main consideration for any marketing position is identifying how to stand out from other competitors and impress the audience (Chang, 2013). A product's position is the way the product is defined by consumers on important attributes—the place the product occupies in consumers' minds relative to competing products (Kotler & Armstrong, 2011). In the simple expression, Positioning is what comes to mind when your target market thinks about your product compared to your competitor's products. What do you think whenever you hear a given brand name? That is your perceived position to the product (Mark, 2005).

The key factor in positioning is about defining how you will differentiate your offering and create value for your market at the highest level. There are three essential methods for delivering value: operational excellence/efficiency (the lowest price), product leadership (the best product) and customer intimacy (the best solution and service) (Dickens, 2013).

Another key factor in your positioning is your competition. Reviewing the features and benefits of your products or services against those of your competition helps you to see where you may or may not have a comparative advantage (Alter, 2000). It is about carving out a spot in the competitive landscape, putting your stake in the ground, and winning mindshare in the marketplace- being known for a certain “something”. When your market clearly sees how your offering is different from that of your competition, it is easier to influence the market and win mindshare (Dickens, 2013).

The concept of positioning seeks to put a product in a certain position, or place, in the minds of prospective buyers. The Customer's Mind is a place where every rational & emotional buying decision is made. According to a TCI management consultants book review of “The new positioning – the latest on the world's #1 business strategy”, (2014), in order to have maximum

successes, product or service has to own a place in the mind of the potential purchaser that differentiates it from its competition and also, in a world of information overload, the human mind cannot cope with the barrage of facts, figures and image that are thrown at it every day. Thus, for a positioning concept to become lodged in the mind, it is logical and mandatory to focus on how the mind works.

According to this book review, There are five key features of how the mind works: – **Minds are limited**- human brain can only deal with a maximum of seven things at time & message must be of inherent natural interest to the individual you are appealing to; **Minds hate confusions**:- to keep marketing and positioning concepts and messages simple and to focus on the major differentiating strength of the product or service., **Minds are insecure**: - to means most people are uncomfortable with being the first to buy a product or service; **Minds don't change**: - describes how difficult it is to change the image of a product or service one it has been formed, **Minds can lose focus**: - to warn against, 'the line extension trap' which means unchecked line extension can weaken a brand's image, disturb trade relation and disguise cost increase.

Position is an evolution, built and maintained over time — and their benefits come back over time as well (Semans, 2010). Establishing a position or changing one usually takes a long time. In contrast, positions that have taken years to build can quickly be lost. Once a company has built the desired position, it must take care to maintain the position through consistent performance and communication. It must closely monitor and adapt the position over time to match changes in consumer needs and competitors' strategies. However, the company should avoid abrupt changes that might confuse consumers. Instead, a product's position should evolve gradually as it adapts to the ever-changing marketing environment (Kotler & Armstrong, 2011).

Consumers position products with or without the help of marketers. But marketers do not want to leave their products 'positions to chance. They must plan positions that will give their products the greatest advantage in selected target markets, and they must design marketing mixes to create these planned positions (Kotler & Armstrong, 2011). Semans, (2010) also argue that, not positioning the organization's brand is simply not an option in today's overcrowded and over informed marketplace. Product positioning is a crucial ingredient in the buying process and should never be left to chance. It's your opportunity to influence the market's perception of your products.

Failure to proactively address product positioning is unlikely to end well. With or without your input, customers will position your product—probably based on information from your competitors, which will not flatter you (Mark, 2005). Rather than leaving your market positioning to chance, establish a strategy. What you're ultimately striving for is to be known for something-to own mindshare of the market. Owning a strong position in the market is challenging but you have a better chance of achieving it if you clearly define a strategy and build your brand around it. It is best to have a clear understanding of your market-demographics, segments, their pains, how well you and your competitors provide solution, how you truly provide value, and you strengths and weakness-before making this decision (Dickens, 2013).

2.1.2.1. Concepts of Positioning

The positioning concept has been called by similar terms such as Position, Positioning, Market Positioning, Product Positioning, brand positioning so on and these terms have been defined by different authors from different point of view which articulate the various the role, function, & importance of the concept. Blankson & Kalafatis, (1999), also share this reality by acknowledging “the various terminologies associated with the concept, i.e. positioning, position, product positioning, market positioning etc., are simply "several sides of the same coin" and complement each other”. From those points of views, positioning has been described as core marketing strategy & detail of marketing mix; as the customer perception; as value proposition or value creator; as build & improve customer relationship; as competitive advantage; as image inventor; as communication or promotional tool. The followings are some of the definitions:-

➡ Positioning as Marketing Strategy & Marketing Mix

Positioning is a fundamental element of **marketing strategy** in terms of conceptually, practically and strategically (Blankson & Kalafatis, 1999) and it involves developing a marketing strategy that aims to achieve a desired position in a prospective buyer's mind (Kurtz, 2008). A positioning strategy comprises of several related decisions/activities and it is the key outcome of the strategy development phase in the strategic marketing planning process (Akpyomare, et. al, 2013). Dickens (2013), also indicated that, the concept of positioning is entirely strategic & It is the first element to address in strategic marketing, and everything else is aligned to it.

As described by to Kotler & Armstrong (2011), Designing the marketing mix—product, price, place, and promotion—involves working out the tactical details of the positioning strategy & All

the company's marketing mix efforts must support the positioning strategy. In addition to this Morrison & Anderson, (2002) define Positioning as the development of a service and a marketing mix to occupy a specific place in the minds of customers within target markets. That is why SmallBizU (2002), identify the term positioning as the 5th P Marketing in Marketing Mix. In general, according to (Akpoyomare, et. al, 2013), the concept of positioning is increasingly recognized as one of the foundations of all marketing, product and business strategy. At the product level, it is the desired positioning strategy for a target segment that provides the necessary inputs on product concept and design. At the marketing strategy level, positioning by segment is the pillar upon which the rest of the marketing mix program is built. Lastly, at the business unit level, the selected positioning strategy provides both the basis for the entire strategy and guidelines for the allocation of needed resources across the functional and strategic business units.

➡ Positioning as Customer Perception

Product positioning refers to consumers' perceptions of a product's attributes, uses, quality, and advantages and disadvantages relative to competing brands (Kurtz, 2008). According to Kotler et. al., (1999), A product's position is the complex set of perceptions, impressions and feelings that consumers hold for the product compared with competing products. Hence, Perceptions is the process of meaning creation where the brain identifies input patterns and recognizes certain elements as being intertwined and it is the key elements when trying to understand the formation of an image (Heding, et. al., 2009).

➡ Positioning as Value Proposition or Creator

Positioning is part of the brand identity and value proposition that is to be actively communicated to the target audience (Semans, 2010). As indicated by Dickens, (2013), Competitive positioning is about defining how you will differentiate your offering and create value for your market. Generally, as Kotler & Armstrong (2011), The full positioning of a brand is called the brand's value proposition—the full mix of benefits on which a brand is differentiated and positioned.

➡ Positioning as a builder of customer relationship

Positioning is the basis for enterprises to build their brands and customer relationships (Rodrigues et. al., 2014). Semans, (2010) also advocate this role by saying, positioning is a first

step to driving clarity throughout the marketing function, and hence, improving the customer relationship.

➡ **Positioning as Competitive Advantage**

Brand positioning is the key to building a strong brand and gaining competitive advantage (Semans, 2010). In doing this, the organization is sending a message to consumers and trying to establish a competitive advantage that it hopes will appeal to customers in the target segment (Baker, 2003). Kotler & Armstrong, (2011), argues Positioning built on meaningful differentiation, supported by appropriate strategy and implementation, can help a company build competitive advantage.

➡ **Positioning as image inventor**

Positioning is the process of designing an image and value so that consumers within the target segment understand what the company or brand stands for in relation to its competitors (Baker, 2003). Product positioning can be defined as the image of a product in the mind of the target customer in relation to competing products and other products of the same company (lexishiggins@yahoo.com). Janiszewska et. al. (2012), also argue that positioning is vital to brand management because it takes the basic tangible aspects of the product and actually builds the intangibles in the form of an image in people's minds. The brand image typically consists of multiple concepts: perception, because the brand is perceived; cognition, because that brand is cognitively evaluated; and finally attitude, because consumers continuously after perceiving and evaluating what they perceive form attitudes about the brand (Heding et. al., 2009).

➡ **Positioning as Communication or promotional tool**

The last aspect of positioning but not the least, Marketers use a positioning strategy to distinguish their firm's offerings from those of competitors and to create promotions that communicate the desired position (Kurtz, 2008). According to Levi, (2011), The role of brand positioning falls into the domain of the marketing team or those in your organization tasked with driving marketing and/or promotional activities. As indicated by Merwin, (2005) definition, positioning is used as a communication tool to reach target customers in a crowded marketplace. So that, Positioning is about creating a distinct place for your brand in the mind of the consumer and that key messages are derived from that position (Semans, 2010).

In general, as explained by Akpoyomare, et. al, (2013), over the years ‘positioning’ has come to mean a lot of things and it has occasionally been used as a substitute word for branding. It encompasses and emphasizes most of the common meanings of the word position – as a place (what place does the product occupy in a given market?), as a comparative basis (how is the product performing against its competitors in various evaluative criteria?), and as a mental attitude (how does the consumer perceive the product?). Positioning also viewed from three major perspectives called “merit disciplines”: product leadership, operational superiority and customer intimacy. Some customers’ regards a company’s offering as the best product of its class, others prefers the most productive company, and many others like the company which offers the best solutions for their needs

2.1.2.2. Positioning Map & Market Research

Positioning is facilitated by a graphical technique called perceptual mapping, various survey techniques, and statistical techniques like multi-dimensional scaling and correspondence analysis. These techniques position products that are perceived as similar close to one another and locate dissimilar products far apart; the position of each circle on the map indicates the brand’s perceived positioning and the size of each circle indicates the brand’s relative market share (Kotler & Armstrong, 2011).

Marketers often conduct marketing research studies to analyze consumer preferences and to construct product positioning maps that plot their products’ positions in relation to those of competitors’ offerings. They can also create a competitive positioning map from information solicited from consumers or from their accumulated knowledge about a market. A positioning map provides a valuable tool in helping managers’ position products by graphically illustrating consumers’ perceptions of competing products within an industry (Kurtz, 2008). Kotler & Armstrong (2011) argue that, in planning positioning strategies, marketers often prepare perceptual positioning maps that show consumer perceptions of their brands versus competing products on important buying dimensions.

Dimensions of perceptual maps are not named by the multidimensional scaling programmers. Researchers have to interpret the dimensions themselves based on the geometric representation. Additional information may be gathered from consumers to name the dimensions. The attributes that are the most important in consumers’ perceptions of a product category can be determined

from survey research (Baker, 2003). According to Alter, (2000), Price is always used as measure down one side of the matrix. On the other side, use product features that provide the most important benefits to your customers, such as quality, taste, packaging, etc. Positioning is therefore can be defined as a multidimensional exploration of mind space, to identify gaps in consumer preference maps. However, the identification of gaps does not alone ensure their attractiveness. A sophisticated blend of financial and psychological modeling is required to predict the viability of the new market position (Baker, 2003).

Marketing research can be helpful in developing improved brand positions in many ways. Having real information (as opposed to hunches or guesses) can assist the organization to come to the decisions needed to build the brand positioning statement, clearing the way to resolve internal political battles. According to Semans, (2010) some of the brand positioning elements where marketing research is helpful are the following:

- ◆ Defining the target market.
- ◆ Understanding the target market's current perceptions of your brand and competitive brands.
- ◆ Understanding the frame of reference — from the target market's perspective.
- ◆ Defining your brand's differentiation.
- ◆ Understand which proof points are most compelling for the target audience.
- ◆ Testing position statements.
- ◆ Ensuring that positioning materials are communicating effectively.

*Here, we see positioning make Customer, Competitive, and Market analysis in order to better understand the overall marketing environments by the help of the popular marketing tools called Market Research & Positioning Map. Based on the above evidence, It is also undeniable to acknowledge that the appropriate utilization of these tools lead to better understand & deliver the customer needs, wants & value which entertain the prospective customer to be loyal to a specific brand. Therefore, one of the premises of this **research hypothesis i.e. H₁: "Relevance or Desirable by the customer leads to Loyalty"** can be acknowledged by this theory, hence Kotler, et. al. (1999), also argue that, the key to winning and keeping customers is to understand their needs and buying processes better than competitors do, and to deliver more value.*

2.1.2.3. Repositioning

Sometimes changes in the competitive environment force marketers to reposition a product. According to Kurtz, (2008) repositioning is changing the position of a product within the minds of prospective buyers relative to the positions of competing products.

As indicated by Akpoyomare, et. al, (2013), Product or market positioning is dependent on the attitudes of the target market, and the internal conventions of the organizations. Marketing management, either tries to change product specifications according to that attitude, or tries to change the attitudes of the market. However, changing goods is easier and cheaper than changing consumers. Therefore, when the attitude of the market is so negative the product may need to be re-position.

Most of the time repositioning is done in response to shifts in consumer preference and to created new marketing campaigns to appeal to different segments of the population. Although repositioning, may even be necessary for already successful products or firms in order to gain greater market share (Kurtz, 2008).

*Hence, loyalty is a relationship between attitude and behavior there must be a strong attitudinal commitment for a brand for true loyalty to exist (BOBÁLCÁ, 2013). The **general hypothesis** of the study can be acknowledged by this theory due to the positioning concept is highly dependent on the attitude of the prospective customer.*

2.1.3. Why Positioning is Important?

Product positioning is a crucial ingredient in the buying process and should never be left to chance. It's your opportunity to influence the market's perception of your products. Failure to proactively address product positioning is unlikely to end well. With or without your input, customers will position your product—probably based on information from your competitors, which will not flatter you (Mark, 2005).

Clear, concise, meaningful product positioning also helps you cut through the relentless advertising and marketing noise of the marketplace. In your customer's mind, product positioning gives your messages some context so they can be better heard and accepted (The Mark, 2005).

2.1.4. Objective of Positioning

The goal of product positioning is to keep your product on top of your customers' mind when they are considering a purchase. As indicated by Mark, (2005), to be successful, product positioning must achieve the following three objectives:

- ◆ Differentiate your product from the competitions
- ◆ Address important customer buying criteria
- ◆ Articulate key product (or company) characteristics

Successful product positioning strategies should differentiate your product, address important customer buying criteria, and articulate key product attributes. To achieve all three objectives, you must have an in-depth understanding of:

- ◆ How your target market makes purchasing decisions
- ◆ How your competition positions their products
- ◆ What your product has to offer

These three interrelated elements of the Positioning Triangle must be in balance for you to attain competitive advantage. If you only understand two of the three, you still don't know enough. Conducting the following Positioning Analysis will help you develop much more effective product positioning strategies.

Step 1: Understand your target market:- Use the Target Audience Profile (TAP) template to gather and interpret this information. Learn which buying criteria your target audience uses:

- ◆ Which product features (i.e. size, speed...), if any, do they emphasize?
- ◆ Which product benefits (i.e. safety, comfort...), if any, do they emphasize?

List their buying criteria, in order of priority; if you can assign a quantitative weight to each criterion, do so. Uncovering this information typically requires primary research. If gathering data directly from your target audience is not feasible, consult with your sales force and industry experts to generate best-guess assumptions.

Step 2: Understand your competition:- Conduct primary and secondary research to determine how your competitors are positioning themselves, the strategies they're using, and how successful they have been.

Step 3: Map buying criteria against competitive positioning:- Complement the list of buying criteria to note each competitor that positions its product against that criterion. Don't be surprised to discover that:-

- ◆ Two or more competitors are battling for the same position
- ◆ A competitor is trying to position itself on multiple buying criteria (thereby risking muddy product positioning)
- ◆ One or more buying criteria are not being addressed by any competitor
- ◆ The market share leader is strongly positioned within the top priority buying criteria

Step 4: Assess your product's strengths against the buying criteria: - Ask your customers how they rank your various strengths. Otherwise, just use your best judgment. Review the completed Positioning analysis to determine if there are any vacant positions in the market. Is there one your product satisfies effectively? Would successfully positioning yourself there yield the returns you seek? If there are no unfilled positions (or there are but you're not interested in any of them), then you will have to decide which competitor to battle and which position you can most effectively win. Mark (2005), also suggest two important points in order to achieve the objective of positioning effectively.

- ◆ The better you understand your market and competitors, the better you will be at positioning.
- ◆ Assess your products' positioning routinely to adapt to marketplace changes.

*The objective of positioning more or less include the specific hypothesis premises of the research in which, "Differentiate your product from the competitions" means how it is the major criteria & objective of positioning to deliver unique or distinction products from the competitors exists in the market i.e. **H₂ "Differentiation"**. Secondly "Address important customer buying criteria" indicates how it is important to focus on products that "the customer value more" or products that are desirable by the target customer i.e **H₁"Relevance"**. Thirdly, "Articulate key product (or company) characteristics" the last objective of the positioning which indicates the differentiated product from the industry competitors & the product in which relevance to the end customer should be communicated to the ultimate customer effectively i.e. **H₄ "Communication"**. Thus, based on literature the book written on the title called "Differentiate or Die:- the art of art & necessary of business strategy" by Levi, (2011), the two important phrases are emphasized <Differentiation is a business imperative today not only in terms of a*

company's success, but also for its continued survival> and <Succinctly and effectively communicating your value proposition to customers and substantiating your claim will advance your business.>. Thus, it is imperative to conclude that, products having differentiated to competitors, more valued to customers, delivering or credible to the articulated claims leads to retain the customer or entertain the customer to be loyal to specific brand.

2.1.5. Characteristics of Positioning

Based on Mark, (2005) recommendation, during the process of generating product positioning strategies, each strategy should be periodically review against the following list of characteristics.

- ◆ Single-minded—does it convey one primary message at a time?
- ◆ Meaningful—will it connect with the target audience?
- ◆ Differentiating—does it contrast your strengths against the competition?
- ◆ Important—is it pertinent and significant to the target audience?
- ◆ Sustainable—will it resonate with the target audience well into the future?
- ◆ Believable—will it ring true with the target audience?
- ◆ Credible—can you clearly substantiate your claims?

According to Baker, (2003) there are several characteristics of a powerful brand positioning strategy. **First**, it should be centered ideally around on one functional attribute, or if necessary a couple, since the more attributes included the more difficult it is to get these registered in customers' minds. **Second**, it should be recognized, that positioning is not what is done to a brand, but rather what results in the customer's mind. In other words, it is myopic to just focus on brand development. Rather, there should be a balanced perspective, evaluating what the customer registers about the brand, and then fine-tuning the brand until there is better alignment between the intended positioning and the resultant positioning.

Third, the brand positioning should focus on functional benefits valued by customers, rather than those valued by managers. It is too easy to focus on features which have more to do with reflecting the organization's competencies, rather than taking time to involve the customer in the development process.

2.1.6. The Processes of Positioning

As explained by Levi, (2011) the brand positioning process involves the following five steps:

- ◆ Identifying the business's direct competition (could include tertiary players that offer your product/service amongst a larger portfolio of solutions)
- ◆ Understanding how each competitor is positioning its business today (e.g., claiming to be the fastest, cheapest, largest, the #1 provider, etc.)
- ◆ Documenting the provider's own positioning as it exists today (may not exist if startup business)
- ◆ Comparing the company's positioning to its competitors' to identify viable areas for differentiation
- ◆ Developing a distinctive, differentiating and value based brand positioning statement, key messages and customer value propositions.

In broader context, Dickens, (2013) also identifies six sequential steps in positioning & the resulted one general steps:-

Step 1: Profile your market

- ◆ Document the size of your market
- ◆ Identify your major competitors and how they're positioned
- ◆ Determine whether your market is in the introductory, growth, mature, or declining stage of its life. This "lifecycle stage" affects your strategy.

Step 2: Segment your market

- ◆ Understand the problems that your market faces. Talk with prospects and customers, or conduct research if you have the time, budget and opportunity.
- ◆ Uncover their true wants and needs-you will learn a great deal about what you can deliver to solve their problems and beat your competitors.
- ◆ Group your prospects into "segments" or "personas" that have similar problems and can use your offering in similar ways. By grouping prospects into segments or personas, you can efficiently market to each group.

Step 3: Define how you deliver value

- ◆ At the highest level, there are three core types of value that a company can deliver; operational efficiency (the lowest price), product leadership (the best product), or

customer intimacy (the best solution and service). Determine which one you are best equipped to deliver; your decision is your method for delivering value.

Step 4: Evaluate your competition

- ◆ List your competitors. Include any that can solve your customers' problems, even if the competitors' solutions are much different from yours- they are still your competitions.
- ◆ Rate yourself and your direct competitors based on operational efficiency (price), product leadership and customer intimacy. It is easy to think you are the best, so be as impartial as you can be.

Step 5: Stake a position

- ◆ Identify areas where your competition is vulnerable.
- ◆ Determine whether you can focus on those vulnerable areas-they are major opportunities.
- ◆ Make a decision on how to position your offering or company.

Step 6: Select the mindshare you want to won, and create your strategy to achieve it

- ◆ Review the components of your market and evaluate what you want to be known for in the future. Condense all your research and analysis into the "one thing" that you want to be known for, and design your long term strategy to achieve it.

Next steps

Develop a brand strategy to help you communicate your positioning and solidify your value every time you touch your market. Together, these two strategies are the essential building blocks for your business.

2.1.7. Types of Positioning Strategies

According to Mark, (2005), there are seven established product positioning strategies.

- ◆ **Against a Competitor:** Positioning your product directly against a competitor's typically requires a specific product superiority claim.
- ◆ **Away from a Competitor:** Positioning yourself as the opposite of your competitor can help you get attention in a market dominated by some other product.
- ◆ **Benefits:** This strategy focuses on a benefit your product provides to your target audience.
- ◆ **Product Attributes:** Highlighting a specific attribute of your product can also be compelling. Such as luxury, economy, etc.

- ◆ **Product Categories:** Comparing your product to a product in a different category can be an effective way to differentiate yourself.
- ◆ **Usage Occasions:** This kind of positioning stresses when or how your product is used by your target audience.
- ◆ **Users:** Focusing on the unique characteristics of specific users can also be effective

In relation to this Semans, (2010) has identified ten bases for positioning commonly in use: Premium – quality, exclusivity; Value – cost effective, more for less; Traditional – proven, stable, often evokes another time or place, Innovative – new ideas, advances in technology or business practices; Lifestyle – current or aspirational; Problem-solver – satisfies unmet needs; Ease of Use – convenient, simple; Stylish – aesthetics; Performance – excels in a critical area, out-performs competition; Biggest – largest, most comprehensive. When aggregately seen, as indicated by Janiszewska, (2012), there are three basic types of brand positioning which form the foundation of the positioning strategy:

Functional positions: refers primarily to functional, differentiating brand features of rational nature which include Solve problems, Provide benefits to customers & Get favorable perception by investors (stock profile) and lenders.

Symbolic positions: refers primarily to the target group's emotions. It mainly focuses on enhancing its image, identity, affinity, affective fulfillment, ego identification, belongingness, social acceptance and life fulfillment of the target group. Therefore, the brand provides the audience with emotional support.

Experiential positions: The third type of positioning is based on the target group's experience accumulated in contacts with a brand. This contact may be sensuous (referring to the senses) or cognitive (referring to the need of knowledge and development). Feelings and the satisfaction level related to contacts with a place brand largely determines the brand's image. Experiencing a brand is a valuable source of shaping target's group attitudes.

2.1.8. Positioning Framework

Every business ought to have a differentiating and succinct brand positioning framework (or platform). Unfortunately, the majority of today's businesses do not have such a messaging

construct and leave their brand positioning up to chance. This is a dangerous way to navigate the tumultuous waters of business.

According to Levi, (2011) a brand positioning framework of messages is a powerful tool which consists of a positioning statement, supporting key messages, proof points and customer value propositions. A business armed with such a dynamic and powerful mechanism has what it needs to prime its sales and marketing engine for true market distinction and success. An effective brand positioning platform not only helps to guide your organization forward and to further distinguish you in your marketplace, but it also helps keep everyone in your organization on the same page in terms of key messages and sales/marketing rhetoric.

2.1.8.1. Positioning Statement

Brand positioning platform should start with a powerful positioning statement: a memorable, impactful, concise, approximately 35-word statement that tells people what you do, how you are different and what value you will provide to them (Levi, 2011). Kotler & Armstrong (2011), argue that Company and brand positioning should be summed up in a positioning statement & the statement should follow the form: To (target segment and need) our (brand) is (concept) that (point of difference).

As Identified by Levi, (2011), the particular components of this critical over-arching statement include:

- ◆ Type of business/organization you are
- ◆ What products/services you offer
- ◆ For whom you deliver these products/services
- ◆ The value these products/services provide to your customers
- ◆ How you are different from the competition

An example of a very effective, positioning statement:

Medical Software Provider is a technology company helping specialty physicians and medical billing companies increase revenue up to 40%, productivity up to 20%, and regulatory compliance as much as 10% by streamlining and enhancing the patient-billing process.

An example of a poorly-constructed positioning statement:

Medical Software Provider develops revenue cycle management and practice management services for health care providers using an internally-developed and scalable technology platform.

Semans, (2010) suggests one of the ways commonly used to test positioning statements is to substitute your competitor's brand name for yours. If it is still a true statement, then it is not a strong position. For example, a university said its differentiation was that they were "the only place where students can use their gifts." As that would also be true for just about any institute of higher education, this is not a strong positioning statement.

2.1.8.2. Key Messages

Key messages typically expound upon one or more of the power words contained within the positioning statement. Using the same effective positioning statement, note the underlined words below. These are the power words that should be the genesis for supporting key message development.

Medical Software Provider is a technology company helping specialty physicians and medical billing companies increase revenue up to 40%, productivity up to 20%, and regulatory compliance as much as 10% by streamlining and enhancing the patient billing process.

Each of these underlined word sets warrants its own key message that further brings the concept to life. To illustrate, let us take the keywords "increase revenue" and construct a key message around it. Below is that example.

Medical Software Provider helps organizations better track and collect on outstanding balances through the automation of its billing and auditing process.

2.1.8.3. Proof Points

These supporting statements help to substantiate the claim(s) made in a particular message. Both key messages and the positioning statement need proof points. Taking the same key message we just highlighted above, let us look at some potential supporting proof points. As the name implies, these statements must be factual.

Key message: *Medical Software Provider helps organizations better track and collect on outstanding balances through the automation of its billing and auditing process.*

Supporting proof points: *XYZ Company recouped \$258,000 of outstanding revenue in year one following its installation of MSP's software. Following installation of the software, ABC Company increased its revenue 18 percent by raising its collections 49 percent over the first 12 months.*

2.1.8.4. Value Propositions

Each key message should be supported/backed-up by its value proposition, which states the “**what’s in it for me**” for the customer. Therefore, your positioning statement and key messages should all contain a follow-on value proposition. Using the same key message as above, following is an example of what an effective value proposition might be. **Value proposition** is a clear, value driven statement that explains to the buyer what the benefit is to him/her, per the claim(s) made in the key message.

Key message 1: *MSP helps organizations better track and collect on outstanding balances through the automation of the billing and auditing process.*

Value proposition 1: *Your business will improve its bottom line by minimizing revenue loss.*

In the form of an advertisement, this could mean that the main message focuses on the customer’s key pain points and how your solutions minimize that pain. This is a great time to insert your business’s key messages and customer-value propositions. Such a promotional item will serve your business well in terms of attracting the attention of customers and also further piquing the interest of existing clients.

With a complete, effective and differentiating brand positioning messaging platform established, an organization has the messages needed to differentiate itself effectively from the competition, in the form of powerful and distinct sales and marketing tools -including presentations, brochures, articles, press releases, website copy, booth messaging, email blasts, and data sheets.

Successful utilization of your brand positioning platform helps to ensure increased success for your business in a number of ways, including:

- ◆ You are effectively differentiating yourself from your competition.
- ◆ You are continually communicating your differentiation throughout all of your communication tools and channels.
- ◆ You are building brand consistency among customers and prospects.

These are all critical success factors in business today – especially during times like these, when customers have so many choices and you need to do what you can to stand out from the competition (Levi, 2011).

In addition to this Levi, (2011) also discover the Five-Phase Message Development Process

Phase 1: SWOT Analysis

Phase 2: Analysis of Current Messages Utilized: yours and your key competitors’

Phase 3: Identify Your Company’s Key Differentiators and Most Viable Positioning Stance

Phase 4: Build Your Messaging Framework

Phase 5: Integrate the New Messages into Your Business Development Engine: sales and marketing Tools.

The point here is that create highly-differentiating, very succinct and extremely powerful messages that clearly articulate the value of your products and services. Such strong, differentiating and value based messaging is almost as critical to a business’s success as the viability of the products and services it sells. Without either, cannot imagine a business would be able to run at full steam. It may be doing well, but could certainly be performing even better with the right messages in hand. Do not let your business fall victim to weak brand positioning. Do something about it (Levi, 2011).

The whole idea of positioning framework emphasized on how effective communication through articulation of customer value leads to success in business; hence the paper last hypothesis i.e.H₄ “Communication leads to loyalty” will be evidenced by the above literatures.

2.1.9. Customer Loyalty

Customer Loyalty is a behavioral result of consumers’ preferences for a specific brand from a set of similar ones. Loyalty is a commitment to continue to make business with a company, on the long term, is a state of mind, a set of attitudes, beliefs or desires. loyalty also defined as “the proportion of times a purchaser chooses the same product or service in a specific category compared to the total number of purchases made by the purchaser in that category, under the condition that other acceptable products or services are conveniently available in that category”. It is also defined as “deeply held commitment to re-buy the favorite product or service in the future, in spite of situational influences and marketing efforts which can modify the behavior” (BOBÂLCĂ, 2013).

According to (Li & Green, 2010), to be loyal, the customer must consistently confirm that his or her expectations about the goods or services are met. Second is the affective sense (favored attitude) in which consumers are repeatedly satisfied from purchasing decisions. Third is the conative stage that consumers have a behavioral intention – committed deeply to buy. The intention leads to the fourth stage of action i.e. behavior.

*Hence, positioning is the foundation of marketing strategy (Dickens, 2013) & the overall objective of marketing strategy is to deliver value to customers as well as build a long-term and mutually profitability relationship with customers (Li & Green, 2010); it is imperative to acknowledge the **general hypothesis** of the research which entail the relationship between the concept positioning & customer loyalty.*

2.1.9.1. Bi Dimensional Approach

Under this view, loyalty is a relationship between attitude and behavior, where attitudinal loyalty is generated by satisfaction, trust and involvement and behavioral loyalty is the act of purchase. The strongest conceptualization of loyalty explains both psychological and behavioral dimensions. This is a practical view and also is strongly argued in many marketing studies. The approach of loyalty as a bi-dimensional construct facilitates the identification of different customers segments, according to their loyalty level and also the development of marketing strategies specially designed for acquiring specific categories of customers (BOBÂLCĂ, 2013). BOBÂLCĂ, (2013) also list the reasons for including customers 'attitudes in defining the loyalty concept are (a) it is necessary and useful to make the distinction between the customers with attitudinal loyalty and the one who are not loyal at the attitudinal level in order to identify the clients most vulnerable to change their behavior. (b) a simple behavioral definition does not explain the causes of this process. Although loyalty is measured by the behavior, in reality it is about attitude. Without a continuous relationship with the client and without a direct feedback, his needs, his attitudes, his intensions cannot be understood. Loyalty is a bidirectional process: in order to have customers, a company must offer loyalty. A company cannot build loyalty only by its communication techniques; every aspect of the business is an important factor for this purpose. Attitudinal loyalty is investigated in terms of attitudes, preferences, commitment and intentions. It reflects cognitive, affective and conative predispositions of the individual to continue the relationship with a company or a brand. The marketing researchers believe that,

there must be a strong attitudinal commitment for a brand for true loyalty to exist; this is a favorable set of beliefs connected with brand purchase (BOBÂLCĂ, 2013).

*Thus, the **general hypothesis** of the research which entail “there is positive link between positioning & customer loyalty” can be justified, since positioning is made on customer mind, to influence the perceived value, preference & attitude of the customer; similarly, according to the above definition the significant part of loyalty is the attitude of the customer. In addition to this the 3rd **Hypothesis of the research i.e. Credibility or Delivery** advocated by the above literature since if the company cannot deliver (not loyal to) its promises it is impossible to get loyal customer.*

The behavioral dimension is often based on quantitative indices: the number of purchases from one company, the buying frequency, retention level, the amount spent for the products of one specific company, the client share (the rate of money spent for products/services of one certain company from the total amount spent for that category of product/service), the number of clients who have chosen the buy from the competing companies. The researchers usually measure the intentions as an indicator of current behavior. Intentions are perfectly conscious and they are measured based on the determinants controlled by the subjects, such as motivations, attitudes and preferences (BOBÂLCĂ, 2013).

As conclusion of BOBÂLCĂ, (2013), the intensity of these attitudes represents a key predictor of the repeating purchase. An expanded perspective of “attitude defines loyalty” indicates the existence of a relation between clients and brands. Measuring attitudes means involving customer’ feelings for a brand or a company, the buying intentions or the recommendation intentions but the global loyalty phenomenon cannot be understood without the act of buying. Both dimensions are necessary in order to understand and measure the loyalty construct. Clients who manifest attitudinal loyalty are less capable of spread negative information about the brand. Involving and analyzing the consumers attitudes make loyalty not just a larger construct (loyalty is a process and not just an act) but also a practical one.

2.1.9.2. Multi-Dimensional Approach

In this view, the three loyalty dimensions (cognitive, affective, conative) that affect the repeated purchase (the behavior). It has been told that these elements are affected by situational variables and that they represent permanent characteristics of the individuals. In order to analyze loyalty, the structure of the consumer’s beliefs, affect and intentions must be examined. However, there

is a distinction between true brand loyalty, multi-brand loyalty, repeated purchase false loyalty and casual purchase.

The initial model of loyalty involves the following aspects: (a) information possessed by the consumer must highlight the advantage of one brand upon other brand – cognitive dimension; (b) consumers must love the brand – affective dimension; (c) consumer must consider buying a specific brand and not another one – the intention. In **the first stage**, loyalty is based on available information for selecting the favorite offer, having as choosing criteria: costs, benefits and quality. The next level incorporates affective aspects. Attitudes are formed based on the cognitive elements. It is hard to influence loyalty because it is based not only by cognitive aspects (what the customer knows about the products, brands, company) but by affective factors (satisfaction, involvement, preferences, desires). **The third stage** involves conative loyalty (intention or the commitment to have certain behavior). Conative loyalty is more powerful than affective loyalty but it is still vulnerable and can be affected by repeated discontents about the company or the products. **The fourth stage** is building behavioral loyalty, the concrete manifestation of loyalty as a result of former steps. The consumers develop a habit or a routine answer behavior and acts “on his own”. The first three steps can have as a result the consumer’s consent to act (to buy, to search the favorite offer).

One of the specific hypothesis of the research can be adequately advocated by the above literature, since it emphasized the role of delivering “favorite offer” based on the customer selected criteria leads to loyalty i.e. H_1 “Relevance”.

2.2. THEORETICAL FRAMEWORK

2.2.1. Positioning and Customer Loyalty

To build profitable relationships with target customers, marketers must understand customer needs better than competitors do and deliver more customers value. To the extent that a company can differentiate and position itself as providing superior customer value, it gains competitive advantage (Kotler & Armstrong, 2011). Similarly according to Kotler, et. al. (1999), the key to winning and keeping customers is to understand their needs and buying processes better than competitors do, and to deliver more value.

Since, positioning is initially a customer driven marketing strategy which intended to satisfy the need & wants of customers, it is obvious that the probability of satisfied customer to being Loyal

to a specific brand will be increased this is also acknowledged by BOBÁLČÁ, (2013), which articulate, Researchers confirm the positive influence of the trust and satisfaction on loyalty. Thus it is logical to say the **general hypothesis** of the research can be accompanied by this truth. As indicated by Denoue & Saykiewicz, (2009), a traditional approach to brand loyalty was product quality which was the major reason for brand loyalty; perceived high product quality often resulted from prolonged brand positioning based on quality association. In general, the long term overall objective of positioning is to build a brand equity, which will in turn achieve a positive long term purchase behavior (Akpyomare, et. al. 2013). Based on Akpyomare, et. al, (2013) elastration, Product positioning has been an important part of marketing since companies began to recognize the relevance of having control over their image of the brand. The long term overall objective of positioning is to build a brand equity, which will in turn achieve a positive long-term purchase behavior. Within the long term purchase behavior, a brand will achieve a superior market share, and good return on business and marketing investment.

*Since, as the overall objective of positioning is to build brand equity in which brand equity is created by loyal customers (Denoue & Saykiewicz, 2009) & also the positioning objective also encompasses “long term purchase behavior” which is the determinant of loyal customer; thus the researcher **general hypothesis** can be answered by the above literatures.*

Akpyomare, (2013) also articulate, Effective positioning helps, firms attract new customers in the short run, and helps build customer-brand relationships in the long run. In addition, effective positioning by the firms in the same strategic group decreases direct competition and offers potential customer’s choices in the market even Li & green (2010), confirm Customer loyalty is the result of successful marketing strategy in competitive markets that creates value for consumers.

*Since positioning is the first element in strategic marketing which other marketing activities align with it Dickens (2013) & it is customer oriented marketing strategy which dig to know the customer perception; thus, customer loyalty will be entertained as the result of the marketing activity so that the **general hypothesis** of this research also appreciated by this literature.*

2.2.1.1. Determinant of Effective/Strong Positioning

Effective Brand Positioning is contingent upon identifying and communicating a brand's uniqueness, differentiation and verifiable value. It is important to note that "me too" brand positioning contradicts the notion of differentiation and should be avoided at all costs. This type

of copycat brand positioning, only works if the business offers its solutions at a significant discount over the other competitors (Dickens, 2013). Akpoyomare, et. al. (2013) acknowledge that effective positioning decreases direct competition by avoiding the commodity trap of competing totally on price alone and offers potential customer's choices in the market. Akpoyomare also added effective positioning has to be centered on meeting the bundle of current and expected benefits sought by the target segment and as a basis on which a product is likely to be differentiated from its competition. Besides the above explanation Lhotáková & Klosová (2009) conclude, to be effective, brand positioning needs to resonate with the customer, differentiate the brand from competitors, and represent what the organization can and will do over time. According to Semans (2010), a strong brand position can pass through these four filters: Relevance, Differentiation, and Delivery & Communication.

➔ **Relevance**

Relevance measures whether the positioning value proposition is favorable or desirable by the prospect customers or not. According Semans, (2010) relevance in positioning questions the following two questions: - "Does the target audience care about your differentiation and Is it important in their purchase decision making? "

The development of effective benefit – centered positioning involves three things. **First**, you have to understand what benefits are sought by the consumers and what the relative importance of those benefits is. **Second**, you have to understand how consumers perceive a firm and its product in relation to competitors on the basis of the benefits sought by consumers. **Third**, a firm has to know what products and services are bought and consumed by consumers (Akpoyomare, et. al, 2013).

Regarding the value proposed to the customer, Levi (2011), argue value should take a front seat to features and functionality every single time. Why, then, do businesses continue to sell features, while customers purchase based on value? Businesses today sell features, while buyers today purchase value. If you focus your brand messaging on the latter, you will significantly distinguish yourself from your competition and put your business in a much better position to close sales opportunities. Li & Green Value leads consumers to become a firm's customers, and with higher levels of value for customers to be loyal customers.

➔ **Differentiation**

Differentiation is simply what makes your brand different and unique to other brands in the frame of reference, and the reason why consumers choose to purchase your brand (Semans,2010). According to him differentiation have two question:- Does the target market really believe you are different (superior) to your competitors? Are your competitors able to make the same claim? In the context of business, it is what a company can hang its hat on that no other business can claim. Differentiation in today's over-crowded marketplace is a business imperative, not only in terms of a company's success, but also for its continuing survival (Levi, 2011).

Companies should differentiate themselves effectively enough. Effective positioning has to be centered on meeting the bundle of current and expected benefits sought by the target segment and as a basis on which a product is likely to be differentiated from its competition (Akpyomare, et. al, 2013). A difference is worth establishing if it is: Important, Distinctive, Superior, Communicable, Pre-emptive, Affordable and Profitable (Takamoto, Akihiro, 2003)

➔ **Delivery**

Delivery means weather the positioning proposed by the company delivered to the end customer as promised. According to Semans, (2010), Delivery answers the following two questions: - can you actually deliver on the differentiation? Is this a promise you will be able to keep over time? Based on Kotler & Armstrong, (2011), positioning the company calls for concrete action, not just talk. Companies often find it easier to come up with a good positioning strategy than to implement it. All the company's marketing mix efforts must support the positioning strategy. If the company decides to build a position on better quality and service, it must first deliver that position. 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.

➔ **Communication**

Once it has chosen a position, the company must take strong steps to deliver and communicate the desired position to its target consumers (Kotler & Armstrong, 2011). Specially, If the company have a highly technical position, will need to educate the market on the position;

if the company are going to have consumers change, will need better plan on having significant resources available to achieve your position (Semans, 2010). Semans also suggest that, If your brand position is clearly and definitively selected and communicated (internally to your organization and externally to the market), your marketing program becomes more focused, effective and efficient, yielding an improved return on your marketing spend.

Based on Levi, (2011) explanation, so many businesses expend the vast majority of their staff and financial resources on developing and refining the company's product and service offerings. While this is obviously a critical component of business success, one's own offerings are worthless if their value is not properly articulated and appreciated. According to him, the fact that 90 percent of businesses fail within the first five years, it is not necessarily because of a poor product or inadequate execution rather, in many more cases it is due to poor communication of value. You cannot assume that your target buyer inherently understands the value of your "flux capacitor", for example. The benefits are likely quite clear to you; but, perhaps, your buyer knows very little about the merits of owning such a product and how it can be of value to his/her company. Again according to Semans (2010) list another way of looking at evaluating positions comes from Jennifer Rice, of Fruitful Strategy, who recommends **the "4D's Rule" as strong brand positioning:**

➔ **Is it desirable by consumers?**

This question demands any business to investigate whether the intended positioning is desirable by the consumer or not. According to Akpoyomare, et. al, (2013) Company must take cognizance of the benefits that customers seek and which are not offered by competitors but are **desired by the target market**. Janiszewska, (2012) also added the essence of positioning, namely assuming a desired position in the audience's awareness by owning a specific set of associations in the context of competition. Even (BOBÂLCĂ, 2013) admit a **favorable** set of beliefs connected with brand purchase. Thus, product must be identified in the best way by the customers; otherwise it will lose credibility and will not be remembered sufficiently (Akpoyomare, et. al, 2013). This rule of strong brand position have similar concept with the above variable which is described as a filter of effective positioning variable i.e. "Relevance".

➔ Is it deliverable by the company?

This question assures whether the articulated benefit actually delivered by the company or not. Based on Kotler & Armstrong, (2011) justification, solid positions cannot be built on empty promises. If a company positions its product as offering the best quality and service, it must actually differentiate the product so that it delivers the promised quality and service. Companies must do much more than simply shout out their positions with slogans and taglines. They must first live the slogan. But marketing promises count for little if they are not backed by the reality of the customer experience. This rule of strong brand position, have the same meaning with the above variable which is described as a filter of effective positioning variable i.e. “Delivery”.

➔ Is it distinctive by the competition?

This question also asks if the claim aspired by the company is unique or different from the industry it operated or from the competition exist in the ultimate market. This rule of strong positioning is the same as the above variable which is described as a filter of effective positioning variable i.e. “Differentiation”

➔ Is it durable over time?

The last question in the 4D rule of strong position asks if the positioning which is desirable by the customer, deliverable by the company & distinctive by the competition has a consistency over time. Again, this rule is one part of delivery variable from the four filter of strong positioning described above which asks whether you will be able to keep the promise over time. Janiszewska, (2012) also describe the three feature of effective positioning by articulating, different experts emphasize that positioning should be credible, significant to the audience, differentiating from the competitors and allowing for the organization’s growth. From these, let us see what credibility is because others are clear & similar with the above ideas.

➔ Credibility

Brand credibility is the brand’s consistency in keeping the promises it makes. This consistency should refer to the brand’s personality and values which are constant elements; they do not change even in the face of dramatic changes in the environment (Janiszewska, 2012). According to him, Lack of credibility is also reflected in the audience’s involvement in the brand which may be of key importance to place brands. It is extremely difficult to regain lost credibility; the process is very time-consuming and expensive. One should also bear in mind that brand

credibility does not exclude its aspiration-related nature. To a target group, a brand's aspiration nature is an important factor determining the brand's perception and affecting its image.

Based on the above theories, customer oriented positioning is so important hence, Yaacob, (2013) justify that “effective customer management of a business firm has been found to contribute significantly to customer retention, customer loyalty, and customer reputation”. Thus, one of the hypotheses of this paper i.e. H₁ “Relevance or desirable” is advocated by the above literature.

The above theory also advocate, one of a specific premises of the research hypothesis i.e. H₃ “Credibility or Delivery”; since the above paragraph entertain “effective position should not be build on empty promise or undeliverable claim”, so that, in order to retain the customer as loyal as possible the position that valued by the customer must delivered as promised.

The last but not the least, based on the initial & basic concepts of “Differentiation or Diminish: the art and necessary of Business Positioning” book; “Differentiation is a business imperative today, not only in terms of a company's success, but also for its continuing survival”; “Truly understanding how and why you and your business are better than the competition's is essential to true business success”; and “Succinctly and effectively communicating your value proposition to customers and substantiating your claims will advance your business” the three hypothesis of this paper i.e. H₂ “Differentiation”, H₃ “Credibility or Delivery”, H₄ “Communication” have also advocated by the literature.

Therefore, For sure if a product offering consider the ultimate customer & designed based on the customer desire (relevance or favorable); if a company product is unique among the rivals (uniqueness or differentiation), if it is assured the customer value is deliverable as promised (Delivery or credibility) & finally if this superior value is communicated effectively to the ultimate customer (communication); the result will be undeniable to assure the positioning will lead to business successes.

2.2.1.2. The Positioning Errors

According to Kotler, et. al. (1999), a company needs to avoid four serious positioning errors.

➔ Under-Positioning:-

It is a positioning error referring to, failure to position a company, its product or brand at all. Some companies discover that buyers have only a vague idea of the brand, or that they do not really know anything special about it

➔ Over-positioning:-

It is a positioning error referring to, too narrow a picture of the company, its product or a brand being communicated to target customers. For example a consumer might think that the a glass company makes only fine art glass costing 1,000 and up, when it also makes affordable fine glass starting at around 850.

➔ Confused Positioning

It is a positioning error that leaves consumers with a confused image of the company, its product or a brand. For example, if a company position itself with different or **barrage** of positioning statements in which the positioning lack consistency will left the consumers to be confused & leads the company with poor sales & profit.

➔ Implausible Positioning;

This positioning error occurs whenever the company making a claims that stretch the perception of the buyers too far to be believed. Some market positions, while attracting one group of customers, can alienate others and so backfire.

Kotler et. al. (1999) also suggest, as companies increase the number of claims for their brands, they risk disbelief and a loss of clear positioning. Based on Sullivan, (2011), explanation, Existing customers currently receiving a great experience will only tell other people about how good you are. They will become a fan of your brand and act as a sales team for you. But attracting the wrong type of customer can have an adverse effect on your business. Getting this wrong type of customer can mean attracting customers who do not appreciate your brand and maybe find the product too expensive at the point of purchase, or who find it's just not right for them. This will inevitably end up in your time being wasted, their time being wasted and a bad experience by all. These customers will obviously have the opposite effect to the good customers and tell other people how bad your brand is, just because your brand message was not concise enough and didn't talk to the right people, at the right time, at the right place.

2.2.1.3. Hypothesis Conceptual Model

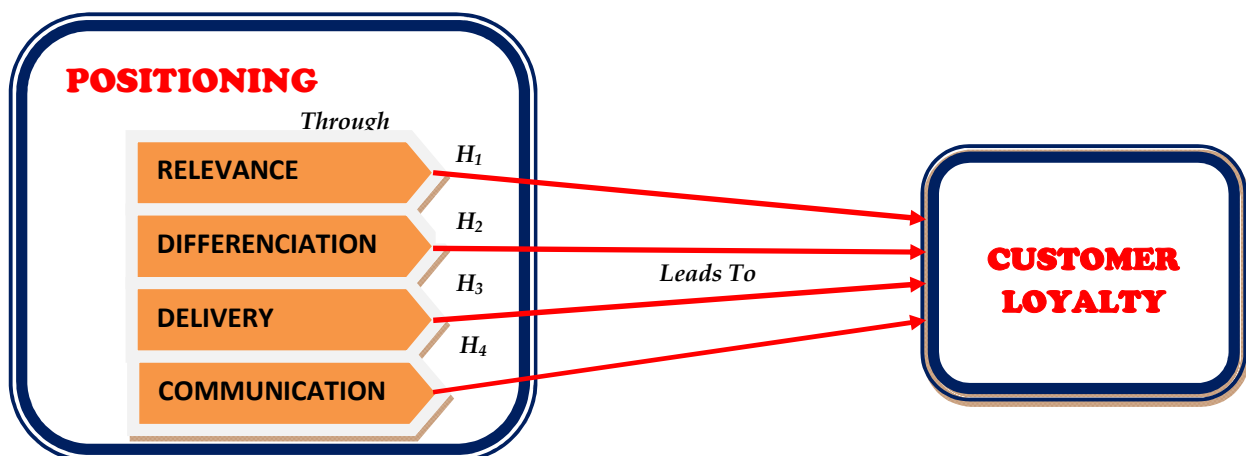
The research hypothesis derived from the concept positioning itself with the very determinants & feature of effective positioning called Relevance , differentiation, Credibility & Communication.

The general hypothesis of the below conceptual model is drawn from the below exemplary theoretical concept acknowledged by different authors.

- ⇒ The traditional approach to brand loyalty was product quality which was the major reason for brand loyalty; perceived high product quality often resulted from **prolonged brand positioning** based on quality association (Denoue & Saykiewicz, 2009). Hence, Positioning is an evolution, build and maintained over time and their benefits come back over timer as well (Semans, 2010).
- ⇒ The long term overall objective of positioning is to build brand equity, which will in turn achieve a positive long term purchase behavior (Akpoyomare, et.al, 2013). Hence, Brand loyalty one of the important benefit of Brand equity.
- ⇒ Customer loyalty is the result of successful marketing strategy in competitive markets that creates value for customers (Li & Green, 2010). Hence, Positioning is a first element of marketing strategy in which everything else is aligns with it (Dickens, 2013). Marketing mix are the tactical details of the positioning strategy (Kotler & Armstrong, 2011).

The specific hypothesis of the below conceptual model is also emanated from the positioning concept itself i.e. Relevance, Differentiation, Delivery & Communication. Hence, these four variables are identified by different authors as:-

- ⇒ Filters of strong positioning (semans, 2010); Rule of strong brand positioning (semans, 2010); Objective of positioning (mark, 2005); Key dimensions of well positioned brand (Christoph & Adamantios et. al., 2007); Feature of effective positioning (Janiszewska, 2012).



In general the ultimate objective of this hypothesis to see or assure how the concept positioning through the important variable Relevance, Differentiation, Credibility & Communication lead us to the Customer Loyalty.

2.3. EMPIRICAL REVIEW

Researchers' tries to manipulate the undeniable role & impact of strong positioning to the business success, not only in terms of single functional activity but to the overall organizational achievement. In general expression, Semans (2010), in his Polaris Marketing Research, Inc. prove the powerful aspect of the concept positioning as Brand positioning is difficult work — but the pay-off is obvious. A strong, clearly differentiated brand returns improved customer satisfaction and loyalty, lower cost of sales and more efficient operations and competitive inoculation. That being said, it should be noted that brand positioning, because it is fundamental to marketing strategy, should also be coordinated with and tied to corporate strategy. Unless the entire organization is supportive of and contributing to the brand position, it is unlikely to succeed.

Also in Semans (2010), research which was cited by Jennifer Rice summarization “Positioning is hard work. It is not the domain of an ad agency or marketing department. It is aligning the corporate mission and structure to one that best supports customers, connects with them and creates customer evangelists.”

Research which has done by Rodrigues et. al., (2014), on Asian Journal of Business and Management Sciences for the research tile “Brand Loyalty Influence Factors: Positioning and Brand Identity Comparison” aims to analyze which are the most relevant variables in consumer loyalty, with the aim of studying the positioning X brand identity process. The result of the research is brand positioning (internal environment) to variable product (variety) is the tool that most influences the loyalty of its consumers . Also found that for the brand identity (external environment) the product factor is the most efficient and effective tool used by the brand (www.ajbms.org).

Li & Green (2010), in Journal of Management and Marketing Research investigate on the title called “A mediating influence on customer loyalty: The role of perceived value”. At the beginning they emphasize Customer loyalty is the result of successful marketing strategy in

competitive markets that creates value for consumers. Then they continue articulating how positioning plays a critical role in formulating a marketing strategy, by evidencing the definition “positioning is the firm’s differentiation of its offerings as perceived by consumers in comparison to competing products (goods and services).” Since, the purpose of this research was to advance the understanding of customer loyalty by examining the literature and determining consumer perception of marketing strategy and the mediating role of customer value. As Customer perceived value is critical to driving market share and increase customer loyalty. This perception is created by the firm’s marketing strategy by having the appropriate marketing mix for the right position in the intended target market (segment).

A research which is made by Samani, (2013) in the title “The role of customer-linking, Brand Position, and New service development on customer loyalty in Internet Banking”, the research result showed that there are significant relationship between customer-linking, brand position and new service development with customer loyalty.

The last but not the least, as indicated by Hartmann, et. al (2002), on the title “The effect of brand positioning on customer loyalty: an empirical study of the Iberdrola case”. This paper analyses the effect of brand positioning on customer loyalty. Based on data of a survey of clients of the energy utility Iberdrola, the study measures the loyalty effect of the company’s perceived positioning. The analysis results confirm a significant relationship between the dimensions of positioning and the different rates of loyalty, and stress the importance of proper positioning for managing customer loyalty. In this regard, Janiszewska & Insch, (2012), added positioning should be credible, significant to the audience, differentiating from the competitors and allowing for the organization’s growth.

CHAPTER THREE

RESEARCH DESIGN & METHODS

This chapter describes the methodological procedures to be used for answering the research questions proposed in Chapter 1. It includes seven sections: (3.1) Research Design, (3.2) Population and Sampling, (3.3) Sampling Technique, (3.4) Data Collection Method, (3.5) Data Analysis Methods, and (3.6) Variables Description, and (3.7) Validity, Reliability & Generalizability.

3.1. Research Design

The study intended to investigate the effect of positioning on customer loyalty. As a result to realize this relationship, the research mainly applied quantitative type of research design. Quantitative research involves attaching numbers to relationships between variables (Kothari, 2004). Quantitative research uses objective measurements and statistical analysis of data that is collected from a well-controlled setting. Thus, in this paper both descriptive and inferential statistics methods are applied. The reason is that these methods are suitable to explain and interpret relations of variables in the study. Descriptive analysis refers to statistically describing, aggregating, and presenting the constructs of interest or associations between these constructs and inferential statistics are the statistical procedures that are used to reach conclusions about associations between variables. They differ from descriptive statistics in that they are explicitly designed to test hypotheses (Bhattacharjee, 2012). Questionnaire was used as instrument of data collection and inferential analysis was done to see the effects between the variables.

3.2. Population & Sample Size

The population of the research was Anbesa Shoe Share Company's all retail shops' individual customers located in Addis Ababa. The reason why the researcher hadn't included the whole sellers of Anbesa Shoe share co., considering, most of the company whole-sellers were not distribute the products to the ultimate customer instead they used it to their own employees for uniform purpose. Therefore, since the researcher assumed individual end customer are the true loyal customers who purchase products based on their own aspiration, need & desire. Therefore, the study of this paper only focused on the retail shops customer around Addis Ababa.

In order to determine the sample size of the population, as initial base the study followed the Central Statistics Agency population census of Addis Ababa in 2007 information. According to www.csa.gov.com the number of Addis Ababa population is 3,384,569.00. Similarly, since the population of the study was individual customers at each Anbessa shoe share co. retail shops located in Addis Ababa; & based on the recent statistical figure released through interview conducted with Marketing Manager of Anbessa Shoe S.C of from the total sales rate is 38% for wholesaler sales, 44% for A.A. retail shops sales & 18% for other region of Ethiopia. Thus, the sales rate for A.A became 44% of 3,384,569 which is 1,489,210.36. Considering there are non customer (other product customer), wholesaler of Anbessa shoe S.C., & other factors; the population number might decrease below one million.

Accordingly, based on the NEA Research Bulletin, (1960) table, for more than one million populations; around 300 sample sizes are enough. similarly, based on www.infosurv.com/faqs/market-research-faqs/ table summary, to determine the optimal size for a customer survey, 300 sample sizes is enough with 95% confidence interval & +/- 5.6 sampling error; and with 90% confidence interval +/-4.7% sampling error.

Table 3.1 Sample sizes determination for customer survey

Sample Size	95% Confidence Level	90% Confidence Level
100	+/-9.8%	+/-8.2%
200	+/-6.9%	+/-5.8%
*300	+/-5.6%	+/-4.7%
400	+/-4.9%	+/-4.1%
500	+/-4.4%	+/-3.6%
600	+/-4.0%	+/-3.3%

* The sample size for this research paper.

Therefore, if for customer survey 300 sample sizes are enough with 95% confidence interval & +/- 5.6 sampling error; it is more than enough to take a sample size of 308 for a population size below 1,489,210.36. Therefore, as per the above evidences, the researcher had taken a sample size of 308 by distributing 28 questionnaires for the 11 sales outlet shops of Anbessa Shoe Share Company located in Addis Ababa.

To increase the response rate, the researcher also briefed the 11 retail shops supervisors about the content of the questionnaire with the company benefit from the research result evidencing the

attached instruction of the company's managers for supporting the study. Furthermore, the response rate also improved by redistributing the un-responded questionnaires to the shops supervisor & researcher by extending the collection date.

Table 3.2 Sample sizes of the population & its response rate

No.	Shops Name	Distributed Questionnaire	Returned Questionnaire	Percentage of Returned Questionnaire
1	Arada	28	26	92.86
2	Piassa	28	27	96.43
3	Ambasador	28	23	82.14
4	Legehar	28	25	89.29
5	Merkato No. 1	28	27	96.43
6	Merkato No. 2	28	24	85.71
7	Teklehaimanot	28	20	71.43
8	Gofa	28	17	60.71
9	Saris	28	19	67.86
10	Lideta	28	25	89.29
11	Hayahulet	28	24	85.71
Total		308	257	83.44

From the total sample size of **308** distributed questionnaire 83.44% of the questionnaire was returned & properly filled by the respondent.

3.3. Sampling Technique

Stratified Sampling Technique were applied to select individual customers from the 11 retail shops located at different part of Addis Abeba. This sampling technique is appropriate for this research, hence it increase the representativeness of the sample from each stratum. Kothari, (2004), also evidenced that stratified sampling technique is used to obtain a representative sample, if a sample is to be drawn does not constitute homogenous group.

Based on this, each retail shops were considered as a stratum & from the 11 (eleven) retail shops the researcher had taken 28 customers to fill the structured questionnaires based on Disproportionate Stratified Sampling technique. To enhance the response rate & accuracy, the sampling technique also supported by all retail shops supervisors through distributing the

questionnaires to their customers as a comment for their products. Furthermore, the response rate also improved by redistributing the un-responded questionnaires to the retail shops supervisor & the researcher by extending the collection date.

3.4. Data Collection Method

The data collection methods were from both primary and secondary sources. When collecting the primary data, interview & questionnaires were used. Interview was conducted with Marketing Manager of Anbessa Shoe S.C. & the Questionnaires were distributed to all sales outlet shops individual customers of the company located in Addis Ababa. The secondary data was collected from the company manuals, brushers, web-site and published & unpublished documents of the company.

3.5. Data Analysis Method

The research used Descriptive statistics, ANOVA, Correlation analysis, and Regression analysis tools for data analysis. The analysis of the questionnaire was supported by software called statistical package for social science (SPSS), version 20. In analyzing the data, the study used descriptive analysis tool like Mean, Standard Deviation, Correlation coefficient etc. & for regression analysis tool linear regression analysis was applied.

3.6. Variable Description

In this study there are four **independent variables**: Relevance or Favorability, Differentiation, Credibility or delivery & Communication. The effect of these independent variables will be examined on the **dependent variable** i.e., **Customer Loyalty**. These variables aggregated from Polar Research inc which has written by Semans, (2010) as the four filters that a strong brand position should pass. Again these dimensions are articulated as evaluating positions comes from Jennifer Rice, of Fruitful Strategy, who recommends the “**4D’s Rule**” of strong brand positioning: Is it **desirable** by consumers?; Is it **deliverable** by the company?; Is it **distinctive** by the competition?; And Is it **durable** over time?

General Hypothesis

Positioning has a positive and significance effect of customer loyalty

Brand positioning is the strong foundation of a house (Levi, 2011). Effective positioning helps firms attract new customers in the short run, and helps build customer-brand relationships in the long run (Akpoymare, Adeosun, Ganiyu, 2013). By definition, Studies argue that positioning should be credible, significant to the audience (relevance), differentiating (unique) from the competitors and allowing for the organization's growth (Janiszewska, 2012). These describing entertain this paper to research the specific hypothesis variables which include the following:-

Specific Hypothesis

H₁: Relevance (Desirability) has positive & significance effect on customer loyalty

Relevance is the major component of positioning. According to Akpoymare et. al. (2013), effective positioning has to be centered on meeting the bundle of current and expected benefits sought by the target segment. Based on the justification of BOBÂLCĂ, (2013), loyalty is based on available information for selecting the favorite offer. Finally Li & Green conclude Customer perceived value is critical to driving market share and increase customer loyalty.

H₂: Differentiation has positive & significance effect on customer loyalty

Differentiation is a feature of positioning most frequently referred by practitioners and theoretical (Janiszewska, 2012). Semans (2010), also argue Differentiation is the key element of brand positioning. According to Levi (2011), Differentiation is a business imperative today, not only in terms of a company's success, but also for its continuing survival.

H₃: Delivery (Credibility) has positive & significance effect on customer loyalty

Brand credibility is key feature of positioning which determines the brand's consistency in keeping the promises it makes. When a brand's actual potential and capabilities are not supported, the audience is inevitably disappointed and the brand loses its credibility. Brand credibility has a brand's aspiration nature which is an important factor determining the brand's perception and affecting its image (Janiszewska, 2012).

H₄: Communication has positive & significance effect on customer loyalty

After companies assure the relevance, differentiation and credibility of the positioning, it would be mandatory to communicate the position to the market (Kotler & Armstrong, 2011). Levi, (2011) also argue **communication is obviously a critical component of business success,**

one's own offerings are worthless if their value is not properly articulated and appreciated.

3.7. Validity, Reliability & Generalizability

The validity of the research paper, as it was stated in the methodology most part the items used to measure the variables were adopted from previous research works; to increase the degree of clarity & understandability the English version questionnaire translated into Amharic by using English-Amharic dictionary. Furthermore, the overall content validity of the instrument such as clarity, length & wording of the questions judged by expertise in the area.

To examine the reliability of the study Cronbach's alphas were calculated with all variable cumulatively using SPSS version 20. The four independent variables in the study were Relevance (REL, 8 items); Differentiation (DIF, 6 items); Delivery (DEL, 7 items); & Communication (COM, 6 items) and one dependent variable was Loyalty (LOY, 11 items). As a result in Table 4.6., the Cronbach's alpha of the questionnaire revealed 0.932 score. Usually, reliability coefficients should be at least '.70' and the higher is the better. Therefore the reliability of the response was accepted & assured.

Table 3.3 Reliability Test Result

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.932	.933	38

The generalizability of the study also, improved by applying Stratified Sampling Technique. Bearing in mind, the nature of this sampling technique help to get representative sample from different geographical location matched with the researcher aim to address the 11 (eleven) retail shops' customers located around Addis Ababa.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS & INTERPRETATION

The major purpose of the study has been to investigate the effect of positioning on customer loyalty by formulating hypothesis with the four independent variable of positioning. In order to meet the purpose of the study this chapter presents the data analysis part of the study. The analysis presentation part is depicted in five sections. These are (4.1) data sample information, (4.2) descriptive static's of the samples (4.3) Correlation analysis, (4.4) Regression Analysis. These were presented as follows.

4.1. Data Sample Information

A total of 308 questionnaires were distributed to employees at all the 11 (eleven) sales outlet shops of Anbessa Shoe S.C. located in Addis Ababa. 273 questionnaires were returned, of which 16 were discarded or rejected because of missing data & improper response. Therefore, the numbers of usable questionnaires were 257 and as a result the response rate was 83.44%.

One hundred sixty six (64.6%) out of 257 respondents were male and ninety one (35.4%) of them were females. As to the age of the subjects seventy four (28.8%) of them were between 18 & 25 years; eighty five (33.1%) of them were between 26 & 35 years, sixty one (23.7%) of them were between 36 & 45 years, thirty (11.7%) of them were between 46 & 55 and seven (2.7%) of them were greater than 55. Concerning the respondents customer duration ninety three (36.2%) of the respondents were customer for less than 2 years; eighty nine (34.6%) of them were customer between 2 & 6 years; twenty two (8.6%) of them were customer between 7 & 10 years; and fifty three (20.6%) were customer for greater than 10 year. The results of sex, age & customer duration were summarized in table 4.1.

Table 4.1. Summary of Respondents Sex, Age & Customer Duration

Sex					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Male	166	64.6	64.6	64.6
	Female	91	35.4	35.4	100.0
	Total	257	100.0	100.0	

Age					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	18-25	74	28.8	28.8	28.8
	26-35	85	33.1	33.1	61.9
	36-45	61	23.7	23.7	85.6
	46-55	30	11.7	11.7	97.3
	>55	7	2.7	2.7	100.0
	Total	257	100.0	100.0	

Customer Duration					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	<2years	93	36.2	36.2	36.2
	2-6 years	89	34.6	34.6	70.8
	7-10 years	22	8.6	8.6	79.4
	>10 years	53	20.6	20.6	100.0
	Total	257	100.0	100.0	

Regarding the educational status of respondents, twenty three (8.9%) of the subjects were elementary school graduates (below grade 12); forty five (17.5%) of them were high school graduates (12 grade complete); forty five (17.5%) of them had certificate; seventy three (28.4%) of them were with collage diploma; fifty five (21.4%) of them had 1st Degree; and sixteen (6.2%) of them were Masters degree graduates. The results were summarized in table 4.2.

Table 4.2 Educational Status of the Respondents

Educational status					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Elementary	23	8.9	8.9	8.9
	High school	45	17.5	17.5	26.5
	Certificate	45	17.5	17.5	44.0
	College Diploma	73	28.4	28.4	72.4
	1st Degree	55	21.4	21.4	93.8
	Masters Degree	16	6.2	6.2	100.0
	Total	257	100.0	100.0	

Since one of the paper objective was to study the customer loyalty as a result of company positioning, in order to identify the loyalty level of the customer with relation to their frequency of purchase (i.e. frequency of purchase is one of the indicator of customer loyalty), the study measured purchase frequency of the respondents. Therefore, one hundred twenty five (48.6%) of the respondent purchased the company's product "Regularly"; ninety eight (38.1%) of the respondents were bought "Sometimes"; and thirty four (13.2%) of the respondents were purchased "Rarely". The results were summarized in table 4.3.

Table 4.3 Respondents' Product Purchase Frequency

		Frequency of Purchase			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Regularly	125	48.6	48.6	48.6
	Sometimes	98	38.1	38.1	86.8
	Rarely	34	13.2	13.2	100.0
	Total	257	100.0	100.0	

Another item measured was the respondents' knowledge & information about the type of the products produced by the company. This item were necessary because as communication is one determinant of effective or strong positioning, this item response result help the researcher in investigating the effort of the company communication to disperses important information to its customers. Based on this measurement, one hundred ninety eighty (77.0%) of them replied "Ladies, Gents, Children shoe, belt & bag); seventeen (6.6%) of them responded "Gents Shoe"; sixteen (6.2%) of them responded "Ladies, Gents & Children"; eleven (4.3%) of them respond "Ladies & Gents"; eight (3.1%) of them replied "Ladies, Gents, Children & Belt"; two (.8%) of them responded "Gents Shoe & Belt"; one (.4%) of them replied "Ladies Shoe"; one (.4%) of them replied "Ladies & Children"; one (.4%) of them replied "Ladies, Gents & Belt"; one (.4%) of them replied "Ladies, Gents & Bag" and one (.4%) of them replied "Gents, Children, Belt & Bag". Therefore, according to Table 4.4 result in aggregation fifty nine (23%) of respondent haven't had the right information & knowledge about the company products which indicate the company should work in its communication aspect.

Table 4.4 Respondents' Knowledge about the Type of Product Produced

		Types of Product			
		Frequency	Percent	Valid Percent	Cumulative Percent
	Ladies Shoe	1	.4	.4	.4
	Gents Shoe	17	6.6	6.6	7.0
	All	198	77.0	77.0	84.0
	Ladies & Gents	11	4.3	4.3	88.3
	Ladies & Children	1	.4	.4	88.7
	Gents & Belt	2	.8	.8	89.5
Valid	Ladies, Gents & Children	16	6.2	6.2	95.7
	Ladies, Gents & Belt	1	.4	.4	96.1
	Ladies, Gents & Bag	1	.4	.4	96.5
	Ladies, Gents, Childred, & Belt	8	3.1	3.1	99.6
	Gents, Children, Belt & Bag	1	.4	.4	100.0
	Total	257	100.0	100.0	

The interview & documents also evidenced that the products produced by the company are Ladies, Gents, Children shoes, Belt & Gag. The interviewee also accepts the new productions haven't communicated well as expected to be & there is production shortage to accompany all variety products needed by the customer.

Furthermore, to answer 2nd research question of the study i.e. "What is the customer perceived positioning and demand in relation to their sex, age, educational status, & duration?", the researcher categorized & coded the respondents' positioning perception & demand into 10 major group to measure it with relation to the their sex, age & educational status. The rank & count for the 10 categorized perceived positioning of the respondent were; Durability (127), Pure Leather (45), Quality (43), Adhesive Quality (24), Competitive Price (24), Comfortable (21), Sole Quality (19), Domestic Product (10), Raw Material Quality (8), Logo (8) & Everything (6) score consequently. On the other hand, the rank & count for the customer demand were; Add& update fashionable model & design (123), Increase females & children fashionable model & design (38), Affordable price (29), Quality (19), Quality Sole (18), Production & Distribution (16), Continue (13), Quality Adhesive (9), Finishing Quality (8) & Comfortable (5) respectively. This indicated that most of Anbessa Shoe S.C. customers position the company's product as Durability & also their highest demand from the company products was to add & update fashionable model & design and; to increase females & children fashionable model & design.

As shown on the bar chart 4.1., the highest customers perceived positioning was the product’s Durability & within this “Durability” response, the male customers were greater than females. On the other hand, the ANOVA result of Table 4.5 showed that, there was insignificance difference between the male & female response, since p-value is greater than 0.05 i.e. 0.340.

Figure 4.1 Customers perceived positioning in relation to their sex

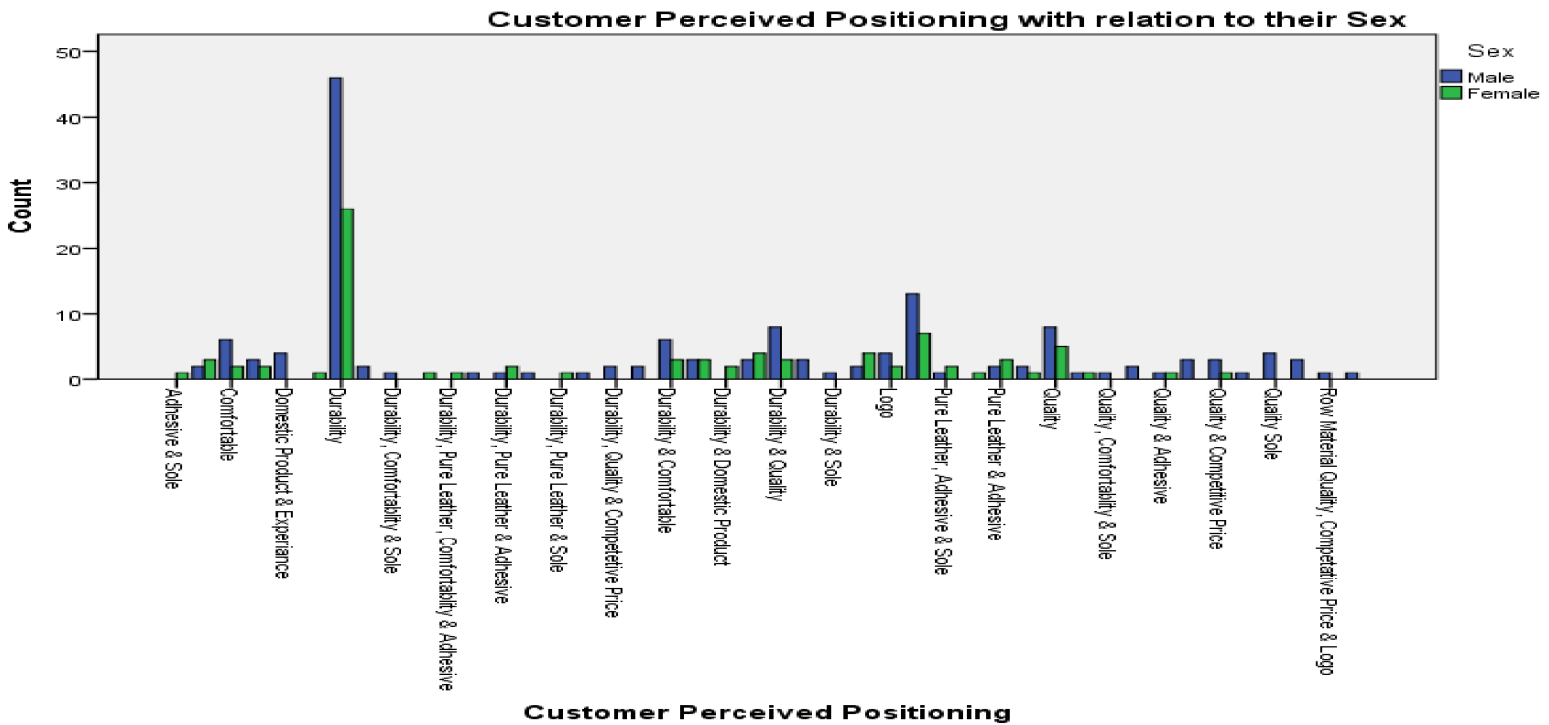


Table .4.5 Customers perceived positioning in relation to their sex

ANOVA					
Customer Perceived Positioning	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	675764.923	1	675764.923	.913	.340
Within Groups	170295080.801	230	740413.395		
Total	170970845.724	231			

As shown on the bar chart 4.2., within this “Durability” the highest customers perceived positioning response, 26-35 age was the 1st, 36-45 age was the 2nd, 18-25 age was the 3rd, 46-55 was the 4th & greater than 55 age was the last, this indicated that the durability positioning was relatively more believed by the middle aged customers. On the other hand, the ANOVA result of Table 4.6 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.229.

Figure 4.2 Customer perceived positioning with relation to their age

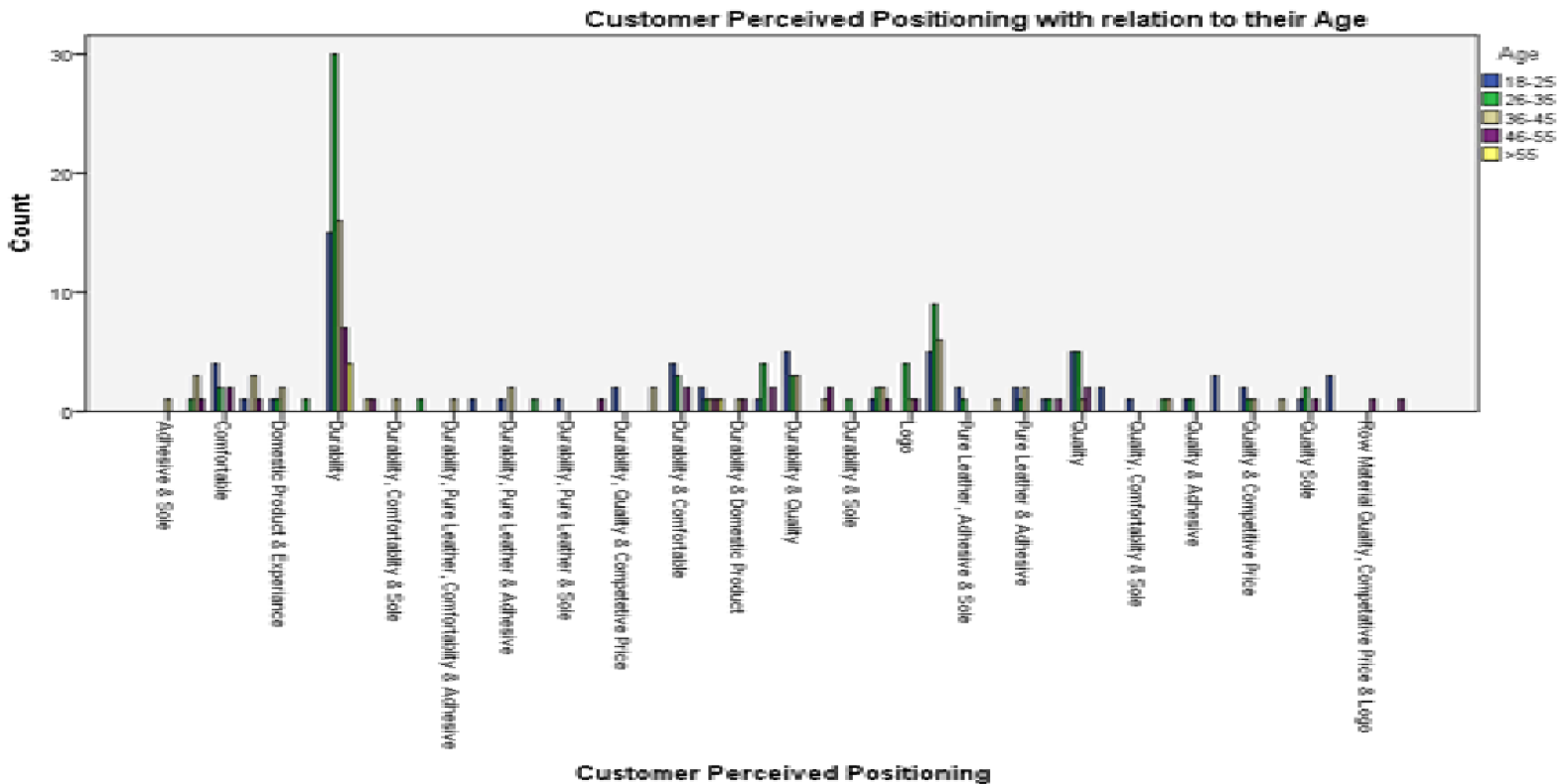


Table 4.6 Customers perceived positioning in relation to their age

ANOVA

Customer Perceived Positioning

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4165454.879	4	1041363.720	1.417	.229
Within Groups	166805390.845	227	734825.510		
Total	170970845.724	231			

Based on the bar chart 4.3 result, within this “Durability” the highest customers perceived positioning response, College Diploma was the 1st, 1st Degree was the 2nd, High School was the 3rd, Certificate was the 4th & Elementary was the 5th & Masters was the last this showed that most of Diploma graduated customers relatively had a perceived position of “Durability”. On the other hand, the ANOVA result of Table 4.7 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.711.

Figure 4.3 Customers perceived positioning in relation to their Educational Status

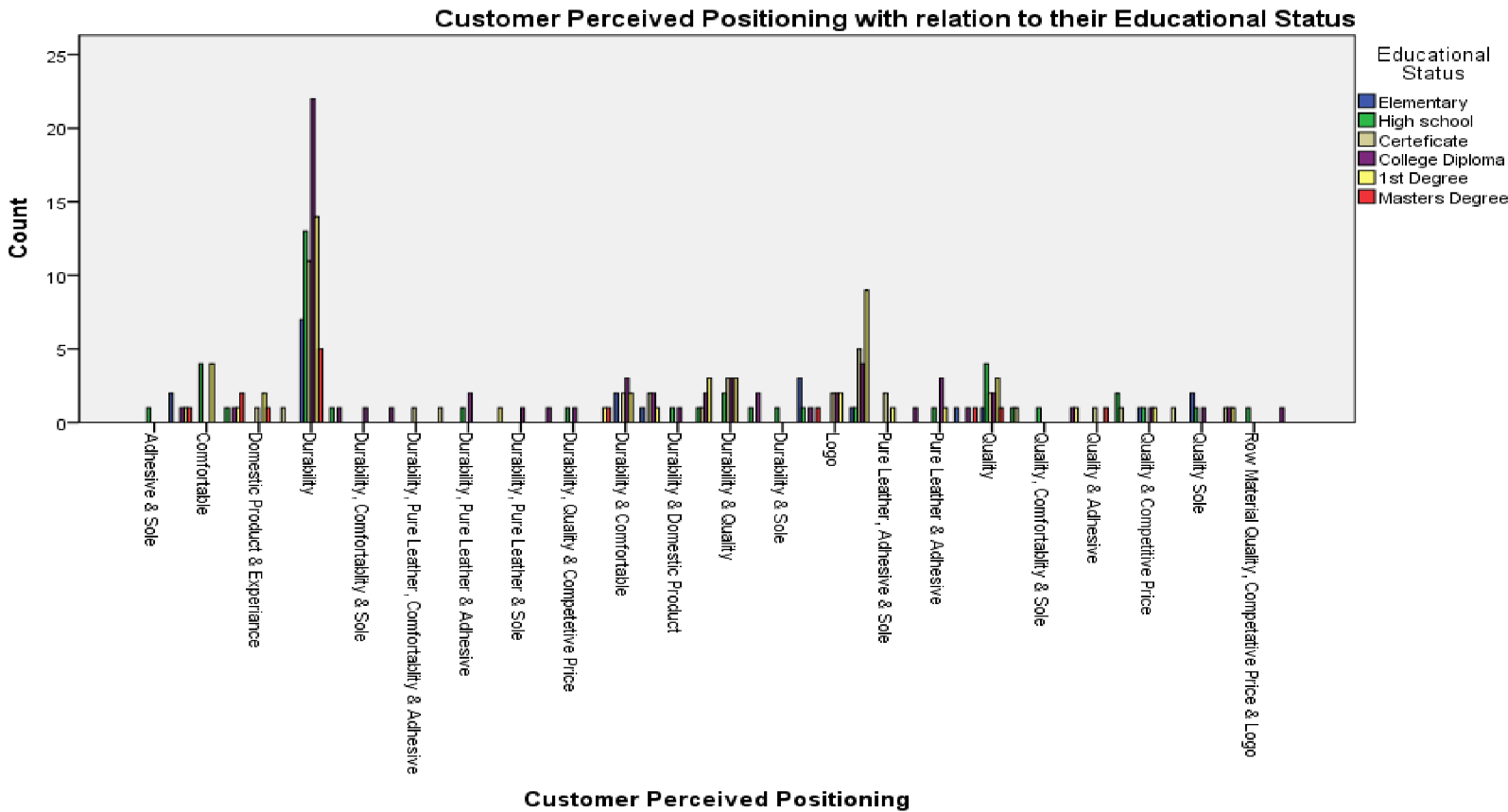


Table .4.7 Customers perceived positioning in relation to their Educational Status

ANOVA

Customer Perceived Positioning

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2188340.334	5	437668.067	.586	.711
Within Groups	168782505.390	226	746825.245		
Total	170970845.724	231			

Based on the bar chart 4.4 result, within this “Durability” the highest customer perceived positioning response, less than 2 years duration was the 1st, 2-6 years duration was the 2nd, >10 years duration was the 3rd, & 7-10 years was the last, this showed that most of less than 2 years customer duration respondents were have a perceived position of “Durability”. On the other hand, the ANOVA result of Table 4.8 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.508.

Figure 4.4 Customers perceived positioning in relation to their Duration

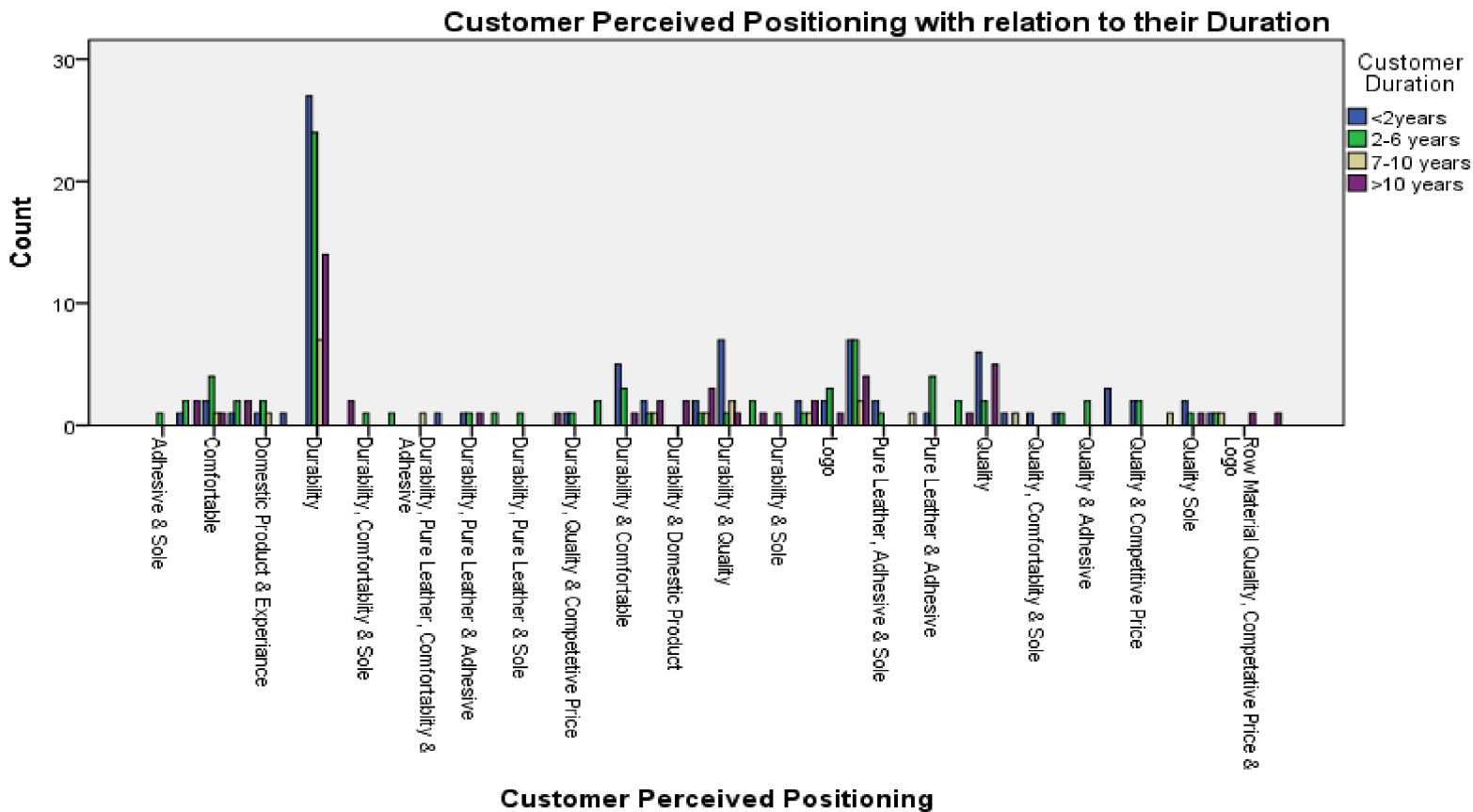


Table .4.8 Customers perceived positioning in relation to their Duration

ANOVA					
Customer Perceived Positioning					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1730827.808	3	576942.603	.777	.508
Within Groups	169240017.917	228	742280.780		
Total	170970845.724	231			

As per the bar chart 4.5 result, within the highest customers perceived positioning response i.e. “Durability”, sometimes & regularly users by slight difference were the 1st & 2nd, rarely users were the 3rd. On the other hand, the ANOVA result of Table 4.9 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.715.

Figure 4.5 Customers perceived positioning in relation to their Purchase Frequency

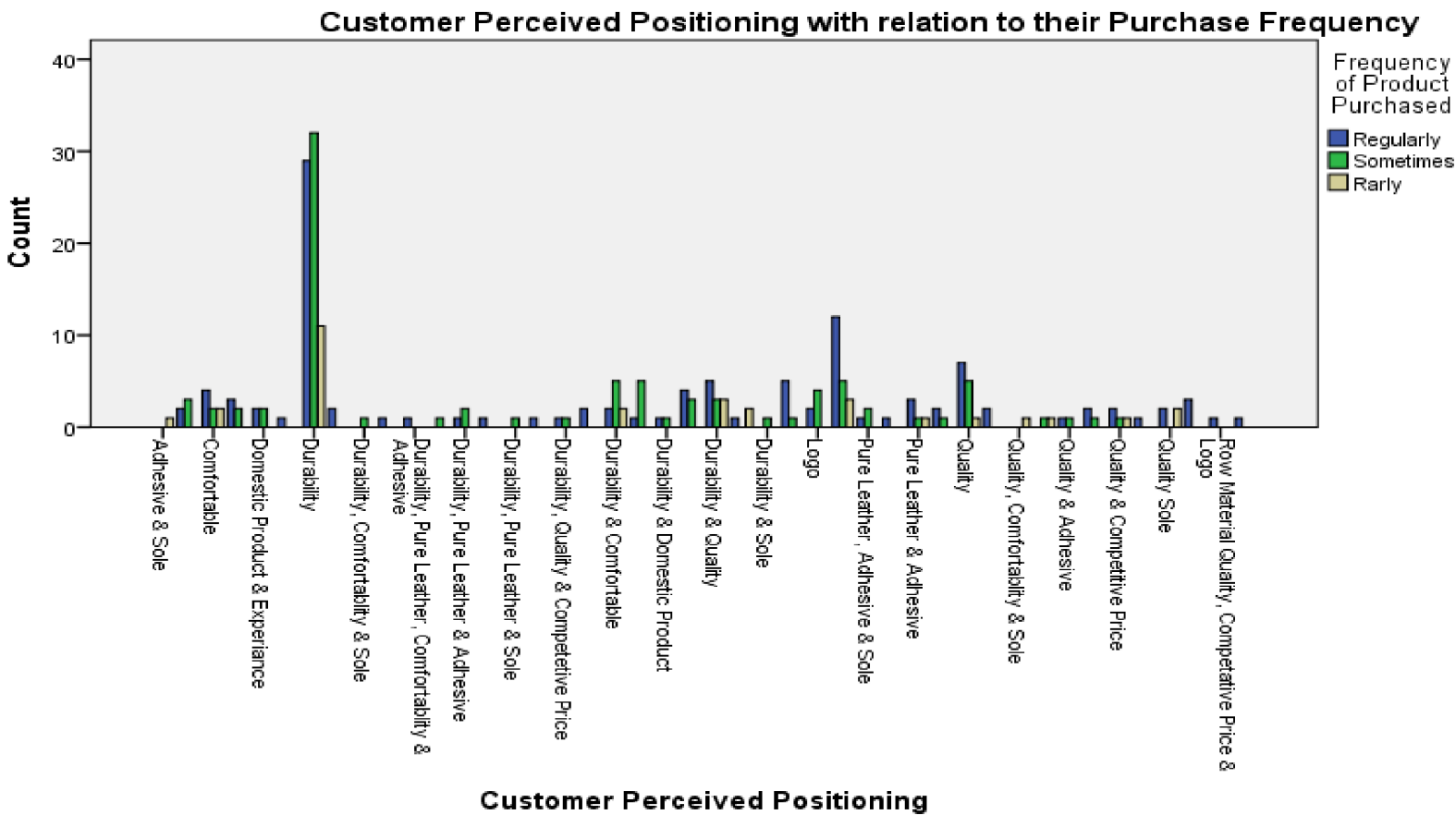


Table 4.9 Customers perceived positioning in relation to their Purchase Frequency

ANOVA

Customer Perceived Positioning

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	499317.082	2	249658.541	.335	.715
Within Groups	170471528.642	229	744417.156		
Total	170970845.724	231			

As shown on the bar chart 4.6, the highest customer demand from the company’s product was to add & update fashionable model & design within this demand the male customers were response greater than females. On the other hand, the ANOVA result of table 4.10 showed that, there was insignificance difference between the male & female response, since p-value is greater than 0.05 i.e. 0.153.

Figure 4.6 Customers demand in relation to their Sex

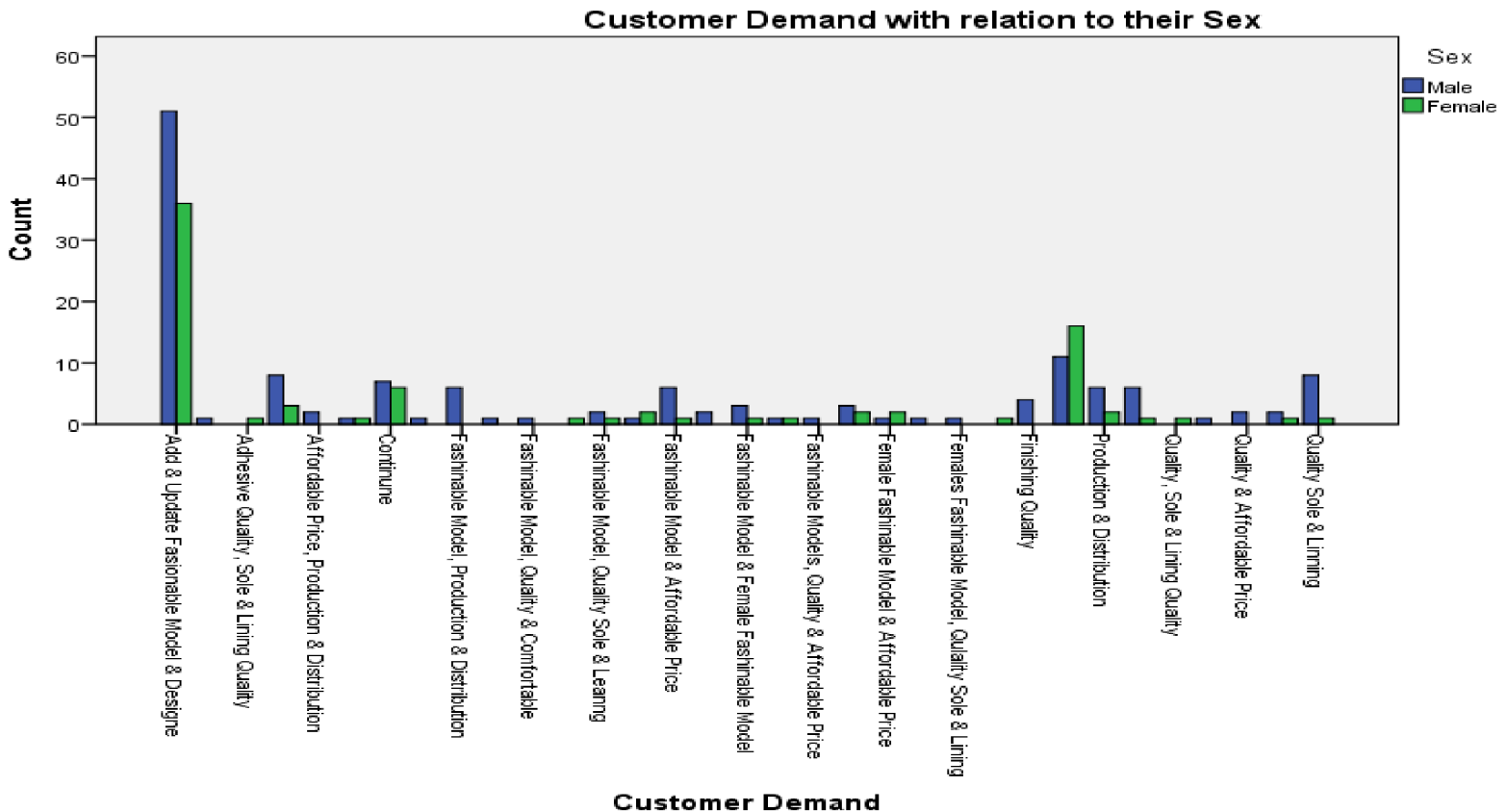


Table 4.10 Customers demand in relation to their Sex

ANOVA					
Customer Demand	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	6303.095	1	6303.095	2.061	.153
Within Groups	672973.684	220	3058.971		
Total	679276.779	221			

As shown on the bar chart 4.7, within the highest customer demand to “update fashionable model & design” response, 26-35 age was the 1st, 18-25 age was the 2nd, 36-45 age was the 3rd & 46-55 was the 4th, this indicated the demand for update fashionable model & design was more relatively demanded by the middle & youth aged customers consequently. On the other hand, the ANOVA result of Table 4.11 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.841.

Figure 4.7 Customers demand in relation to their Age

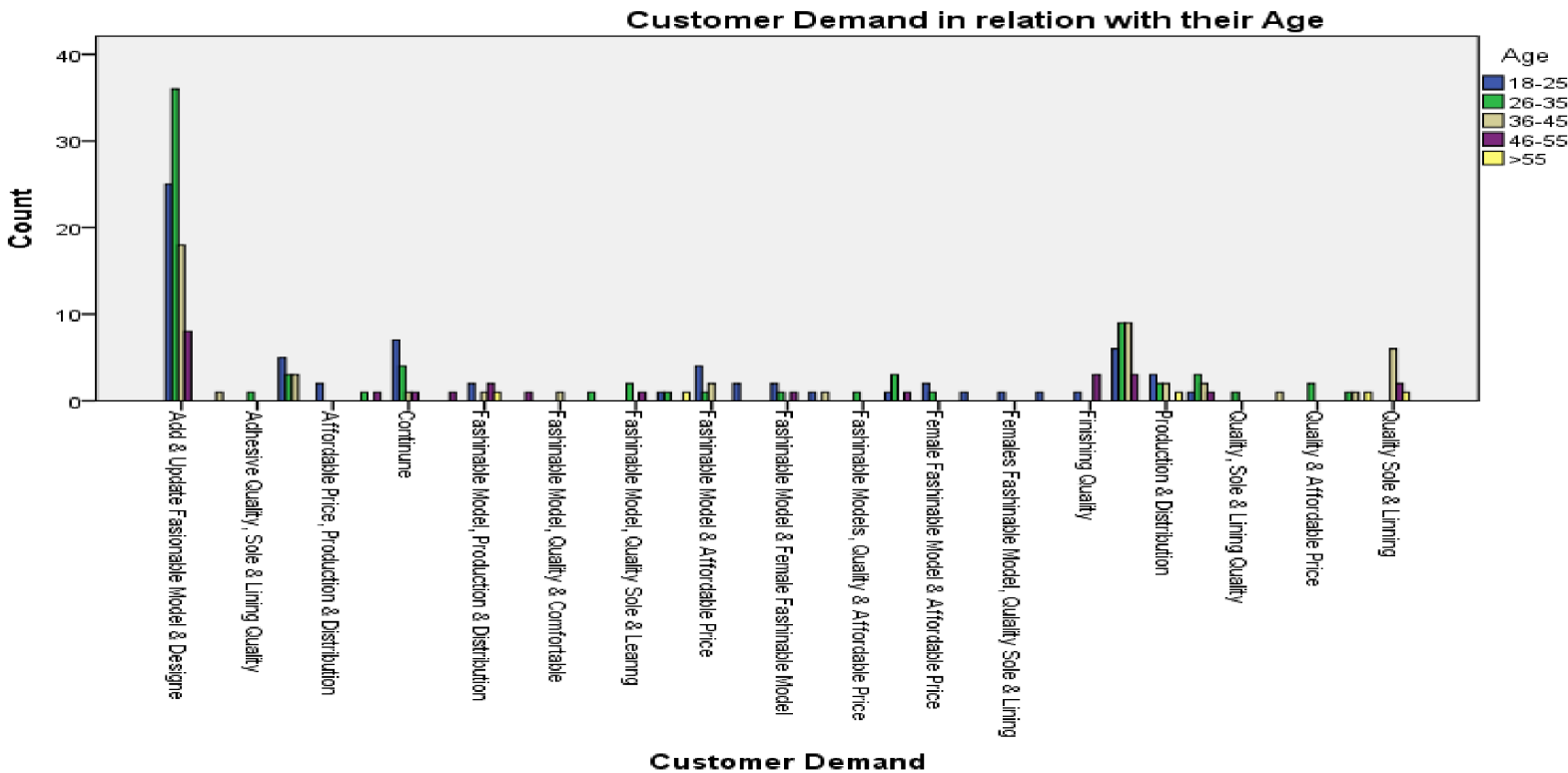


Table 4.11 Customers demand in relation to their Age

ANOVA

Customer Demand	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4412.338	4	1103.085	.355	.841
Within Groups	674864.441	217	3109.974		
Total	679276.779	221			

The below bar chart 4.8 depicted, within the highest customer demand to “update fashionable model & design” response, College Diploma was the 1st, 1st Degree was the 2nd, High School was the 3rd, Certificate was the 4th & Elementary & Masters was the 5th, this showed that most of Diploma graduated customers relatively needed the company to update fashionable model & design. On the other hand, the ANOVA result of Table 4.12 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.092.

Figure 4.8 Customers demand in relation to their Educational Status

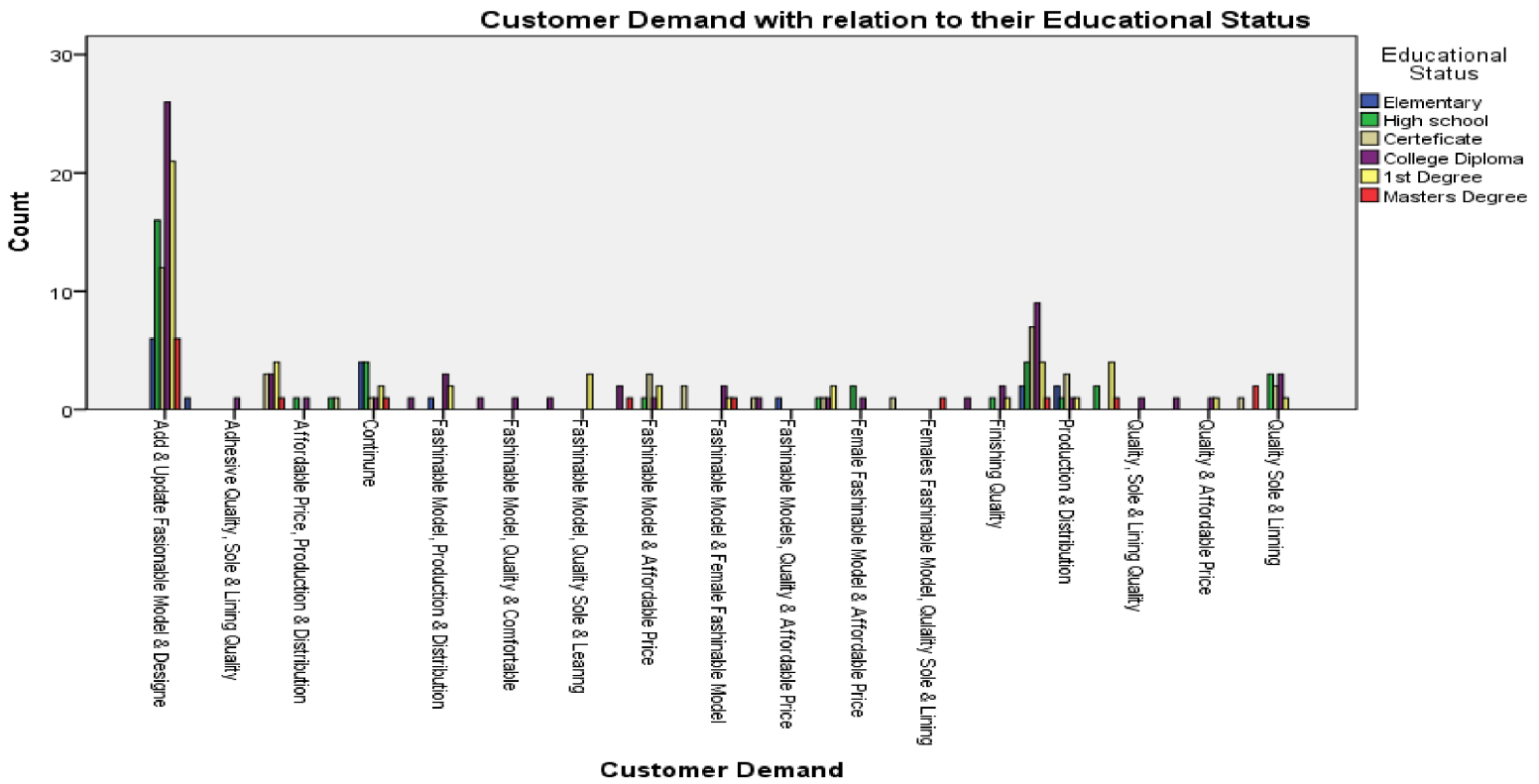


Table 4.12 Customers demand in relation to their Educational Status

ANOVA					
Customer Demand	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	28912.197	5	5782.439	1.920	.092
Within Groups	650364.582	216	3010.947		
Total	679276.779	221			

Based on the bar chart 4.9, from the highest customer demand i.e. “to add & update fashionable model & design” response, 2-6 years duration was the 1st, less than 2 years duration was the 2nd, >10 years duration was the 3rd, & 7-10 years was the last, this showed that most 2-6 years customer duration respondents were have a demand of add & update fashionable model & design. On the other hand, the ANOVA result of Table 4.13 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.971.

Figure 4.9 Customers demand in relation to their Duration

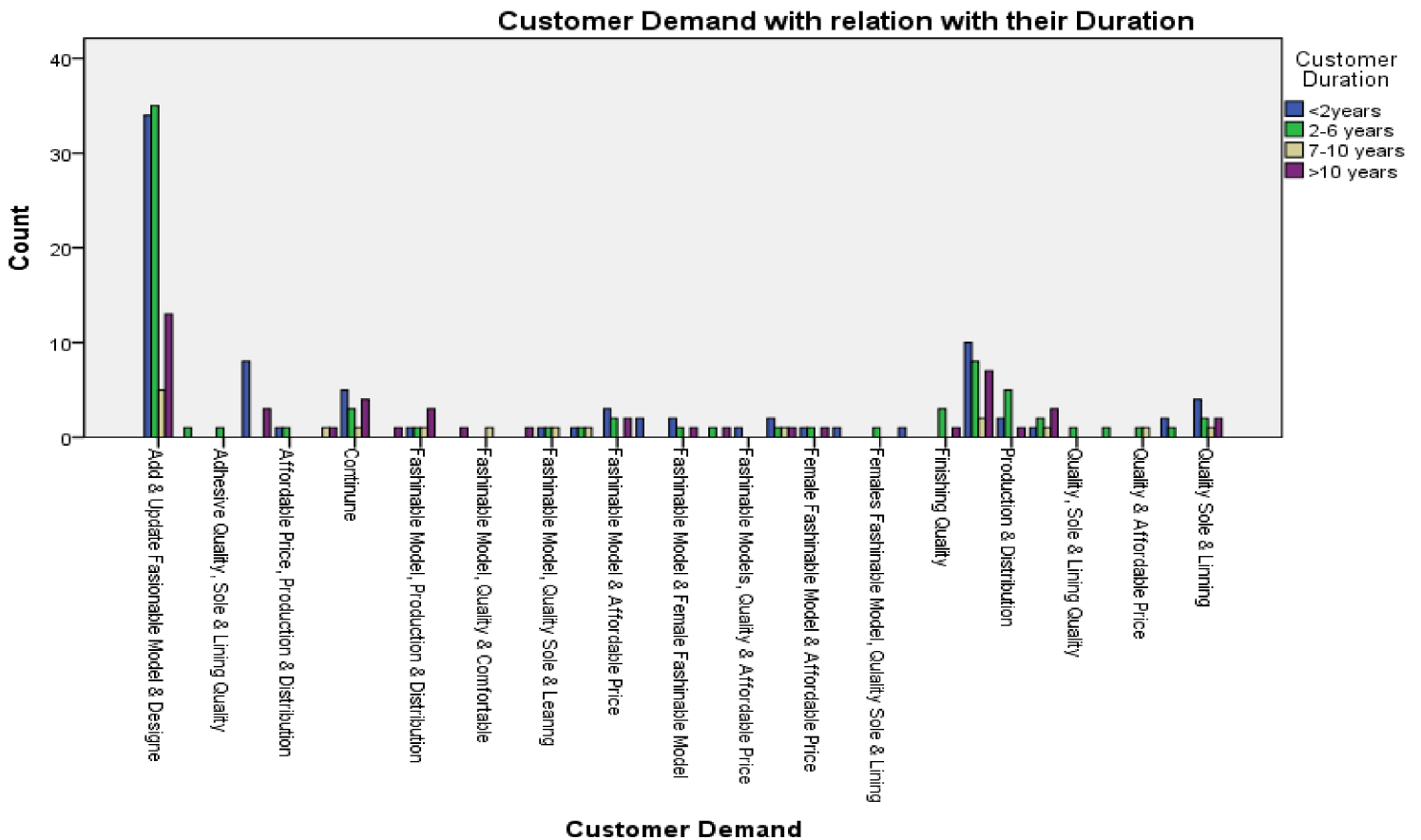


Table 4.13 Customers demand in relation to their Duration

ANOVA					
Customer Demand	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	742.131	3	247.377	.079	.971
Within Groups	678534.648	218	3112.544		
Total	679276.779	221			

Based on the bar chart 4.10, within the highest customer demand i.e. “to add & update fashionable model & design” response, regularly & sometimes users by slight difference were the 1st & 2nd, rarely users were the 3rd. On the other hand, the ANOVA result of Table 4.14 showed that, there was insignificance difference among the categorized age response since p-value is greater than 0.05 i.e. 0.379.

Figure 4.10 Customers demand in relation to their Purchase Frequency

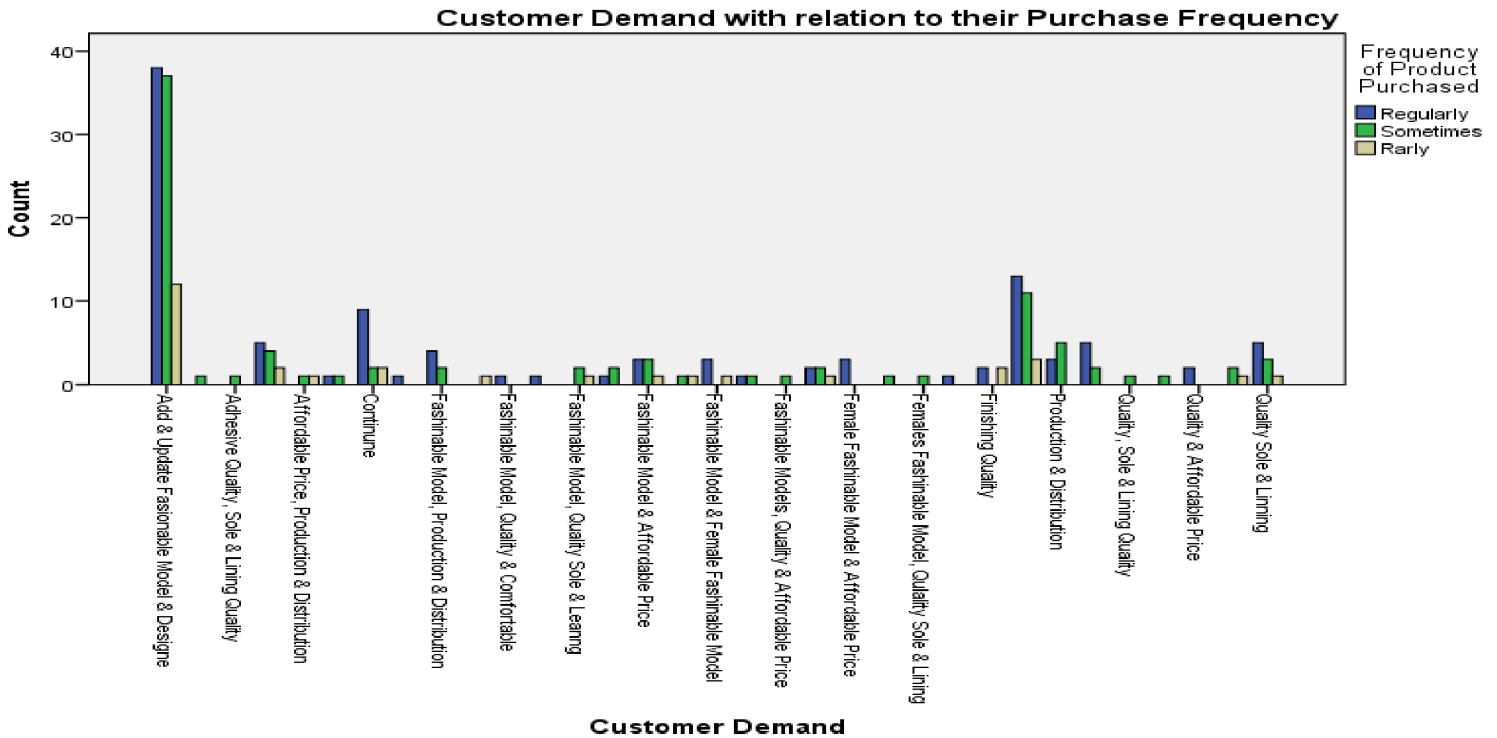


Table 4.14 Customers demand in relation to their Purchase Frequency

ANOVA					
Customer Demand	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5988.927	2	2994.463	.974	.379
Within Groups	673287.852	219	3074.374		
Total	679276.779	221			

Based on the interview made with the marketing manager the company wants to be perceived by their customers as quality, fashionable, comfortable, durable, fashionable & family choice & the company have been using the current positioning statement for below 5 years. This positioning statement promotes the company’s products as well known with fashionable, comfortable, quality & offering competitive price with consistence service. This indicated that, even though were some agreements, when the researcher compared the findings, there was a gap between the company positioning & the perceived positioning. Hence, above 55% of the respondents perceive the company as “Durability” but the company haven’t include this image in its current positioning statement; the company claiming its products are “fashionable” but the customers

were demanding “to add & update fashionable model & design” (noting there was a lag or delay consistently to update its model & design with current market situation); the company articulate offer competitive price but some customers still demanding the price to be affordable; the company assume its products as family choice but respondents demands to “increase female & children fashionable model & design”. The researcher also observed that in all Addis Ababa retail shops females & children shoes were relatively low in number & variety.

4.2. Descriptive Statistic

4.2.1. Customers level of Loyalty Survey

In order to measure the customer’s levels of loyalty, 11 questions were asked. Most of the loyalty indicator questions were emanated from different literature & research paper with mixing independent variable concepts, to assure the dependent variable (customer loyalty) was appeared as the result of the independent variable (Relevance, Differentiation, Delivery & Communication of positioning). From the 11 questionnaires, 3 of them were loyalty as a result of Relevance question; 3 of them were indicated loyalty as a result of Differentiation question; 2 of them focused on loyalty as a result of Delivery question; 1 of them indicated loyalty as a result of communication; the remaining 2 questions are general loyalty questions. The instrument used a 5 point likert scale ranging from Strongly Disagree to Strongly Agree.

The mean score for Customer Loyalty (i.e. Attitude, Love, Commitment, Purchas and Repurchase intension) as the result of the independent variable of positioning (i.e. Relevance, Differentiation, Delivery & Communication) were calculated and presented in Table 4.15. From the below table it can be noted that, the mean scores of the dependent variables were above the midpoint (3.00) of the scale i.e. **3.62**. This figure indicate that, the respondents acceptance for their loyalty come from the company’s products relevance, differentiation, delivery & communication were inclined to agree.

Table 4.15 Descriptive Statistics of Dependent Variable

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
LOY	257	2.00	5.00	3.6204	.61209	.375
Valid N (listwise)	257					

4.2.1.1. Customers Loyalty Level in relation to Sex

As we can see from Table 4.16., the significance value of the ANOVA table was greater than the p-value 0.05, (i.e. “Sig=0.323>0.05”). Thus, this value indicated that there was **insignificant** difference among the mean score of customers’ loyalty, with respect to their sex. In other words, the mean score result for customer loyalty indicators had immaterial or irrelevant differentiation between male & female respondents. This implies that the responds for customer loyalty indicators were similar between male & female.

Table 4.16 Descriptive Statistics of Customer Loyalty in relation to Sex

Descriptives								
LOY								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Male	166	3.6484	.64582	.05013	3.5494	3.7474	2.00	5.00
Female	91	3.5694	.54492	.05712	3.4559	3.6829	2.27	5.00
Total	257	3.6204	.61209	.03818	3.5453	3.6956	2.00	5.00

ANOVA					
LOY					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.367	1	.367	.979	.323
Within Groups	95.543	255	.375		
Total	95.910	256			

4.2.1.2. Customers Loyalty Level in relation to Age

Based on table 4.17 result, the significant value of the ANOVA indicated that it is greater than the p-value 0.05 (i.e. 0.340>0.05), and then there is **insignificant** difference among the mean score of customers’ loyalty, with respect to their age. This implies that the age difference didn’t affect considerably the responses for the customer loyalty indicators.

Table 4.17 Descriptive Statistics of Customer Loyalty in relation to Age

Descriptives									
LOY	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	
					Lower Bound	Upper Bound			
					18-25	74			3.6474
26-35	85	3.5198	.57060	.06189	3.3967	3.6429	2.18	5.00	
36-45	61	3.6423	.55369	.07089	3.5005	3.7841	2.64	5.00	
46-55	30	3.7515	.73037	.13335	3.4788	4.0242	2.45	5.00	
>55	7	3.8052	.70110	.26499	3.1568	4.4536	2.82	5.00	
Total	257	3.6204	.61209	.03818	3.5453	3.6956	2.00	5.00	

ANOVA					
LOY	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.699	4	.425	1.136	.340
Within Groups	94.211	252	.374		
Total	95.910	256			

4.2.1.3. Customers Loyalty Level in relation to Educational Status

As indicated on Table 4.18, the significant value of the ANOVA indicated that it was equal to the p value 0.05 (i.e. $0.053=0.05$) and then it might be interpreted as there was **nearly significance** difference among the mean score of customers' loyalty, with respect to their educational status. This result indicated that, the Educational Status of the respondents inclined to affect or influence the respondents' loyalty.

Table 4.18 Descriptive Statistics of Customer Loyalty in relation to Educational Status

Descriptives									
LOY	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	
					Lower Bound	Upper Bound			
					Elementary	23			3.6996
High school	45	3.8525	.49501	.07379	3.7038	4.0012	2.91	5.00	
Certificate	45	3.6162	.52399	.07811	3.4587	3.7736	2.45	4.64	
College Diploma	73	3.4956	.60720	.07107	3.3540	3.6373	2.00	5.00	
1st Degree	55	3.6099	.66636	.08985	3.4298	3.7901	2.18	4.91	
Masters Degree	16	3.4716	.57421	.14355	3.1656	3.7776	2.82	4.55	
Total	257	3.6204	.61209	.03818	3.5453	3.6956	2.00	5.00	

ANOVA					
LOY	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.066	5	.813	2.223	.053
Within Groups	91.844	251	.366		
Total	95.910	256			

4.2.1.4. Customers Loyalty Level in relation to Duration

In the below table 4.19, the significant value of the ANOVA indicated that it was less than the p-value 0.05 (i.e. $0.049 < 0.05$), and then based on the result, there was **significant** difference among the mean score of customers' loyalty, with respect to their duration.

Table 4.19 Descriptive Statistics of Customer Loyalty in relation to Customers' Duration
Descriptives

LOY

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
<2years	93	3.5034	.54834	.05686	3.3905	3.6164	2.00	4.55
2-6 years	89	3.6261	.64508	.06838	3.4903	3.7620	2.00	5.00
7-10 years	22	3.8430	.58459	.12463	3.5838	4.1022	2.82	4.91
>10 years	53	3.7238	.64331	.08837	3.5465	3.9012	2.36	5.00
Total	257	3.6204	.61209	.03818	3.5453	3.6956	2.00	5.00

ANOVA

LOY

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2.933	3	.978	2.660	.049
Within Groups	92.978	253	.368		
Total	95.910	256			

4.2.1.5. Customers Loyalty Level in relation to their Purchase Frequency

As indicated in Table 4.20., the significant value of the ANOVA indicated that it was less than the p-value 0.05 (i.e. $\text{sig}=0.00 < 0.05$) and then there was **perfectly significant** difference among the mean score of customers' loyalty, with respect to their purchase frequency. This figure implies that, the loyalty level of the respondents was largely affected by customer purchase frequency level.

Table 4.20 Descriptive Statistics of Customer Loyalty in relation to Purchase Frequency
Descriptives

LOY

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Regularly	125	3.8291	.63243	.05657	3.7171	3.9411	2.00	5.00
Sometimes	98	3.4304	.48835	.04933	3.3325	3.5283	2.18	4.45
Rarly	34	3.4011	.61703	.10582	3.1858	3.6164	2.00	4.55
Total	257	3.6204	.61209	.03818	3.5453	3.6956	2.00	5.00

ANOVA

LOY

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	10.616	2	5.308	15.808	.000
Within Groups	85.294	254	.336		
Total	95.910	256			

4.2.2. Customers attitude towards the Relevance

The respondents were asked 8 (eight) questions to measure the level of the company positioning relevance. The questionnaires were designed to collect the respondents' attitude towards how the company products fulfilled their needs, want & desire; demand & preference; and their purchase criteria.

Based on the respondents survey result on Table 4.21, the mean score value of the Positioning relevance was **3.45**. Thus, the customers' perception about company's positioning relevance was between neutral and inclined to agree which means the respondents had slight acceptance on the company's product relevance.

Table 4.21 Descriptive Statistics of Positioning Relevance

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
REL	257	1.38	5.00	3.4514	.71454	.511
Valid N (listwise)	257					

4.2.3. Customers attitude towards Differentiation

To measure the differentiation variable the respondents were asked 6 (six) questions. These questionnaires were designed to collect the respondents' attitude & opinion about the company products differentiation feature relative to competitors in the industry.

Based on survey result on Table 4.22, the mean score value of the aggregated descriptive statistic survey was **3.72**. This figure indicated that, respondents had positive acceptances about the company's differentiated product relative to rivals exist in the market.

Table 4.22 Descriptive Statistics of Positioning Differentiation

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
DIF	257	1.50	5.00	3.7218	.64859	.421
Valid N (listwise)	257					

4.2.4. Customers attitude towards Delivery

In order to measure the company's Positioning Delivery aspects the researcher was asked 7(seven) questions. The content of this questionnaires were intended to collect the actual opinion of the respondent about the actual delivery of promised differentiation and the consistency nature of the delivery.

As per the respondents survey result on Table 4.23, the mean score value of the aggregated descriptive statistics was **3.61**. The value indicated that the respondent actual experience of the Positioning Delivery as promised was inclined to positive or moderate agreement.

Table 4.23 Descriptive statistics of Positioning Delivery

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
DEL	257	1.57	5.00	3.6103	.67933	.461
Valid N (listwise)	257					

4.2.5. Customers attitude towards Communication

To measure the level of the company positioning communication, 6 (eight) questions were used. The questionnaires were designed to collect the respondents' attitude the company positioning communication clarity; the understanding of the company changing capacity; and the respondent information & knowledge about the company product.

According to the below table 4.24 result, the mean score result for communication was **3.58**. This figure showed that, the respondents' agreement to the company's communication was accumulated between neutral and agree which means there was somehow or slight communication of the company's positioning.

Table 4.24 Descriptive Statistics of Positioning Communication

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
COM	257	1.83	5.00	3.5830	.69646	.485
Valid N (listwise)	257					

From the descriptive statistics result of the above independent variable, the highest mean score from the independent variable was **3.72** for positioning differentiation. This figure implied that, relatively the respondents had more acceptances on the company's differentiation existence than the other three independent variable of positioning. Whenever we compare & contrast the four dimension of positioning, the respondents were relatively more loyal to the products "Differentiation", & moderately loyal with products delivery & less loyal to "relevance" & "communication".

Finally, to summarize the mean score result of the dependent & independent variable of each individual question mean score was measured. As indicated on the Table 4.25, relatively higher three scores were 4.28, 4.11 & 4.00 for durable (differentiation), durable (loyalty), positive attitude (loyalty). On the other side, the tree lower score were 2.98, 2.93 & 2.79 for design preference (relevance), communication & fashionable product delivery (loyalty) related question.

Table 4.25 Summary of Descriptive Statistics for Independent & Dependent Variable

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Relevance1	257	1	5	3.45	1.110	1.233
Relevance2	257	1	5	2.98	1.135	1.289
Relevance3	257	1	5	3.37	1.060	1.124
Relevance4	257	1	5	3.70	.918	.843
Relevance5	257	1	5	3.49	1.065	1.134
Relevance6	257	1	5	3.44	1.134	1.286
Relevance7	257	1	5	3.67	1.101	1.213
Relevance8	257	1	5	3.52	1.068	1.141
Differentiation1	257	1	5	3.90	.969	.940
Differentiation2	257	1	5	4.11	.882	.777
Differentiation3	257	1	5	3.23	.992	.984
Differentiation4	257	1	5	3.47	1.000	1.000
Differentiation5	257	1	5	3.94	.988	.977
Differentiation6	257	1	5	3.67	1.194	1.425
Delivery1	257	1	5	3.75	.896	.803
Delivery2	257	1	5	3.84	.904	.817
Delivery3	257	1	5	3.44	1.078	1.161
Delivery4	257	1	5	3.48	1.108	1.227
Delivery5	257	1	5	3.58	.961	.924
Delivery6	257	1	5	3.67	.911	.830
Delivery7	257	1	5	3.51	1.024	1.048
Communication1	257	1	5	3.99	.812	.660
Communication2	257	1	5	3.32	1.189	1.415
Communication3	257	1	5	3.55	1.007	1.014
Communication4	257	1	5	3.84	.954	.911
Communication5	257	1	5	3.56	.975	.950
Communication6	257	1	5	3.24	1.251	1.565
Loyalty1	257	1	5	4.28	.666	.443
Loyalty2	257	2	5	3.94	.864	.746
Loyalty3	257	1	5	3.42	1.047	1.097
Loyalty4	257	1	5	3.53	1.053	1.110
Loyalty5	257	1	5	4.00	.946	.895
Loyalty6	257	1	5	3.88	.967	.935
Loyalty7	257	1	5	3.45	1.221	1.490
Loyalty8	257	1	5	2.93	1.213	1.472
Loyalty9	257	1	5	2.79	1.159	1.344
Loyalty10	257	1	5	3.78	.972	.945
Loyalty11	257	1	5	3.83	.968	.937
Valid N (listwise)	257					

4.3. Correlation Analysis

In order to determine the nature and strength of the relationship among variables asked by the research question Pearson product moment correlation procedure was used.

According to Sinn, on his SPSS Guide–Correlation & Regression, explained the r-value (Pearson Correlation) indicates strength and direction (+/-) of the correlation. The bigger is better, the “*”

sign on the upper of r -value means we can reject the null hypothesis “ H_0 ”. The p -value (Sig.) measures, the probability that you’d see an r - value just by chance. For p -value smaller is better & reject H_0 if $p \leq 0.05$.

In order to answer the 3rd research questions i.e., “What is the effect of positioning relevance, differentiation, delivery & communication to the customer loyalty of the company?” the researcher measured the level of the relationship between the independent & dependent variable. For this study diction rule given by (Bartz, 1999) was used. Bartz described the strength of the association between the variable as below.

Table 4.26 Interpretation of r value

Value of r	Description
0.80 or higher	Very high
0.6 to 0.8	Strong
0.4 to 0.60	Moderate
0.2 or 0.4	Low
0.20 or lower	Very low

The following table 4.27 depicts the relationship between the overall positioning & customer loyalty; and the relationship between the four dimensions of positioning with customer loyalty. The Pearson correlation coefficient result showed that the overall positioning has a significant strong relationship with customer loyalty by 0.830** r -value with 99% confidence interval of 0.01 p -value 2tailed. The 1st dimension “Relevance” also showed 0.713** r -value which means relevance has a strong relationship with the customer loyalty with 99% confidence interval of 0.01 p -value 2tailed. The 2nd dimension “Differentiation” also showed a correlation coefficient of 0.660** which indicated the differentiation strong relationship with the customer loyalty with 99% confidence interval of 0.01 p -value 2tailed. The 3rd dimension “Delivery” also showed a correlation coefficient of 0.607** which indicated Delivery has nearly strong relationship with the customer loyalty with 99% confidence interval of 0.01 p -value 2tailed. Finally, the dimension “communication” showed 0.671** r -value which means communication has a strong relationship with the customer loyalty with 99% confidence interval of 0.01 p -value 2tailed. The summary of the correlation result presented on table 4.27.

Table 4.27 Correlation between Positioning, its dimensions and Loyalty

		Correlations					
		REL	DIF	DEL	COM	LOY	POS
REL	Pearson Correlation	1	.553**	.623**	.460**	.713**	.830**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	257	257	257	257	257	257
DIF	Pearson Correlation	.553**	1	.480**	.441**	.660**	.766**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	257	257	257	257	257	257
DEL	Pearson Correlation	.623**	.480**	1	.552**	.607**	.831**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	257	257	257	257	257	257
COM	Pearson Correlation	.460**	.441**	.552**	1	.671**	.770**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	257	257	257	257	257	257
LOY	Pearson Correlation	.713**	.660**	.607**	.671**	1	.830**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	257	257	257	257	257	257
POS	Pearson Correlation	.830**	.766**	.831**	.770**	.830**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	257	257	257	257	257	257

** . Correlation is significant at the 0.01 level (2-tailed).

4.4. Regression Analysis

To indicate the causality of the relationship between the dependent & independent variable regression analysis was conducted. In other words, Regression was conducted in order to determine the explanatory power of the independent variable (REL, DIF, DEL & COM) in the variance of the dependent variables (LOY). Adjusted R square was used to measure the percentage of variance in the customer loyalty explained by the Relevance, Differentiation, Delivery & Communication of the Company's Positioning. From the linear multiple regression equation, the standard regression coefficient (beta weight) was determined to compare the effect of each independent variable had on the variability of the overall customer loyalty. According to Sinn, on his SPSS Guide–Correlation & Regression, explained the model summary of the regression analysis gives you the r-value & the r^2 value. Coefficients gives you a & b values, and the p-value to check for significance. We reject H_0 if $p \leq 0.05$. This means the relationship is reliable and can be used to make predictions.

Based on Table 4.28 model summary result, when overall customer loyalty was regressed on the four independent variable (Relevance, Differentiation, Delivery & Communication), the independent variables contribute to statistically significant level p-value 0.000. And the coefficient of determination R^2 was found to be 0.71 which indicate that 71.2% of the variability of overall customer loyalty was explained by the three independent variables. The other variables that were not considered in this study contribute about 29.8% of the variability of customer loyalty.

Table 4.28 Regression Analysis between Independent and Dependent Variable

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.844 ^a	.712	.708	.33092	.712	155.957	4	252	.000

a. Predictors: (Constant), COM, DIF, REL, DEL

As per the coefficient table 4.29, the result of standardized regression equation (Beta weight) for Relevance, Differentiation, Delivery & Communication were 0.365, 0.278, 0.052 & 0.352 respectively. This shows that the effect of positioning relevance is greater than positioning communication; positioning communication is greater than positioning differentiation in explaining the variability of overall customer loyalty. But the effect of delivery was not statistically significant since sig. value greater than the p-value 0.05 i.e. 0.270.

Accordingly, the relative importance of independent variable in contributing the variation of overall customer loyalty was found to be significant for Relevance, Differentiation & Communication at p-value 0.000. Since, the effect of independent variable i.e. “delivery” was not significant ($P > 0.270$), we can say that about 71.2% of the variability of the overall customer loyalty was explained by the three variable, Relevance, Communication & Differentiation.

Therefore, this particular finding confirms the Hypothesis H_1 , H_2 , & H_4 that Relevance, Differentiation & Communication has a positive & significance effect on Customer Loyalty is accepted hence the p-value < 0.05 i.e. sig=.000 the null hypothesis is rejected. Although, a hypothesis H_3 that delivery has significance effect on customer loyalty was rejected hence the p-value > 0.05 i.e. sig.=0.270. Based on the significance result of the three independent variables of positioning, the General Hypothesis that Positioning has positive & significance effect on customer loyalty is accepted.

Finally, the model fit regression equation of customer loyalty became:-

$$Y=0.286+0.365x_1 + 0.352x_2 + 0.278x_3 + 0.052x_4 + e$$

Where: x_1 = positioning relevance

x_2 = positioning communication

x_3 = positioning differentiation

x_4 = positioning delivery

e = sampling error

Table 4.29 Regression Analysis of Independent and Dependent Variable

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	.286	.140		2.037	.043	.010	.562
REL	.313	.040	.365	7.814	.000	.234	.392
1 DIF	.262	.040	.278	6.583	.000	.184	.341
DEL	.047	.042	.052	1.105	.270	-.037	.130
COM	.309	.037	.352	8.393	.000	.237	.382

a. Dependent Variable: LOY

Based on The regression analysis of the positioning dimensions synergy & customer loyalty on Table 4.30, R^2 which is coefficient of determination i.e. R^2 scored 68.9%. The result indicate that, from the total customer loyalty 68.9% is explained by the company positioning which was measured using 4 dimensions (Relevance, Differentiation, Delivery & Communication). In other words the company positioning predicts 68.9% change in customer loyalty. This particular finding confirms the Hypothesis H1 that Positioning has a positive & significance effect on Customer Loyalty hence the p-value <0.05 i.e. sig=.000 the null hypothesis rejected. Based on the beta weight the aggregated positioning dimensions 0.83 weights affect the overall customer loyalty. When we compare & contrast the score of positioning dimensions synergy ($r^2=68.9\%$) with the individual positioning dimension ($r^2=0.71.2\%$), relatively the contribution of positioning dimensions is greater than the synergy. But logically the synergy should be greater than the sum of the dimensions, this indicates, statically insignificant score of one of the dimension i.e. “delivery” affects the synergy to be lower.

Table 4.30 Regression Analysis of the aggregated positioning dimensions & Customer Loyalty

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.830 ^a	.689	.688	.34183

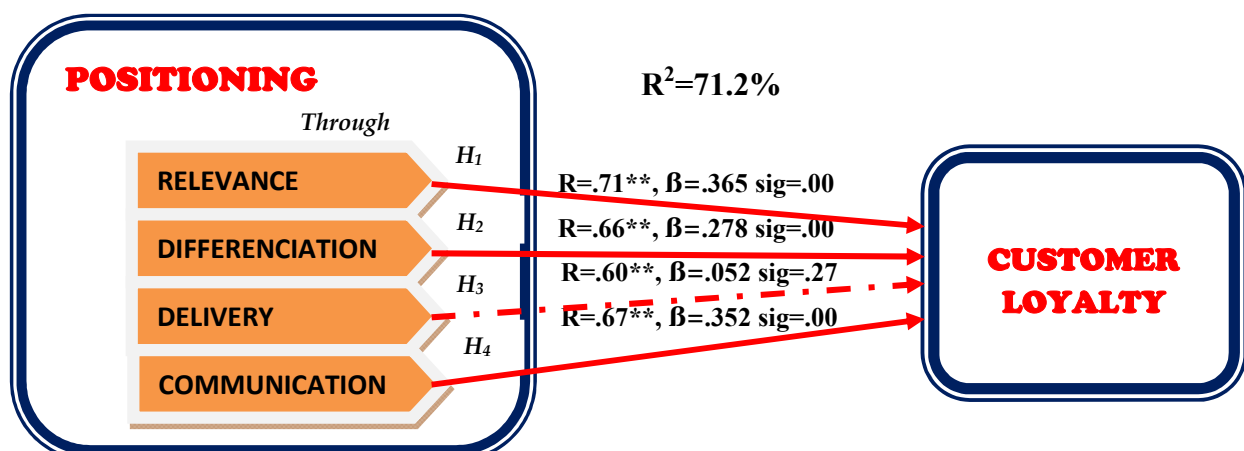
a. Predictors: (Constant), POS

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.287	.142		2.024	.044
	POS	.928	.039	.830	23.787	.000

a. Dependent Variable: LOY

Finally, the model summary was made to summarize the result of correlation & regression analysis of this study on figure 4.11. Based on the correlation analysis result, from the four independent variable; i.e. Relevance, Differentiation, Delivery & Communication relatively “Relevance” has revealed higher strong correlation with the dependent variable “Customer Loyalty”. Again, the regression Analyze also assured Relevance relatively revealed a higher effect or importance on the customer loyalty. This result can be interpreted as, in order to enhance the customer loyalty level, the best way is to assure or question whether your products are relevance, favorable, desirable, preferable etc. to your customers or not first. Even, being different is not a big deal, success comes from being different in a way that customer want (kotler et. al, 1999).

Figure 4.11. Summary of the correlation & regression analysis



CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION

5.1. Summary of Major Findings

The study has investigated about the effect of positioning on the customer loyalty. Since the essence of positioning is strategic to be the first element in any marketing strategy implementation then others are aligned with it, the researcher entertained to select this topic. Based on this, the overall findings of the research summarized and concluded as follows:-

- ➔ Based on assessment of the respondents' information & knowledge about the company's product type, the aggregation result of the descriptive statistics show that, 198 (77%) of the respondent have known the type of the product produced by the company but fifty nine (23%) of respondent haven't had the right information & knowledge about the company products.
- ➔ The study has shown that, most of the customer perceived positioning about the company product was its "Durability" and their demand highly inclined on to "Add & update fashionable model & design". And the overall customers' perceived positioning & demand had insignificance difference among their response with respect to their sex, age, educational status, duration & frequency of purchase since, the all ANOVA result p-value was greater than 0.05.
- ➔ The aggregated Descriptive Statistics for customer loyalty (dependent variable) result has shown that, the mean score was above the midpoint (3.00) of the likert scale i.e. 3.63 which means respondents acceptance of their loyalty came from the company's positioning relevance, differentiation, delivery & communication were accumulated on the midpoint & inclined to agree.
- ➔ Based on the ANOVA result of customer loyalty, There was significant difference among the mean score of customers' loyalty with respect to their customer duration & purchase frequency (i.e. sig=0.049 & 0.00 < 0.05); insignificant difference among the mean score of customers' loyalty with respect to their sex and age (sig.=0.323 & 0.340>0.05); and nearly significant difference among the mean score of customers' loyalty, with respect of the

educational status (i.e. $\text{sig.} = 0.053 > 0.05$) because the score significant level is equal to the p-value 0.05.

- ➔ The result of independent variable of descriptive statistics has shown that, the mean score of positioning relevance, differentiation, delivery & communication has been 3.45, 3.72, 3.61 & 3.58 respectively. The result indicated, the highest mean score from the independent variable is 3.72 for positioning differentiation & lowest mean score is 3.45 for positioning communication. Therefore, the company had better acceptance on its unique or different positioning than rivals compared to the rest three independent variable i.e. relevance, delivery & communication.
- ➔ The final descriptive statistics which summarized the mean score result of the dependent & independent variable of each individual question. Thus, the three higher mean scores were 4.28, 4.11 & 4.00 for durable (differentiation), durable (loyalty), positive attitude (loyalty). On the other side, the three lower score were 2.98, 2.93 & 2.79 for design preference (relevance), communication & fashionable product delivery (loyalty) related question.
- ➔ The result of the research's paper correlation analysis has shown that, the four independent variable, "relevance, differentiation, delivery & communication" have a strong relationship with the dependent variable "customer loyalty" with 99% confidence interval & at 0.01 p-value 2tailed, by scoring a Pearson Correlation Coefficient "r-value" value of 0.713**, 0.660**, 0.607** & 0.671** consequently. Even though it is small, there was a difference in their strength of relationship between positioning relevance, differentiation, delivery & communication with the customer loyalty, in this case relatively Relevance had a higher strong relationship with customer loyalty than the other three independent variable i.e. 0.713**.
- ➔ Finally, the regression analysis result, when the overall customer loyalty was regressed on the four independent variables, the three independent variables (Relevance, Differentiation, & Communication) contribute to statistically significant level at p-value 0.000. The score of the coefficient correlation determination (R^2) is 0.71 which indicate, 71.2% of the variability of overall customer loyalty was explained by the three independent variables. Beta weight score indicated that the effect of positioning relevance is greater than that of positioning communication; the effect of positioning communication & differentiation in explaining the variability of overall customer loyalty. The other variables that were not considered in this

study contribute about 29.8% of the variability of customer loyalty. Accordingly, the study model fit regression equation become $Y=0.286+0.365x_1+0.352 x_2 +0.278 x_3 + 0.052 x_4 + e$. And also since, p- value of relevance, differentiation & communication is less than 0.05 we can reject the null hypothesis and accept relevance, differentiation, & communication has positive effect on customer loyalty but delivery is statistically insignificant since the p-value of delivery greater than 0.05 i.e. 0.270.

5.2. Conclusion

Based on the summarized findings of the study, the following conclusions were made:-

1. Anbessa Shoe Share S.C. currently position its products feature as fashionable, comfortable, quality, & offering competitive price with consistence service. On the other hand, based on an open ended survey among the 10 coded perceived positioning most of respondents had a higher perceived positioning of “Durability” , then for “Pure Leather” and then for “Quality” of the products. On the other hand, most of customers demand were to “to add & update fashionable model & design”; then “increase females & children fashionable model & design”; then for “have affordable price”.

Based on these findings, there was some gaps between the company & customer positioning, for instance, the company current positioning its product as fashionable & family choice but customers are still demanding to “add & update fashionable model & design” and “to increase females & children fashionable model & design” suggesting there is a lag to update & increase fashionable model & design consistence with the current market situation. And also, most respondents perceived positioning was “Durability” but, the company in its current positioning promoting other product features by neglecting its above 80 years image of being “durability” in customer mind.

2. The overall customers’ perceived positioning & demand had insignificance difference among the respondents’ sex, age, educational status, duration & frequency of purchase. In other words, the result of the customer perceived positioning & demand had not varied a lot with respect to their demographic characteristics. In short, these findings can be interpreted as the customers have similar perceived positioning & demand.
3. There was **significant difference** among the mean score of customers’ loyalty with respect to the respondents’ customer duration & purchase frequency (i.e. sig=0.049 & $0.00 < 0.05$)

which means the customer loyalty level of the respondent vary with respect to their duration & purchase frequency; there was **insignificant difference** among the mean score of customers' loyalty with respect to their sex and age (sig.=0.323 & 0.340>0.05) which means, the customer loyalty level similar with respect to the respondents' sex & age; and there was **nearly significant difference** among the mean score of customers' loyalty, with respect of the educational status (i.e. sig.= 0.053>=0.05) because the score significant level is equal to the p-value 0.05.

4. The variability of the overall customer loyalty can be explained to the extent of 71.2% by the three independent variables. Based on the Beta weight result, the effect of relevance is greater than that of communication; & again communication effect is greater than differentiation in explaining the variability of overall customer loyalty. Similarly, interims of importance, Relevance is the 1st, Communication follows, Differentiation is the last to affect the overall customer loyalty but, Delivery has almost negligible effect on the variability of the overall customer loyalty. According to these results, the other variables that were not considered in this study contribute about 29.8% of the variability of customer loyalty.

5.3. Recommendation

Finally, based on the above conclusion, the researcher has been comes up with the following recommendations:-

- ➔ Most of the mean score of the dependent & independent variable has been accumulated on the midpoint & inclined to agree. This figure can be interpreted as there was a gap between the company positioning & the customer perceived positioning. Therefore, in order to have progressive level of customer loyalty, the company should be also loyal to the ultimate customer in delivering the promised product; then carry out continuous customer need assessment survey & match their demand; finally, assure consistence communication & performance.
- ➔ A position which has been maintained over years i.e. “Durability” shouldn't have to be neglected from the current positioning statement. Hence, Semans, (2010), also evidence that, Position is an evolution, built and maintained over time & their benefit comes back over time as well, thus once a company build the desired position, it must take care to maintain the

position through consistence communication & performance. Therefore, it could have been better:-

- ◆ To include “Durability” in its current positioning statement since, “Durability” is still an asset for the company that creates image over many years & also current customers’ have a favorable perceived positioning for Durability. Concerning to this, Semans (2010) suggests that, one of the ways commonly used to test positioning statement is to substitute your competitor’s brand name for yours, if it is still a true statement for the rivals; it is not a strong position. Therefore, it is better to add durability; hence durability relatively creates better differentiation than product feature’s articulated in the current positioning statement.
 - ◆ Enhance & maintain this image i.e. “Durability” to win & get customer mind since, customers mind believe or accept for what they are experiencing more (for their perceived image). According to Meade (2008), when you market anything, you need to correlate that “thing” with what your target audience already knows and accepts as “truth.” Customers are more likely to retain and accept a concept that can be aligned with what they already know than a concept that is completely new.
- ➔ Even though, the current positioning statement of the company promote comfortable, quality, fashionable, competitive price, consistence service of its product; based on the open ended customer perceived positioning survey result, most of respondents still appreciating the products’ “Durability” but relatively there is low score for the current positioning statement. This might lead the customers to have confused positioning. According to Kotler et. al., (1999), Confused positioning is a positioning error that leaves customers with confused image of the companies’ product. Similarly, if a company position itself with different or barrage of positioning statements in which the positioning lack consistency will left the consumers to be confused & leads the company with poor sales & profit. Therefore, it could have better:-
- ◆ To position on few major strength of the company in order to decrease the adverse consequence of confusing customers. Hence, TCI, (2014) recommend that, companies should keep positioning concepts & messages simple & focus on major differentiation strength of the product or service considering customer minds hate confusions. Then,

- ◆ To communicate effectively these few major strength of the company with assuring the actual delivery of the claimed positioning with continuous customers feedback assessment.
- ➔ Regardless, the company claims its products are fashionable, the independent & dependent variable individual questioner mean score result indicated, there was relatively a low mean score for “loyalty for fashionable product delivery” & “designed based on major purchase criteria” related question. Similarly, the open ended survey result also indicated, most of the respondents were still demanding the company “to update & add fashionable & modern design”. Therefore,
 - ◆ It could have been better to measure & judge the fashionability of any products in accordance with the customer expectation; competitors exist in the industry; & current market situation. And also it is advisable to practice the concept of positioning map in addition to the market research in order to clearly understand the perceived positioning of the ultimate customer compared with the rivals exist in the industry. Then,
 - ◆ The company should actually deliver its claim, in accordance with the current market situation & fulfill the demand of its customers’. Hence, Kotler & Armstrong (2011), justified that solid position cannot build on empty promise it calls for concrete action, not just talk.
- ➔ Concerning, the communication of the company positioning; the type of product produced survey result indicated that fifty nine (23%) of respondent haven’t had the right information & knowledge about the company products type. The individual question mean score also evidenced that there was relatively low mean score for the “loyalty for communication” related question. These communication gap means a lot for the company since, as per Levi, (2011) recommendation, communication is obviously a critical component of business success, one’s own offerings are worthless if their value is not properly articulated and appreciated. So that, the company should effectively articulate & appreciate its products with assuring the delivery of the products as communicated to the customer in order to increase the customer loyalty level.
- ➔ As per the information gained through interview, the company wants to be perceived by its customers as family choice. Contrary to this, the demand survey result indicated that, the 2nd

higher customer demand was “to increase female & children fashionable model & design. Similarly, as per the researcher observation, the number & variety of female & children shoes relatively fewer than that of the males. These findings indicate that, the company should increase the production of fashionable female & children products to realize both the customer demand & the company position.

- ➔ According to the regression analysis, from the four independent variable presented by the researcher, positioning delivery didn't affect the customer loyalty significantly which means Delivery has almost negligible effect on the variability of overall customer loyalty. Contrary to this finding, the literature or study appreciated the role of positioning delivery on the customer loyalty. For instance Janiszewska, (2012) explain when a brand's actual potential and capabilities' are not supported as promised to deliver, the audience is inevitably disappointed and loses its credibility hence credibility has an aspiration nature which is an important factor determining the brand's perception & affecting its image. Bobalca, (2013) also acknowledge Loyalty is a bidirectional process: in order to have customers, a company must offer loyalty. A company cannot build loyalty only by communication technique, but it need concrete action. This justifies, the negligible effect of delivery on customer loyalty doesn't necessary to mean it has no influence since credibility is attached to it. The reason behind this result could be, either the company delivery hasn't matched the customers' expectation or it might be respondents consider it as basic distribution activity. Since, there was a strong correlation between delivery & customer loyalty at perfectly significant level, it could have been better to make further research on these particular issues. However, it could have been better to work more on delivery of the articulated value in order to increase the customer's credibility, image & loyalty level.

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Appendix A

Questionnaire

በአዲስ አበባ ዩንቨርሲቲ የንግድ ስራ ኮሌጅ

በገበያ ጥናት አስተዳደር የድህረ ምረቃ ክፍል

ውድ ተጠያቂ ደንበኛ፣

የዚህ የመመረቂያ ዕውቀት ዋና አላማ የአንበሳ ጫማ ፋብሪካ ለምርቶቹ ያለው አመለካከትና አስተሳሰብ በምርቱ ተጠቃሚዎች ወይም ደንበኞች ላይ የሚያመጣውን የታማኝነት ተፅዕኖ ለመመዘንና ከዚህ ጋር ተያይዞ ያሉትን ችግሮች ለማግኘት እንዲሁም በዚህ ርዕስ ላይ ተግባራዊ የሆነ እውቀትን አግኝቶ ለአንበሳ ጫማ ፋብሪካ ከደንበኞች የጥያቄ መልስ በመነሳት ተጨባጭ የሆኑ ማጠቃለያ ሀሳቦችንና አስተያየቶችን ለመስጠት ነው።

ማሳሰቢያ፡- እባክዎ የተሰጡትን መጠይቅ በእውነትና በጥንቃቄ ይሙሱት ። መልሶችን በተዘጋጀው ሳጥን ውስጥ ራይት «/» ያድርጉ ።
 ። በመጠይቁ ወረቀት ላይ ስምዎን መጻፍ አያስፈልግም ። ። ጊዜዎትን ሰውተው ለሚሰጡን ትክክለኛ መልስ በቅድሚያ አመሰግናለሁ።

ክፍል 1፣

- 1) የታ ሀ) ወንድ ለ) ሴት
- 2) እድሜ ሀ) 18-25 ለ) 26-35 ሐ) 36-45 መ) 46-55 ሠ) ከ55 በላይ
- 3) የትምህርት ደረጃ ሀ) የመጀመሪያ ደረጃ ለ) ሁለተኛ ደረጃ ሐ) ስርተፍኬት
 መ) ኮሌጅ ዲግሎማ ሠ) የመጀመሪያ ድግሪ ረ) ማስተርስ ዲግሪ ሰ) ሌላ ካለ ይግለፁ
- 4) የአንበሳ ጫማ ፋብሪካ ምን ዓይነት ምርቶችን ያመርታል? (ከአንድ በላይ መልስ መምረጥ ይቻላል)
 ሀ) የሴቶች ጫማ ለ) የወንዶች ጫማ ሐ) የህፃናት ጫማ መ) ቀበቶ
 ሠ) ቦርሳ ረ) ሁሉም
- 5) ለምን ያህል ጊዜ የአንበሳ ጫማ ፋብሪካ ደንበኛ ነበሩ?
 ሀ) ከ2 ዓመት በታች ለ) ከ2-6 ዓመት ሐ) ከ7-10 ዓመት መ) ከ10 ዓመት በላይ
- 6) ከተፎካካሪ ጫማ አምራቾች አንጻር ሲወዳደር የአንበሳ ጫማ ፋብሪካን ምርቶችን ለምን ያህል ጊዜ በተደጋጋሚ ገዝተውታል?
 ሀ) በቋሚነት ለ) አንዳንድ ጊዜ ሐ) በአጋጣሚ
- 7) የአንበሳ ጫማ ፋብሪካ ምርቶችን የትኛው ደረጃ ወይም በታ ላይ ይመድቡታል?
 ሀ) አንስተኛ ዋጋ ለ) ምርጥ የምርት ጥራት ሐ) ምርጥ የደንበኞች መፍትሔ ወይም አገልግሎት ሰጭ
- 8) የአንበሳ ጫማ ፋብሪካ የምርት ዋና መለያ ገፅታዎች ወይም ጥቅሞች ውስጥ የትኛውን ያደንቁታል ወይም ይወዱታል? _____

- 9) የአንበሳ ጫማ ፋብሪካ የምርት ዋና መለያ ገፅታዎች ወይም ጥቅሞች ውስጥ ምን እንዲሻሻል ወይም እንዲጨመር አስተያየት ይሰጣሉ? _____

ክፍል 2፣

የመጠይቅ አርፍተ ነገር	በጣም እስማማለሁ	እስማማለሁ	እርግጠኛ አይደለሁም	አልስማማም	በጣም አልስማማም
1) የአንበሳ ጫማ ፋብሪካ ምርቶች አሰራር፣ ቅርፅና ጌጥ የሚቀርቡት የእኔን ፍላጎት ባማከል ሁኔታ ነው።					
2) የፋብሪካው ምርቶች የተሰሩት በእኔ ዋና የምርጫ መንገዶች መሠረት ነው።					
3) በፋብሪካው የሚቀርቡት የምርት ጥቅሞች ከእኔ የምርት ምኞትና ፍላጎት ጋር ትስስር አለው።					
4) ፋብሪካው አለኝ ለሚላቸው የጫማ ምርት ልዩነቶች ፍላጎት አለኝ።					
5) የፋብሪካው ምርቶች ዋና መለያ ገፅታዎች፣ አሰራር፣ ቅርፅና ጌጥ እንዲሁም ዘይቤ ለእኔ ምቹና ተስማሚ ነው።					
6) ምርቶቹ የእኔን ክፍተኛ ወይም ዋና የመግባር መመዘኛዎቼን ያሟላሉ።					
7) ፋብሪካው የሚያቀርበው የጫማ ምርት ዋጋና ጥቅሞች ለመግዛት እንደወሰነ ምክንያት ሆነውኛል።					
8) ፋብሪካው የወቅታዊና የወደፊት የጫማ ምርት ፍላጎቴን በጥቅሉ ያሟላል።					

የመጠይቅ አርፍተ ነገር	በጣም እስማማለሁ	እስማማለሁ	እርግጠኛ አይደለሁም	አልስማማም	በጣም አልስማማም
1) የአንበሳ ጫማ ፋብሪካ ምርቶች ከሌሎች የጫማ አምራቾች ጋር ሲነፃፀር ልዩና ተወዳዳሪ የሌለው መለያ ገፅታዎች አሉት።					
2) ፋብሪካው በአገራችን የጫማ ኢንዱስትሪ ውስጥ መሪ ስምና እይታ እንዳለው እስማማለሁ።					
3) የአንበሳ ጫማ ፋብሪካ አለኝ የሚላቸው ዋና የምርት መለያ ገፅታዎች በሌሎች ተፎካካሪ የጫማ አምራቾች ለመሰራት ያዳግታሉ።					
4) ስለ ፋብሪካው የጫማ ምርት ለየት ያለ ነገር አውቃለሁ።					
5) የፋብሪካው ለየት ያለ የጫማ ምርት ከሌሎች ተፎካካሪ የጫማ አምራቾች ቀደምት ናቸው።					
6) የጫማው የምርት ልዩነቶች ዋጋቸው ተመጣጣኝና ተወዳዳሪ ነው።					

የመጠይቅ አርፍተ ነገር	በጣም እስማማለሁ	እስማማለሁ	እርግጠኛ አይደለሁም	አልስማማም	በጣም አልስማማም
1) የአንበሳ ጫማ ፋብሪካ ለደንበኞች ቃል በገባው መሠረትና ቀጣይነት ባለው ሁኔታ የጫማ ምርቶችን ለደንበኞች ተደራሽ ያደርጋል ወይም ያቀርባል።					
2) ፋብሪካው አለኝ የሚለው የጫማ ጥራትና ጥንካሬ ቃል በገባው የጥራት መጠን መሰረት ለተጠቃሚው ይቀርባል።					
3) ፋብሪካው አለኝ የሚለውን ምቹና ፋሽን የሆኑ የጫማ ምርቶችን ተጨባጭና ተፈፃሚ በሆነ መልኩ ለተጠቃሚው ያቀርባል።					
4) ፋብሪካው በሚሰራው የጫማ ምርት ማስታወቂያ መሰረት ለደንበኞቹ ምርቶቹን በተመጣጣኝ ዋጋ ያቀርባል።					
5) ፋብሪካው በሚያስተዋውቀው የተለያዩ የምርት ዓይነትና ገጽታ መሰረት ቀጣይነት ያለው የጫማ ምርት በገበያ ላይ በብቃት ያቀርባል።					
6) ፋብሪካው አለኝ የሚለውን የምርት ዋና ገፅታዎች በሚያቀርበው የጫማ ምርት ባለው ዋጋ፣ ምርቶቹን በሚያስራጭበት ምርጫና በሚጠቀመው የማስተዋወቂያ አማራጮች የተደገፈ ነው።					
7) ፋብሪካው ለተጠቃሚው ሊያቀርብ ቃል የገባው የጫማ ምርት ውጤቶች ከምርቱ ተጠቃሚዎች ወቅታዊ ልምድ ጋር የተዛመዱ ናቸው።					

የመጠይቅ አርፍተ ነገር	በጣም እስማማለሁ	እስማማለሁ	እርግጠኛ አይደለሁም	አልስማማም	በጣም አልስማማም
1) የአንበሳ ጫማ ፋብሪካ የምርቶቹን ዓይነትና ገፅታ ግልፅ በሆነ መልኩ ለተጠቃሚዎቹ ያስተላልፋል።					
2) በፋብሪካው ላይ እየተለዋወጠ የመጣውን የጫማ የማምረት አቅም በደንብ ተረድቼዋለሁ።					
3) የፋብሪካው ዋና ዋና የምርት መለያ ገፅታዎች ወይም መልኮች በአግባቡ ለደንበኞች ተዋውቀዋል።					
4) የፋብሪካውን የጫማ ምርቶች የግል ማድረጌ ያለውን ጠቀሜታ አውቃለሁ።					
5) ፋብሪካው ለገቢያው በሚያስተላልፈው መልዕክት ላይ የምርቱን የተለያዩ ደረጃዎች፣ ክፍሎችና አይነቶች በሚገባ ማስተዋወቅ ችለዋል።					
6) ፋብሪካው ከሚያስተዋውቀው የተለያዩ የጫማ ምርቶች ወቅታዊ መረጃና እውቀት እንዲኖረኝ አረድቶኛል።					

የመጠይቅ አርፍተ ነገር	በጣም አስማማለሁ	አስማማለሁ	አርግጠኛ አይደለሁም	አልሰማማም	በጣም አልሰማማም
1) ለአንበሳ ጫማ ፋብሪካ ምርቶች መልካም የሆነ አመለካከትና ተነሳሽነት አለኝ።					
2) የአንበሳ ጫማ ፋብሪካ ምርቶች ደጋግሜ እንድንዛ ቁርጠኛ ያደረገኝ ጫማዎቹ አስፈላጊና አግባብነት ያለው በመሆኑ ነው።					
3) የአንበሳ ጫማ ፋብሪካ ምርቶች ለመግዛት እንዳቅድ ያደረገኝ የጫማ ምርቱን የሚያመርተው የእኔን ፍላጎት ባሚያሟላ መልኩ በመሆኑ ነው።					
4) የፋብሪካውን የጫማ ምርቶች እንድወደው ያደረገኝ የምርቱ ቅርፅ፣ ዋና መለያ ገፅታዎችና ዘይቤ ለመጠቀም ምቹ በመሆናቸው ነው።					
5) የፋብሪካው ምርቶች ለመግዛት እንድፈልግ ያደረገኝ የጫማ ምርቱ ከተወዳዳሪ ምርቶች የተሻለ ጥንካሬና ጥራት ስላለው ነው።					
6) የፋብሪካውን ምርት የምመርጥበት ምክንያት በአገር ውስጥ ካሉ የጫማ ኢንዱስትሪ መሪ የሆነ እይታና የተሻለ ልምድ ስላለው ነው።					
7) የፋብሪካውን ምርት በተደጋጋሚ የምገዛው ጫማዎቹ ተመጣጣኝ ዋጋ ስላላቸው ነው።					
8) የፋብሪካውን ምርት ሌሎች እንዲገዙት አስተያየት የምሰጠው ወይም የምመሰክረው ፋብሪካው ለማቅረብ ቃል የገባውን ፋሽንና ምቹ የሆነ ጫማዎች በማቅረቡ ምክንያት ነው።					
9) ፋብሪካው ተከታታይነትና ቀጣይነት ባለው መልኩ የምርቱን ፍሬ ነገሮች ስለሚያስተዋውቅ የምርቶቹ እድገቶች ላይ ተሳታፊ እንድሆን አድርጎኛል።					
10) የፋብሪካውን ምርት እንድንዛና እንዲሁም ሌሎች እንዲገዙት የምመክረው ፋብሪካው አለኝ ብሎ ያስተዋወቀውን የጫማዎቹን ዋና የመለያ ገፅታዎች በተግባርና በተጨማሪ እውነት ሆኖ ስላገኘሁት ነው።					
11) ለፋብሪካው ምርቶች ታማኝ ደንበኛ የሆንኩት ፋብሪካውም አለኝ ለሚለው የጫማዎቹ ዋና የመለያ ገፅታዎች፣ በማስተዋወቁቸውና ለጫማ ምርቱ በሚሰጠው ደረጃ ወይም ቦታ ታማኝ በመሆኑ ነው።					

ADDIS ABABA UNIVERSITY COLLEGE OF COMMERCE

MASTERS DEGREE IN MARKETING MANAGEMENT

QUESTIONNAIRE FOR CUSTOMERS

Dear respondent

The purpose of this study is to assess the effect of positioning on customer loyalty at Anbessa Shoe Share Company and to find out problems related to the subject matter under the research topic and also to have practical knowledge related to the topic.

As this study is meant only for academic purpose, the provided information from your honor will be kept confidential. I, therefore, kindly beg you to fill this questionnaire honestly and accurately. The correct information you provide, determines the acceptable quality of the study that is its reliability.

I would like to express my great gratitude in advance for your willingness for sparing your time to provide the prompt responses in filling these academic use questionnaires.

N.B: 1) These questions are to be answered by **sales outlets customers of Anbessa Shoe Share Co. in Addis Ababa.**

- 2) No need to write your name on the questions paper.
- 3) Please put "X" or "√" mark inside the box to your response
- 4) If there is any question please contact the researcher through the following address
Tirsit Yemane Wolde Tel. 0913 62-59-78, E-mail:- tirsityemane@yahoo.com

PART I:- General Profile of Respondents.

1. Sex a) Male b) Female
2. Age a) 18-25 b) 26-35 c) 36 - 45 d) 46-55 e) above 55
3. Educational Status
a) Elementary b) High School c) Certificate d) College Diploma
c) 1st Degree d) Masters Degree e) others specify _____
4. What kind of products does the company produces.
a) Ladies shoe b) gents shoe c) children shoe
d) Belt d) bag e) all
5. How long have you been customer for Anbessa Shoe Share Co.
a) Less than 2 years b) 2-6 years c) 7-10 years d) above 10 years
6. How often have you purchased products from Anbessa Shoe Share Co. when it compared with competitors?
a) Regularly b) Sometimes c) Rarely
7. How do you categorize Anbessa Shoe Share Co.?
a) The Lowest Price b) The best product
c) The best solution or service d) None of them
8. What product feature or benefit do you appreciate from Anbessa shoe share co.? _____
9. What product feature or benefit do you recommend Anbessa shoe share co. to improve or add? _____

Part II:- Positioning relevance related questions

Statement from Survey	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1) Anbessa Shoe Share Co. products are designed & offered based on my demand.					
2) The company products are identified in accordance with my best way of preference.					
3) The product's benefits offered by the company match my desire.					
4) I care about the company's product differentiation claims.					
5) The feature, design & style of the company's products are favorable.					
6) The products address my important buying criteria.					
7) The products values or benefits proposed by the company are important in my purchase decision making.					
8) The company meets my bundle current & expected benefits.					

Part III:- Positioning Differentiation related questions

Statement from survey	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1) Anbessa Shoe Share Co. products are different & unique from competitors exist in the shoe industry.					
2) I believe the company known for a certain "something" leading figure in our country shoe industry.					
3) I think competitors are not-able to make the product feature claims as Anbesa shoe share co.					
4) I Know special thing about the company's product.					
5) The company differentiation is pre-emptive than competitors.					
6) The company's product differentiation is affordable.					

Part III:- Positioning Delivery related questions

Statement from Survey	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1) Anbesa Shoe Share Co. delivers its products as promised with consistence product & customer service.					
2) The company actually delivers the proven quality & durability it claims.					
3) The company's claims of being fashionable & comfortable shoe products are actionable or real.					
4) The company delivers the articulated value of having competitive price.					
5) The company has consistency communication & performance.					
6) The company's features claims are supported by the products it offers, the price affixed to it, the distribution it chooses & the promotion media it uses.					
7) The company's promises are related to the reality of the customer experiences.					

Part IV:- Positioning communication related questions

Statement from Survey	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1) Anbesa Shoe Share Co. products are clearly & definitively communicated to the customer.					
2) I inherently understand the value of the company's changing capacitor.					
3) I believe the value of the company's product features are articulated & appreciated well.					
4) I know the merits of owning the company's products.					
5) The company communication makes me to know the levels, category & types of its products.					
6) The company's communications help me to have updated information & knowledge about the company's product.					

Part V:- Customer perception on existing positioning.

Statement from Survey	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1) I have positive attitude & aspiration towards Anbesa Shoe Share co. products.					
2) I am committed to re-buy Anbesa shoe Share co. products based on its product relevance.					
3) I intended to purchase Anbesa shoe Share co. products because it produce its products based on my desired demand.					
4) I love the company's products because the designed feature, style & benefits are favorable to use it.					
5) I intended to buy the product because of its durability & quality than competitors.					
6) The reason why I prefer to buy the company's products is because it has the leading figure & more experience in shoe industry.					
7) I re-buy the company's product due to the company offer competitive price.					
8) I recommend the company's product to others because of keeping its promise to deliver fashionable & comfortable products.					
9) I have involvement in the company products progress for the company also has consistence communication with its core product.					
10) I buy & recommend the company's products because I know & experience the company's communication.					
11) I am loyal to the company's products for the company also loyal to its claims, advertising & positioning.					

Thank You!!!

ADDIS ABABA UNIVERSITY COLLEGE OF COMMERCE
MASTERS DEGREE IN MARKETING MANAGEMENT

Interview questionnaires for Marketing Manager of Anbessa Shoe Share Company.

1. How does Anbessa Shoe Share Co. want to be perceived by the customer?
2. How much does the organization benefit from the customer perception analysis and marketing research; for what purpose does the company utilize this information and what marketing opportunities does your company get from it?
3. How do you cope up with the dynamic nature of the environment?
4. What are your customers buying criteria & how much do you exert to know customer buying criteria which are to be addressed?
5. What is your company unique or distinctive feature or benefit related to your competitor and what are your competitive advantages?
6. Does the company actually deliver the promised product accordance with?
7. Do you think that the organization communicate its key product value & benefit to its customers?
8. What are the company's inputs to entertain or enhance the loyalty level of its ultimate customers & what is your opinion about the company's positioning relevance, differentiation, delivery & communication.

Appendix B

SPSS Out Put

Reliability Test Result for Independent Variable

Positioning Relevance

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.819	.817	8

Positioning Differentiation

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.716	.723	6

Positioning Delivery

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.815	.820	7

Positioning Communication

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.752	.756	6

Reliability Test Result for Dependent Variable

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.823	.835	11