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**THE EFFECT OF POSITIONING ON CUSTOMER LOYALTY:
A CASE STUDY ON HABESHA BREWERY
SHARE COMPANY**

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**A Thesis Submitted to the School of Graduate Studies of Addis
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Award of Masters of Arts in Marketing Management**

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APPROVAL

The undersigned certify that they have read and hereby recommend to the Addis Ababa University School of Commerce to accept the thesis George Umer Busa and entitled “The Effect of Positioning on Customer Loyalty in case of Habesha Brewery Share Company,” In partial fulfillment of requirement for the award of Master Degree in Marketing Resource Management.

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Declaration

I George Umer, Registration Number/I.D GSD/8267/08, do here by declare that this Thesis is my original work and that it has not been summated partially or in full, by any other person for an award of a degree in any other university/ institution.

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LETTER OF CERTIFICATION

This is to certify that George Umer carried out her project on the topic entitled “The Effect of Positioning on Customer Loyalty in case of Habesha Brewery Share Company”.

This work is original in nature and is suitable for submission for the award of Master Art in Marketing Management.

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Abstract

The general objective of this study is to investigate the effect of positioning on customer loyalty Habesha Brewery. The research type is a casual research type. A total of 384 questionnaires were distributed from this 363 were collected and used for the analysis purpose. Deliberate or judgmental sampling was used for sampling procedure. Both primary and secondary data were the source of data collection. Data collection method took place in Addis Ababa specifically in Saris, Stadium, Piassa, Arat kilo, Gerji and 22 areas. The research instrument is structured questioner. The findings of the mean value revealed that positioning differentiation shows the lowest score (mean=3.72). The correlation analysis revealed that coefficients that show the five determinants measuring positioning are all positively related with customer loyalty within the range of 0.446-0.870, all are significant at $p<0.01$ level. A 90% change of the dependent variable (customer loyalty) on the Positioning is explained by the dependent variables which are included in the regression model. From the findings and conclusions of this study delivery, communication and relevance, durability and differentiation are the most important influencing factors of customer loyalty for consumers of Habesha beer. Habesha brewery Share Company should take into consideration that the important determinant of positioning for their consumers is delivery, communication and relevance. Therefore, in order to avoid easy switch of consumers between beer brands and build a strong customer loyalty Habesha Brewery should not only concentrate on creating highly differentiated product (i.e. differentiating their beer taste, pleasant experience and quality) but also consistency of the created uniqueness.

Keywords: *Customer loyalty, Positioning, Relevance, Differentiation, Delivery, Communication and Durability.*

CHAPTER ONE

INTRODUCTION

This chapter of the study encompasses background of the study, statement of the problem, research question objective of the study, significance of the study, scope of the study, limitation of the study, organization of the study and definition of key terms.

1.1. Background of the Study

The power of globalization of markets and other forces such as information technology, deregulation, changes in legislative framework, increased advertising and stiff competition has made customers more educated, more inquisitive and demanding (Capron &Hulland, 1999). Because of this marketing philosophies have changed, posing serious challenges to the survival and profitability of firms. The main philosophies that guide marketing related decision of a company is marketing concept and it has passed through the following three level, which starts from a focus of Product management in the 1950s and 1960s to customer management in the 1970sand 1980s. It then evolved further and added the discipline of brand management in the 1990sand the 2000s (Kotler, Kartajaya, and Setiawan, 2010).

In 1950s and 1960s of Product concept stage the main function of marketing was to generate demand for products. The products were fairly basic, cheap and available. 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 trend forced marketers to be customer Oriented for the sake of providing greater customer value and satisfaction than its competitors do, 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).

Customer oriented era is the birth of modern marketing concept. As customers are bombarded with cheaper substitute products to choose from, they become more aware of their tastes and preferences (Kotler,2002).

To win the consumers, businesses have to ride on unique selling propositions to stay ahead of the competitors (Kotler, 2006). In this era marketers understood how every marketing activity should be derived from the needs, wants & demand of the ultimate customer and needs to develop strategies for gaining competitive advantage by building customer relationship based on superior customer value, superior satisfaction and superior quality. 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.

Positioning is the use of marketing to enable people to form a mental image of your product in their minds (relative to other products). Positioning is how the product or service is to be perceived by a target market compared to the competition. It answers the question: "Why will someone in the target market(s) buy my product or service instead of the competitions?" An equivalent question is: "What should be the perceived value of my offering compared to the competitions?" (Kotler, 2002). Positioning is the way a company wants customers to perceive, think and feel about its brand versus competitive entries (Janiszewska & Insch, 2012). Positioning is a process of formulating a marketing mix that locates a product and/or service in the mind of the customer more favorably than in relation to alternative services offered by competitors with the aim of achieving competitive advantage (Seman, 2010). 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". Positioning is the act of identifying a market niche for a brand, product or service utilizing traditional marketing placement strategies (i.e. price, promotion, distribution, packaging, and competition). Also positioning is defined as the way by which the marketers create impression in the customers mind (Kotler, 2002). It is also the act of designing the company's offerings and image to occupy a distinctive place in the target market's mind (Levi, 2011). 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. Generally, positioning focuses on delivering personally relevant product to a target audience, providing differentiation in relative to competitors; delivering the highest customers' value; and direct marketing communication which retain in the mind of prospective customers.

An increase and retention of customer loyalty has become a key factor for long-term success of any organization, loyal customer will also help promote the organization. They will provide strong word-of-mouth, create business referrals, provide references, and serve on advisory boards. According to (Li and Green,2010) loyal customers serve as a fantastic marketing force by providing recommendations and spreading positive word-of-mouth; those partnership like activities are the best advertising a company can get. Bowen and Shoemaker (1998) found loyal customers had higher purchases than non loyal customer. Customer loyalty is the result of successful marketing strategy in competitive markets that creates value for consumers (Li & Green, 2010). As a result, 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. Tirsit Y, (2015), also examines the role of Positioning on customer loyalty in Anbessa shoe Share Company. As indicated by Hartmann, P.; Apaolaza, V. & Sainz, F. J. (2002), the results of their study emphasized on the importance of brand positioning in context of customer loyalty management. Stanley k, (2012) in his study emphasized on the effectiveness of positioning strategy on consumer loyalty on clients of the atlas copco eastern African limited. Therefore, in this study the researcher analyze different variables of effective positioning and also investigate the impact of effective positioning on customer loyalty at Habesha beer Share Company in Addis Ababa.

Habesha Breweries S. Co. is established with a capital of 250,000,000 and have a production capacity of 300,000 hecto liters (30 million liters) is erected in the vicinities of Debre Berhan and Menagesha towns, respectively, which are located within a short distance from Addis Ababa and Water converge 85% of the input raw materials of beer and the right type of this natural ingredient is abundantly found in these areas. Because of the plants is erected in locations nearby Addis, sales and distributions is easily managed.

1.2. Statement of the Problem

Today's companies face fierce competition. In order to succeed in today's competitive market place, companies will have to move from a product and selling philosophies to a customer driven marketing philosophies. To win in today market place, company must become adept and clever in building customers not just building product 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. Business success

depends on how the marketing activities are customer focused and fulfill the needs, wants & preferences of the customers' at large (Kotler, Kartajaya, and Setiawan, 2010). According to Kotler, (1999), it is not just a matter of being different; success comes from being different in a way that customers want. To avoid such marketing problems & realities, positioning shall be the best solution to retain customers and build long lasting relationship with them, to provide greater customer value and satisfaction than competitors do; 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.

Morgan and Hunt (1995) point that trust is a major determinant of relationship commitment; brand trust leads to brand loyalty because trust creates exchange relationships that are highly valued. Thus, it is possible to say customer loyalty could be achieved from brand trust and trust is the result of effective positioning because the concept of positioning is emanated from the customer perspective through the help of tools called market research & perceptual map. As indicated by Kotler, (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. Chauduri and Holbrook (2001) have showed that brand trust is directly related to both purchase and attitudinal loyalty. Many more authors have accented that trust is important in conditions of uncertainty (Morgan and Hunt, S.D. 1995). Effective positioning helps firms attract new customers in the short run, and helps build customer-brand relationships in the long run (Akpyomare, Adeosun and 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 and Insch, 2012). According to Semans (2010), a strong brand position can pass through these four filters: Relevance, Differentiation, and Delivery & Communication. Similarly, 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? As a result a researcher is needs to investigate the impact of positioning on customer loyalty considering the all recommended parameters like relevance(desirable), differentiation (distinctive), credibility(deliverability), communication, and durability(consistency) conceptually.

The inspiration behind this study is the fact that Ethiopia brewery industry is characterized by rapid growing and highly competitive as a variety of new beer brands has entered the market consumers find it easy to switch between beer brands (Access Capital Report). Keeping the above statement in mind 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 (semans, 2010). Thus, this study tried to investigate to what extent positioning influence customer loyalty and analyzes the effect of effective & efficient positioning on customer loyalty which was done at Habeshabeer S.C.

1.3. Research Questions

In line with the statement of the problem the following research questions was raised to be answered.

1.3.1. Main Research Questions

What is the effect of positioning on the Customer Loyalty?

1.3.2. Sub Research Questions

1. To what extent positioning relevance affects the customer loyalty?
2. Does the positioning differentiation affect the customer loyalty?
3. What is the effect of positioning delivery on customer loyalty?
4. To what extent positioning communication affects the customer loyalty?
5. Does positioning durability affect customer loyalty?

1.4. Objective of the Study

1.4.1. General Objective

As a major purpose the researcher had investigated the effect of positioning on customer loyalty at Habeshabeer S.C

1.4.2. Specific Objective

- ✓ To determine the influence of the company's positioning relevance on customer loyalty.
- ✓ To find out the effect of positioning differentiation on customer loyalty
- ✓ To investigate the influence of the company's positioning delivery on customer loyalty.

- ✓ To analyze the effect of positioning communication on customer loyalty
- ✓ To examine the impact of positioning durability on consumer loyalty

1.5 Research Hypothesis

The below hypothesis were developed to investigate the effect of positioning on customer loyalty.

H1: There is a positive and significant relationship between relevance and customer loyalty.

H2: There is a positive and significant relationship between differentiation and customer loyalty.

H3: There is a positive and significant relationship between delivery and customer loyalty.

H4: There is a positive and significant relationship between communication and customer loyalty.

H5: There is a positive and significant relationship between durability and customer loyalty.

1.6. Significance of the Study

The finding from this study was useful to various stakeholders. The Company might have clear understanding on the benefit of positioning .The finding of the study would help the company's managers to know and realize their customers' perception & feeling about their product. Managers' might get some insight on how "well positioned" brand enhance their customers' loyalty as well as sales volume. Top level manager's might get evidence on 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. This study had positive influence on employee's long term commitment towards their organizations in order to gain competitive advantage and achieve desirable performance. Adding this research would give the student researcher an opportunity to learn research undertakings and moreover it might also help other researchers who would like to make in-depth study in similar areas.

1.7. Scope of the Study

According to Janiszewska and Insch, (2012), positioning should be relevance (personally meaningful), differentiating (unique) from the competitors, communicable and deliverable. Another way of looking at evaluating positions comes from Jennifer Rice, of Fruitful Strategy, who recommends the “4D’s Rule” of strong brand positioning like desirable by consumers, deliverable by the company, distinctive by the competition, and durable over time. As a result, the researcher had investigated the effect of the five dimensions i: e relevance, differentiation, delivery, communication and durability of positioning on customer loyalty. The study was done on the investigation of, “The Effect of Positioning on Customer Loyalty” on Habesha Brewery Share Company and the primary data was collected from individual customers of Habesha beer in Addis Ababa city administration and Addis Ababa city were considered as a geographical scope or delimitation. While doing this paper non-probability (deliberate or purposive or judgment) sampling approach were applied in contacting target units (respondents) of the study.

1.8. Limitation of the Study

There were different obstacles to complete this research; those are: Because of the researcher applies on-probability (deliberate or purposive or judgment) sampling approach the unit in the universe did not enjoy equal chance of getting included in the sample. As a result there were elements of bias in selection. Secondly the non-cooperative behaviors of the respondents in filling up the questionnaires at that Time were major limitations.

1.9. Organization of the Study

This study was organized into five chapters; the first chapter concerned with background of the study, statement of the problem, research question, research objectives, significance of the study, scope of the study, organization of the study and definition of key terms. The second chapter was concerned on relevant literature related to the topics and sub topics, this involves theoretical frame work. Furthermore conceptual framework of the study is presented. The third chapter focused on research design and methodology. The forth chapter was concerned on data presentation, analysis and other necessary information. The last chapter leads the research paper to the end with summary, conclusion and recommendation.

1.10. Definition of Terms

- **Positioning:** - It is also the act of designing the company's offerings and image to occupy a distinctive place in the target market's mind (Aaker, 1996).
- **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 (BOBÂLC , 2013).
- **Durability:** it's about the consistency of promised uniqueness over time(Rice,2004)
- **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 delivers on the differentiation or is it a promise you will be able to keep over time? (Semans, 2010).
- **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).

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This part of the research deals with overall review of related literature. And it includes theoretical review, empirical review and conceptual framework

2.1. Theoretical Review

2.1.1. Introduction

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. As customers are bombarded with cheaper substitute products to choose from, they become more aware of their tastes and preferences (Kotler, 2002). To win the consumers, businesses have to ride on unique selling propositions to stay ahead of the competitors (Levi, 2011). According to Kotler, (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. For the sake of achieving this positioning is the best option and it involves selecting specific attributes desirable for brand association. These attributes include product category, price, perceived quality, and application, country of origin and customer service (Romaniuk, 2001; Aaker and Myers, 1987). These positioning attributes provide consumers with functional or emotional benefits and comprise part of the information in a consumer's mind which is associated with a brand and determines brand image (Romaniuk, 2001). Positioning attributes satisfy consumer requirements, and consumer perceptions of product attributes enable them to distinguish a specific brand from its competitors. As a result, a suitable and distinctive brand positioning can enhance consumers 'brand identification which leads to loyalty.

Customer loyalty has become a key factor for long-term success of any organization; loyal customer will also help promote the organization. They will provide strong word-of-mouth, create business referrals, provide references, and serve on advisory boards. According to Raman (1999) loyal customers serve as a fantastic marketing force by providing recommendations and spreading positive word-of-mouth; those partnership like activities are the best advertising a company can get. Bowen and Shoemaker (1998) found loyal customers had higher purchases than non loyal customer. Trustworthiness of the partner is another factor

that has certain impact on the establishment of loyalty, nobody expects a long-term relation with a partner that cannot be trusted. Trustworthiness is one criterion for measuring the value of the partner (Morgan and Hunt, 1995). Uncertainty may be caused by dependence or large choice; people tend then to prefer popular or familiar brands or partners. Again Morgan and Hunt (1995) point that trust is a major determinant of relationship commitment; brand trust leads to brand loyalty because trust creates exchange relationships that are highly valued. Chauduri and Holbrook (2001) have showed that brand trust is directly related to both purchase and attitudinal loyalty.

2.1.2. Concept of Positioning

The concept of positioning had 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 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, (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 ,Knudtzen, &Bjerre, 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 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 (Akpoymare, Adeosun, and Ganiyu, 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 mixproduct, 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 (Akpoymare, Adeosun, and Ganiyu, 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 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. In general, as explained by (Akpyomare, Adeosun, and Ganiyu, 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.

❖ Positioning as a builder of customer relationship

Positioning is the basis for enterprises to build their brands and customer relationships (Rodrigues, Menegazzo, & Chaves, 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.

2.1.3. Characteristics of Positioning

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. 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?

2.1.4. Types of Positioning

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

Product class Positioning: - The marketer's ability to convince the customers that his product and services belong to a certain category, will determine success or failure of a given positioning strategy (Solomon, 1996). Brands that are closely associated with a category, call shots. The providers will need to clarify the service category for their services for the purposes of positioning. A brand that closely resembles other brands in its product class (coffee, laundry detergents, beer, soft drinks) requires heavy advertising to set it apart. When the product differs greatly from its competitors, advertising can be used to point out the differences to the customers (Kotler, 2006). According to Sengupta (1990), product class positioning is defined as the set of products and brands which are perceived as substitutes to satisfy some special consumer need. The term product class can be used interchangeably with product category and product market.

Product Attribute Positioning: Highlighting a specific attribute of your product can also be compelling. Such as luxury, economy, etc. Batra, Myers & Aaker (1996) see the most used positioning strategy as the association of an object with the product characteristic or customer

benefit. Sengupta (1990) adds that positioning by product attributes involves the relation of the products functional capabilities to the target market needs. Once the positioning is selected, the marketer must then modify the functional features of the product to more closely to the position promised. Positioning by product characteristics is a benefit related positioning and a well-made product usually offer more than one benefit. Promises of multiple benefits tend to get lost because they leave in the customer's mind a vague and confused imprint. Mulei (2005), in a related study adds that successful consumer products promise one or at most two benefits and brand franchise are created around those specific benefits. Russell, Beach & Buskirk (1988), says that consumers who are similar in important ways tend to cluster around the same benefits and as a result enables differentiation in a product market. Wind (1982), emphasizes that positioning a product by its performance on specific product attributes is among the most common approaches to positioning. Positioning strongly linked to product benefits is generally more effective than positioning which describes features without their benefit to the consumer. Sengupta (1990) notes that consumers buy benefits not features. Features only become important to the consumer when they lead to the special benefit, which the consumer seeks.

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.

Price positioning: - Whenever quality is given the right price, whatever is made thereafter will sell on its own (Sengupta, 1990). A customer views products and services in a category at

different levels of price offering, different standards of quality and decides which level is most suitable for a specific need. Customers have different expectations of quality at different levels of social mobility and thus offer the opportunity for price quality satisfaction and positioning. For instance, for every pair of Levi's or Calvin Klein jeans purchased, there are hundreds of other jeans at varying price levels which will give the wearers the sense of being with it'. Batra, Myers&Aaker (1996) however, caution that it is tricky to attempt to retain an image of a low price while communicating an image of quality.

Competitor Positioning: Ries& Trout (1986), place a great focus on positioning by competitor and add that to be successful today, a company must become competitor oriented. The firm must look for weak points in the positions of its competitor and then launch marketing attacks against those weak points. Ries and Trout (1986), see four ways of positioning by competitor in what they describe as the marketing war. The first is the defensive warfare where the market leader attacks him. This is done by introducing products that render their present offering obsolete. Gillette out modeled its own super blade by positioning Trace II as the world's first double bladed razor and advertising that two blades are better than one. As a result Gillet has been able to increase its wet shaving market ratio to 65%. The number two strategy according to Ries and Trout (1986) is the flanking warfare. The strategy is applied when the market leader is very strong and has a vigorous retaliation to attacks. Ries and Trout (1986), further advice that you attack the leader by occupying an unprotected flank i.e. occupies a segment or category that the leader has neglected. For instance, Apple entered the personal computer market that was earlier on neglected by IBM.

The third strategy in competitive positioning is to use the offensive warfare move. This is mainly applied by the second and/or third positioned player in the market. The strategy is simply to find a weakness in the market leader's strength or attributes and attacking at that point exploring a narrow front as possible. The fourth strategy according to Rise & Trout (1986), is the guerrilla warfare. Guerrilla warfare is a strategy that for smaller companies which can go for vacant positions in the market too, to attract the market leader's attention. In the auto industry, Rolls Royce is a high priced guerrilla in the automobile business, dominating the market of cars costing more than US\$ 100,000.00 and nobody thinks of competing with them because the market is too small and exclusive.

2.1.5. Benefit of Positioning

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). 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. People tend to prefer popular or familiar brands or partners. According to Randall (2001) there are three main reasons why customer loyalty is important namely; higher sales volume, premium pricing and retain rather than seek. On the issue of higher sales volume, many organizations loose customers with time which illustrates the challenges organizations face when trying to grow in competitive environments. Reducing customer loss can drastically improve business and customer loyalty which leads to consistent even greater sales since the same brand/service is purchased frequently. An effective positioning is helpful to guide marketing strategy by clarifying the brand's essence, what goals it helps the consumer achieve, and how it does so in a unique way (Kotler& Armstrong, 2001). Positioning is an important source of competitive advantage and acts as a support for competitive advantage. (Aaker,1996). Positioning strategy which includes product strategy, distribution strategy, pricing strategy, advertising and sales promotion strategy, sales force strategy, direct marketing strategy, and the Internet strategy points out how (and why) the product mix, line, or brand is to be positioned in the target market segment and hence effective targeting and positioning of the firm's products are core dimensions of market-driven strategy and hence are essential in gaining and sustaining superior performance (Kotler, 2002).

Market positioning sets the competitive positioning for the product and creates a detailed marketing mix. The outcome of positioning is the creation of an effective value proposition which is customer-oriented (Kotler& Keller, 2009). Positioning of a brand/product helps to differentiate it from its competitors on the basis of important attributes to the customers of the target marketplace and develops a distinctive identity for the product/brand in the minds of the customers (Ansari,1994); creates a unique perception in buyers' minds of the target market segment (Cravens & Piercy, 2009). An effective positioning is helpful to guide

marketing strategy by clarifying the brand's essence, what goals it helps the consumer achieve, and how it does so in a unique way (Kotler & Keller, 2009). Positioning is an important source of competitive advantage and acts as a support for competitive advantage (Cronshaw, Dubbin, and Davis, 1990). Positioning strategy which includes product strategy, distribution strategy, pricing strategy, advertising and sales promotion strategy, sales force strategy, direct marketing strategy, and the Internet strategy points out how (and why) the product mix, line, or brand is to be positioned in the target market segment and hence effective targeting and positioning of the firm's products are core dimensions of market-driven strategy and hence are essential in gaining and sustaining superior performance (Cravens & Piercy, 2009).

2.1.6. Positioning Issues/ Key Points to Remember while Positioning

There are so many factors that a marketer needs to consider for positioning a product or brand. The key issues or points to be remembered while positioning are briefly mentioned as follows-

- ❖ The strategic position should resonate with customer, differentiate the firm from its competitors, and reflect and supported by the culture, strategy and capabilities of the business (Aaker & McLoughlin, 2007)
- ❖ While positioning, firm should consider formulating a positioning concept for a particular brand only not for all the competing brands that consists of product category/class and firm should follow that positioning concept over the life of the brand/product (Cravens & Piercy, 2009).
- ❖ Corporate/brand name should not be narrow; should reflect the vision of the firm; should not be identical with the name of an established firm and use of initials as name is meaningless and hence not suggested (Trout & Ries, 1972).
- ❖ Unnecessary line extension creates confusion and hence decline in market share (Trout & Ries, 1972) but Aaker & McLoughlin (2007, p-237) pointed out that a broad product offering indicates substance, acceptance, leadership, and often the convenience of one-stop shopping.
- ❖ Products should be positioned in a particular market segment as products positioned in the wider market to appeal to all were not able to establish in the marketplace (Trout & Ries, 1972). Treacy & Wiersema (1993) supported this as they pointed out that industry leaders are focused in the narrow market segment.

- ❖ Management should not forget what made the brand successful and should not create any confusion to the customers/prospects (Trout & Ries, 1972) and multiple concepts may confuse buyers and may weaken the effectiveness of positioning actions (Cravens & Piercy, 2009)
- ❖ Management of a new brand should not try to compete on head-to-head against a product leader. Focusing to a niche market or to identify a position where strong competitors have weaknesses is suggested (Trout & Ries, 1972). Aaker & McLoughlin (2007, p-234) also suggested that successful positioning can be done on the basis of a narrow product focus. Hamel & Prahalad (1989) pointed out that one way to creating competitive innovation is to identify loose bricks.
- ❖ Positioning should be in a way to adapt in the changing environment and management should be aggressive enough to utilize the opportunity (if any) by taking flexible strategies which are appropriate for the company (Trout & Ries, 1972). Trout & Ries (1972) suggested that it is extremely difficult for a company serving in any product category to establish a position in a different product category as evidence from the industries confirmed that transfer of skills to other products or marketing situations was not successful. This view is not always acceptable as existing competitive advantages could be used to build sustainability (Ghemawat, 1986) and competences could be enhanced if they are applied and shared. (Hamel & Prahalad, 1990).
- ❖ Key to success of a firm in product category is not product innovation or marketing skill but to establish the position against any opportunity prior to competitors (Trout & Ries, 1972; Cravens & Piercy, 2009). But Aaker & McLoughlin (2007, p-231) pointed out that perception creation is easy if firm's offering is based on product or service innovation.

2.1.7. How to Determine if you're Brand Position is Strong

Typically, organizations have several positions available to them. A strong brand position can pass through these four filters (seman, 2010) 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, (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. Similarly, 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? So, it's better to discuss each of the above determinants stated by both scholars.

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 (Akpoymare,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

(Semans,,2010). According to him differentiation has two questions: - 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 segmented as a basis on which a product is likely to be differentiated from its competition (Akpyomare, 2013). A difference is worth establishing if it is: Important, Distinctive, Superior, Communicable, Pre-emptive, Affordable and Profitable (Takamoto, Akihiro, 2003)

Delivery

Can you actually deliver on the differentiation? Is this a promise you will be able to keep over time? There is a story of a bank who decided to position themselves as fast, the bank where you could get your business done quickest. 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

I have no doubt that all marketers are able to communicate their positions but the challenge may be the amount of resources it will take to communicate your position to the target market. If you have a highly technical position, will need to educate the market on your position or if you are going to have consumers change the way they do something, you had better plan on having significant resources available to achieve your position (Semen, 2010). 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 has 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, its 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, (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 (BOBÂLC , 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 (Akpyomare O. B., Adeosun, L. P. and Ganiyu , R. A. 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?

Can you actually deliver on the differentiation? Is this a promise you will be able to keep over time? There is a story of a bank who decided to position themselves as fast, the bank where you could get your business done quickest. It seemed like a good idea: after all, consumers wanted a fast bank and none of their competitors were making the claim that they were fastest. However, after looking at the financial analysis of what it would take in terms of additional staff, additional branches and additional ATMs, it became clear that there was no way to be the "fast bank" and still stay in business. The position was not deliverable. This question assures weather 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?

Does the target market really believe you are different (superior) to your competitors? Are your competitors able to make the same claim? (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.)

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.

2.2. Empirical Review

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 and well positioned brand leads to improved customer satisfaction and loyalty, lower cost of sales and more efficient operations and competitive inoculation. Being saying this, it must be noted that brand positioning should tied with fundamentals corporate marketing strategies.

Also according to Stanley, (2010), in the title “the effectiveness of positioning strategies on consumer loyalty on a client of the atlas copcoeast Africa limited”, the research result showed that Positioning linked to product benefits is generally more effective than positioning which describes product features without their benefits to the customer.

Whereas, as indicated by Hartmann, Apaolaza&Sainz, (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. Another way of looking at evaluating positions comes from Jennifer Rice, of Fruitful Strategy, who recommends the "4D's Rule" of strong brand positioning like desirable by consumers, deliverable by the company, distinctive by the competition, and durable over time.

A research which is made by Tirsit , (2015) in the title "The effect of positioning on customer loyalty a case of Anbessa shoe share company", considering relevance, differentiation, delivery and communication as a parameter and result showed that there effect of positioning relevance is greater than that of positioning communication; & again positioning communication effect is greater than positioning 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. Whereas the researcher focuses on the impact of positioning on customer loyalty a case of habesha beer share company considering relevance, differentiation, delivery, communication and durability as a parameter.

2.2.1. Relevance and Customer Loyalty

Semans (2010) and Rice (2004) are among the scholars that identified relevance as one of the dimensions of positioning can be explained. According to Semans (2010) Relevance deals with does the product is significant to a target audiences or does the target audience cares about your differentiation and are it important in their purchase decision making? Relevance measures weather the positioning value proposition is favorable or desirable by the prospect customers or not. According to 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? It's also among one of the four filters that strong or effective and efficient positioning expected to pass through.

In the study conducted on the effect of positioning on customer loyalty a case of Anbessa shoe S.C by Tirsit (2015), customer loyalty came's when product is significant or personally relevant to a target audiences and relevance is the first factor affecting customer's loyalty among the four filters that strong positioning expected to pass through. Hence, the first hypothesis for this study is

H1: There is a positive and significant relationship between relevance and customer loyalty.

2.2.2. Differentiation and Customer Loyalty

Differentiation is what makes your brand or product or market 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 Rice (2004) differentiation or distinctive by the competition is one the element used while evaluating proper or strong positioning. In the study conducted on the effect of positioning on customers loyalty by (Tirsit 2015), even though Differentiation is the last to affect the overall customer loyalty, there is significant positive relationship between differentiation and customer's loyalty. As a result below hypothesis was drawn.

H2: There is a positive and significant relationship between differentiation and customer loyalty.

2.2.3. Delivery and Customer Loyalty

Delivery deals with to assure weather the company actually delivers on the differentiation or is it a promise you will be able to keep over time? (Semans, 2010) 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.

According to Hartmann, Apaolaza&Sainz, (2002),on the title "The effect of brand positioning on customer loyalty" .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. Hence, the first hypothesis for this study is

H3: There is a positive and significant relationship between delivery and customer loyalty.

2.2.4. Communication and Customer loyalty

Communication represents the voice of the brand and is a means by which the brand can establish a dialogue and build relationships with customers (Lombard, 2007). After companies assure the relevance, differentiation and credibility of the positioning, it would be mandatory to communicate the position to the market to win customers mind (Kotler& Armstrong, 2011). Levi, (2011) also argue Communication is obviously a critical component of business success.

Levi, (2011) also discover the Five-Phase Message Development Process. The point here is that creating highly-differentiating, very succinct and extremely powerful messages that clearly articulate the value of your products and services is not enough. Such strong, differentiating and value based messaging should be 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; as a result the fourth hypothesis this study is evidenced by the above literatures.

H4: There is a positive and significant relationship between communication and customer loyalty.

2.2.5. Durability and Customer Loyalty

Durability is all about the consistency of promised uniqueness over time (Rice, 2004). The last element 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 or durability over time. 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 and Insch, 2012).

As indicated by Rice (2004) on the title “fruitful full strategy”. Who recommends durability one the element of “4D’s Rule “of strong brand positioning: Is considered as another dimensions of evaluating positions. As a result below hypothesis is drawn.

H5: There is a positive and significant relationship between durability and customer loyalty.

2.3. Conceptual Framework

The researcher derive conceptual framework from the concept positioning itself with the very determinants of strong brand positioning called Relevance, differentiation, Credibility & Communication(Semans, 2010). According to Semans (2010), a strong brand position can pass through these four filters: Relevance, Differentiation, and Delivery & Communication and also Semans (2010) lists another way of looking at evaluating positions comes from Jennifer Rice, of Fruitful Strategy, who recommends the “4D’s Rule” as strong brand positioning: those are desirable by consumers, deliverable by the company, distinctive by the competition, and durable over time? As a result conceptual framework is developed using the following parameter those are Relevance, differentiation, Credibility, Communication and durability.

Dependant variable

Independent Variable

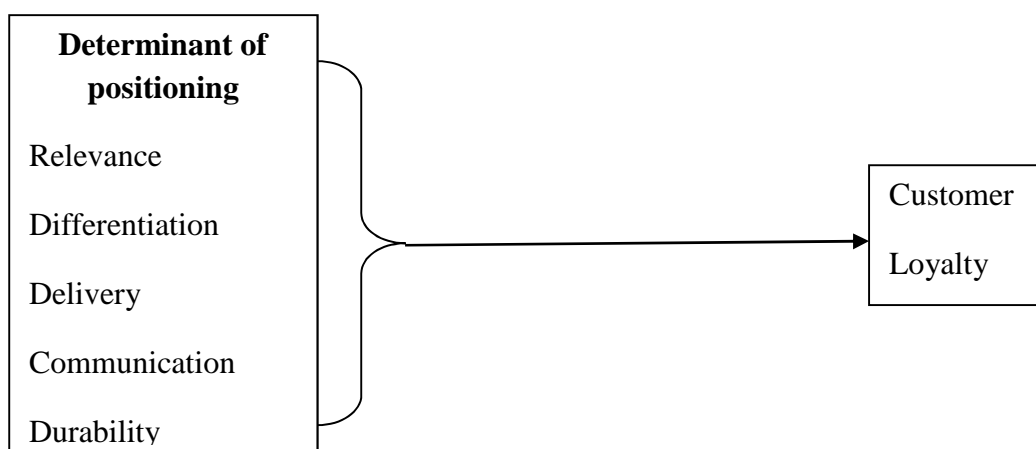


Figure 1: Conceptual Framework

Source: Adopted form Filters of strong positioning (Semans, 2010); Fruitful Strategy (Jennifer Rice, 2004); Objective of positioning (mark, 2005)

CHAPTER THREE

RESEARCH DESIGN AND METHODS

This part of the research deals with over all approach of the research. And it includes Research Approach, Research design, Population of the study, Sampling procedure, Data gathering instrument, Data Analysis and techniques, and ethical consideration.

3.1. Research Design

Based on what a researcher is going to accomplish research can be divided into three those are explore a new topic, describe social phenomena or explain why something occurs. Studies may have multiple purpose (e.g. both to explore and describe) but one purpose usually dominate.

In Exploratory or Formative approach you may be exploring a new topic or issue in order to learn about it. If the issue was new or the researcher has written little on it, you began at the beginning. This is called explanatory research. In this type of research the goal of researcher is to formulate more precise question that future researcher can answer. An exploratory research may be the first stage in sequence of studies. Exploratory types of research have the following goals becoming familiars with basic facts, setting and concern, develop well-grounded picture if the situation and developing techniques and sense of direction for future research.

Descriptive approach presents the pictures of specific details of a situation, social setting or situation. It seeks to determine the answers to who, what, when, where, and how questions. Descriptive study offers to a researcher a profile of relevant aspect of phenomena of interest and create set of categories.

In explanatory approach the desire to know why to explain the purpose of explanatory research. It builds on explanatory or descriptive research and goes on to identify the reason for something that occurs. Explanatory looks for causes and reasons. It explains things not just reporting, determine which of several explanations is best, and determine the accuracy of theory: test a theories prediction or principle. A research done before by Hartmann, Apaolaza, &Sainz, (2002), on the title “The effect of brand positioning on customer loyalty” is belongs to an explanatory approach and since, Because of this study investigated why

customers of Habesha beer is loyal or not these research is belongs to explanatory types of research

3.2. Research Approach

Research design is a plan and procedure for the research that span the decision from broad assumption to detail methods of data collection and its of three types qualitative, quantitative and mixed methods (Creswell John W, 2009).

Qualitative research is a means of exploring and understanding the meaning individual or group ascribe to a social or human problem and those who engage in this form of enquiry support a way of looking at research that honor an individual style, a focus on individual meaning and importance of rendering complexity of a situation (Creswell John w. 2009).

Quantitative research is a means for testing objective theories by examining relationship among variables and this variables can be measured typically on instrument, so that data can be measured using statistical procedure (Creswell John W. 2009) .

Mixed research methods involve the philosophies assumption, the use of qualitative and quantitative approach, and the mixing of both approach in the study. Thus it's more than simply collecting and analyzing of both kind data: it also involves the use of both approaches in tandem so that the overall strength of the study is greater than either qualitative or quantitative research (Creswell John W. 2009). A research which is made by Tirsit, (2015) in the title "The effect of positioning on customer loyalty is belongs to quantitative research method. Because of the collected data had been measured using statistical procedure this study is grouped under quantitative research method.

3.3. Population of the Study

Population is defined as the complete set of units of analysis that are under investigation (veal, 2005). Zikmund, (2003) defines population as the total group to be studied. Therefore the target population of this study was customers of Habesha beer in Addis Ababa city administration who is above 18.

3.4. Sampling Procedure

Sampling is the selection of a fraction of the total number of units of interest for the ultimate purpose of being able to draw general conclusions about the entire body of unit (Kothari, 2004).several decisions were made in organizing a sample such as identifying target population, selecting sampling technique and determining the sample size.

3.4.1. Sample Size

The population size of this research is unknown, so unknown population sample formula is used to determine the sample size (Kothari, 2004). In using the formula 95% confidence level, 0.5 standard deviation and confidence interval of +/- 5% is used. From the standard table Z-score of 95% confidence level is 1.96. The formula is as follows

$$\text{Sample size} = (\text{Z-score})^2 * \text{Std.dev} * (1 - \text{Std Dev.}) / (\text{confidence interval})^2$$

Substituting the above data in the formula

$$\text{Sample Size} = ((1.96)^2 * 0.5 * (0.5)) / (0.05)^2$$

$$\text{Sample size} = 384.16 \cong 384$$

3.4.2. Sampling Technique

Based on the literature, there were two main sampling methods, probability and non-probability sampling (Zikmund, 2003). Non-probability (deliberate or purposive or judgment) sampling approach was used to contact target units (respondents) of the study.

3.5. Data Gathering Instrument

The study was done based on both primary and secondary data. The primary data needed for the research was gathered through questionnaires. According to Kothari (2004), a questionnaire was used when researchers require information on consumer feelings and attitudes. Tull & Hawkins (1993) also indicate that a survey can provide data on attitudes, feelings, belief and descriptive items. The questionnaire was designed based on the conceptual framework and each question was analyzed from different aspects of customer loyalty. It was designed in a way that is clear, brief and understandable to the respondents as well as covers the relevant aspects of the model used. According to Fisher (2007) it is

recommended to keep the questionnaire as short as possible and give it a logical and sequential structure so that the respondent can easily see what the questionnaire is about. For that reason, the questionnaire was designed using both English and Amharic languages considering that target audiences were Ethiopian citizens.

Secondary data was collected only for theoretical and conceptual frame work purpose from different sources, like previously studied research which is related to the research topic. Mostly it's collected from online sources such as different journals, articles; websites, academic books and internet.

3.6. Data Analysis and Technique

This study used IBM SPSS software to conduct a bivariate correlation and linear multiple regression procedures to answer the basic research questions. This method was used to analyze answers of respondents for each question. The obtained answers from questionnaires were transferred to the excel sheet in order to classify and analyze them. Then a report was confirmed on the questionnaire, which allowed comparing the results of the respondent's answer to the questionnaires. In this way the trends of the respondents could be identified and then each answer was analyzed in detail. Then all analysis performed by SPSS 20 windows version (Statics package for social Science). Descriptive analysis (mean and standard deviation) was also used to analyze respondents' general profile, and so on.

Reliability

The total number of complete feedback received was 363 sample populations. In order to confirm the reliability of the data, Cronbach's Alpha was calculated for each variable. As below table indicate, all variables Cronbach's alpha test result shows to be larger than 0.7 which is known to be satisfactory.

Table 1: Cronbach's Alpha Result

Variables	Cronbach's Alpha
Relevance	.880
Differentiation	.797
Delivery	.710
Communication	.762
Durability	.746
Customer loyalty	.814

Source SPSS data (2018)

Validity

According to Kothari (2004) content validity is the extent to which a measuring instrument provides adequate coverage of the topic under study. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgmental and intuitive. It can also be determined using a panel of persons who shall judge how well the measuring instrument meets the standards, but there is numerical way to express it. Based on this definition the content validity was verified by the advisor of the research, who look into the appropriateness of the questions and the scale of measurement. A discussion made with Habesha brewery research office personnel's were another way of checking the appropriateness of the questions. In case of secondary data, only relevant articles and literature from academic, scientific and marketing databases were used for this study.

3.7. Ethical Consideration

The Researcher had considered some ethical issues. This are the respondent has the right to respond or not, the respondent has the right to participate or not, the Researcher had inform respondents the purpose of the questioner and the study considers the confidentiality of the response by not asking to state name. While conducting the study, emerging ethical issues were considered and attention had been given.

For this purpose the introduction part of the questionnaire stated the purpose and importance of the study, confidentiality. Respondent were informed their full right to fill the questions or to withdraw from the study at any time without any unfavorable consequences, and they are not harmed as a result of their participation or non-participation.

In order to collect primary data, structured questionnaire were distributed. Up on distributing to employees, only general information was written in the paragraph of the questionnaire to protect their response from predisposition. The confidentiality of respondents was protected and respondents' identities were not disclosed.

Finally all research finding has not been obscured and is free from any plagiarism by acknowledging every reference used. In addition to this, the study was done in an open minded manner and attitudes were expressed as they are. Nothing was modified and changed. Hence information going to be collected is presented as they are and all the literatures gathered for the purpose of this study were appreciated in the reference list.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

This chapter gives an overview of the empirical findings based on the questionnaire survey. It presents the results in graphical presentation or charts where necessary and it discusses each question. Correlation analysis, regression analysis and findings of the research are also discussed below.

4.1. Data Analysis and Interpretation

4.1.1. Rates of Response

The study had initially targeted 384 respondents, 363 respondents filled and returned their questionnaires thus constituting 94.53% response rate, while 21 of the respondents didn't respond and never returned the questionnaires and constituted 5.47% non-response rate. According to (Zikmund, 2003) response rate of 50% is adequate, while a response rate greater than 70% is very good. This implies that based on this assertion; the response rate in this case of 94.53% was very good and facilitated collection of data on variability perspective of the different respondents of the Habesha Brewery Share Company.

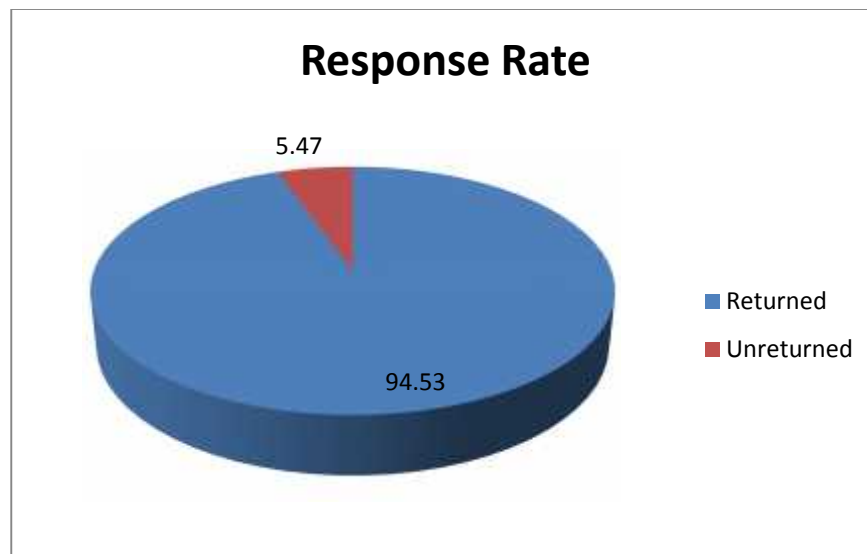


Figure 2: Response rate of the respondent

Source: own survey (2018)

4.1.2. Demographic Profile of Respondents

(Gender, age, educational level, income level and frequency of drinking Habesha beer) a total of 384 responses were distributed for consumers of Habesha beer, out of which 21 were ignored as they were not collected correctly. So, a total of 363 responses have been taken into consideration for the analysis.

Demographic Characteristics of the Respondents

Respondents characteristics	Categories	Frequency	Percent
Gender	Male	229	63.1
	Female	134	36.9
Age	18-25 yrs	72	19.8
	26-35	230	63.4
	36-55	55	15.2
	56 and above	6	1.7
Educational background	Elementary	8	2.2
	High school	32	8.8
	Diploma	154	42.4
	degree	110	30.3
	Masters and above	59	16.3
Monthly income	Below 500	10	2.5
	501-1500	26	7.2
	1501-2500	76	20.9
	Above 2500	252	69.4
Current position	Once per week	164	45.2
	2-5 days per week	135	37.3
	Every day	64	17.6

Source: SPSS output from survey data, 2018

Concerning the Gender position of respondents (63.1%) of them are males and the rest (36.9%) are females. This implies that males consume Habesha beer compared to females. So that Habesha Brewery share company should avail its product in all male recreational areas.

Majority of respondents belong to age group (26-35) years with 63.4% followed by (18-25) years which is 19.8%, (36-55) years having 15.2% , and the minimum representation at 1.7% is for age group of above 56 years old. This confirms that majority of Habesha beer consumers are males between the age group of 26-35. So that Habesha Brewery share company can segment its market using this age group.

Regarding the educational background of the respondents (42.4%) of the respondents were diploma holders followed by the second largest respondents who have completed their degree (30.3%) and the rest were educated in the level of high school (8.8%), elementary (2.2%) and MA/MSc and above (16.3%). This result shows that more diploma holders consume Habesha brewery Share Company products. So that, Habesha brewery Share Company should follow the peripheral route to persuade and rely more heavily on other message elements (e.g., spokespersons or background music) to form attitudes or make product choices.

Again the monthly income of respondents (2.5.%) of them get monthly income of birr less than 500, 501-1500, 1501-2500 and above birr 2501 of the respondent were 7.2%, 20.9% and 69.4% respectively. This indicate that majority of the respondents were people with highest income who are consumers of Habesha beer. As a result Habesha brewery Share Company can use target pricing method while pricing its product.

Majority of the respondents (45.2%) drink Habesha beer once per week, whereas (37.2%) drink it for 2 – 5 days per week while only (17.6%) drink every day. This confirms that majority of the consumer use Habesha beer once per week. As a result Habesha brewery Share Company should avail its product in all recreation areas and groceries on a weekend.

4.2. Descriptive Statistics of Positioning

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. As customers are bombarded with cheaper substitute products to choose from, they become more aware of their tastes and preferences (Kotler, 2002). This section, presents the dimension of positioning from relevance, differentiation, delivery, communication and durability aspects.

The feedback of the respondents for the variables indicated below were measured on five point Likert scale with measurement value 1= Strongly disagree; i.e. very much dissatisfied

with the case described; 2= Disagree, i.e. not satisfied with the case described; 3= Neutral, i.e., uncertain with the case described; 4= Agree, i.e., feeling all right with the case described and considered as satisfy; and 5 =strongly agree, i.e. very much supporting the case described and considered as highly satisfy. To make easy interpretation, the following ranges of values were reassigned to each scale: 1-1.8= strongly disagree; 1.81-2.6 = Disagree; 2.61-3.4= Neutral; 3.4-4.20= Agree; and 4.21-5 = Strongly Agree Best, (cited in Simachew, 2014). To analyze the collected data in line with the overall objective of the research undertaking, statistical procedures were carried out using SPSS version 20 software.

4.2.1. Consumers Perception on Positioning Relevance

The respondents were asked seven 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. Let us see it in detail in the following manner. As shown in the below table 2 the majority of respondents were agreed with the sub constructs i.e. Habesha beer Share Co. products are designed & offered based on my demand with the scored mean value points out that the satisfaction of the respondents with the case described and the standard deviation was 0.964. The second sub-construct i.e. the company products are identified in accordance with my best way of preference was 4.19. With regard to the third sub-construct i.e. the product's benefit offered by the company match my desire the scored mean value response of the respondents was 3.73 with a standard deviation 1.154. Fourthly the sub constructs i.e. the feature, design & taste of the company's products are favorable with the scored mean value points out that the satisfaction of the respondents with the case described and the standard deviation was 0.835. The fifth sub-construct i.e. the products address my important buying criteria was 3.59. With regard to the sixth sub-construct i.e. the products values or benefits proposed by the company are Important in my purchase decision making the scored mean value response of the respondents was 3.61 with a standard deviation 0.953. Lastly, the respondents were asked to scale the measurement i.e. The Company meets my bundle of current & expected benefits. They responded having a scored mean value of 3.60 this shows that the respondents were "agreed" about their fulfilled need and wants. The average mean of positioning relevance is 3.85 which signify that the consumers have positive attitude towards the companies offer.

Table 2: Respondents Feeling on Relevance

Items	N	Mean	St deviation
Habesha beer Share Co. products are designed & offered based on my demand.	363	4.04	0.964
The company products are identified in accordance with my best way of preference.	363	4.19	0.843
The product's benefit offered by the company match my desire.	363	3.73	1.154
The feature, design & taste of the company's products are favorable.	363	4.18	0.835
The products address my important buying criteria.	363	3.59	1.173
The products values or benefits proposed by the company are Important in my purchase decision making.	363	3.61	0.953
The company meets my bundle of current & expected benefits.	363	3.60	0.948
Grand mean	3.85		

Source: SPSS Data (2018)

4.2.2. Consumers Attitude on Positioning 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. As it is clearly shown in the below table 3, the grand mean of positioning differentiation is 3.72 and all of sub constructs that it "Habesha beer share Co. products are different & unique from existing Competitors in the beer industry", the scored mean value of all sub constructs lie in the range of 3.53 or agreed on the cases. This signifies consumers believe that the company known for a certain "something" leading Figure in our country beer industry(3.87), with competitors are not-able to make the product feature claims as Habesha Brewery Share Company(4.05), Knowing special thing about the company's product(3.66), The company differentiation is pre-emptive than competitors(3.69), The company's product differentiation is affordable(3.56). On average consumers of Habesha

brewery Share Company at all levels are satisfied with issue of differentiation but its low as compared to other considered variable.

Table 3: Respondents felling on positioning differentiation

Items	N	Mean	St deviation
Habesha beer share Co. products are different & unique from existing Competitors in the beer industry.	363	3.53	1.173
I believe the company known for a certain “something” leading Figure in our country beer industry.	363	3.87	1.105
I think competitors are not-able to make the product feature claims as Habesha beer share co.	363	4.05	0.783
I Know special thing about the company’s product.	363	3.66	1.216
The company differentiation is pre-emptive than competitors.	363	3.69	1.133
The company’s product differentiation is affordable.	363	3.56	1.079
Grand mean	3.72		

Source: SPSS data (2018)

4.2.3. Respondent Attitude on Positioning 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. As it is clearly shown in the below table , all of sub constructs are discussed as below Habesha beer share Co. deliver what makes its product different & unique from Competitors exist in the beer industry with the scored mean value of all sub constructs lie in the range of 4.06.The company actually delivers the proven quality and taste it Claims (3.86), with The company delivers its products as promised with consistence & customer service (4.15), The company delivers the articulated value of having competitive price (3.87), The company’s product features claims are supported by the products it offers, the price

affixed to it, the distribution it chooses & the promotion media it uses(4.18), The company’s delivered promises are related to the reality of the customer experiences (4.07). On average (grand mean i:e 4.03)consumers of Habesha brewery Share Company at all levels are highly satisfied with issue of delivery as compared to other considered variable.

Table 4: Responses of Consumer on Positioning Delivery

Items	N	Mean	St deviation
Habesha beer share Co. deliver what makes its product different & unique from Competitors exist in the beer industry	363	4.06	0.979
The company actually delivers the proven quality and taste it Claims.	363	3.86	0.971
The company delivers its products as promised with consistence & customer service.	363	4.15	0.855
The company delivers the articulated value of having competitive price.	363	3.87	0.950
The company’s product features claims are supported by the products it offers, the price affixed to it, the distribution it chooses & the promotion media it uses	363	4.18	0.810
The company’s delivered promises are related to the reality of the customer experiences.	363	4.07	0.973
Grand mean	4.03		

Source: SPSS data (2018)

4.2.4. Customers Attitude towards Positioning Communication

To measure the level of the company positioning communication, 6 (eight) questions were used. The questionnaires were designed to collect the respondents’ attitude towards Company positioning communication.

Table 5: Responses of Consumer on Positioning Communication

As shown in the table below the majority of respondents were agreed with the sub constructs i.e. The products of the company by itself communicate what makes it unique and different to customers with the scored mean value points out that the satisfaction of the respondents with the case described and the standard deviation was 0.914. The mean value of the second sub-construct i.e. Habesha beer share Co. products are clearly& definitively Communicated to the customer was 3.82. With regard to the third sub-construct i.e. I believe the value of the company’s product features are articulated & appreciated well the scored mean value response of the respondents was 4.09 with a standard deviation 0.897. The fourth sub

constructs i.e. I know the merits of owning the company’s products scored mean value points out that the satisfaction of the respondents with the case described and the standard deviation was 0.831. The fifth sub-construct i.e. the company communication makes me to know the levels, types, taste & quality of its products had scored a mean value of 4.23. Finally, the respondents were asked to scale the measurement i.e. Communications channel of company helps me to have updated information & knowledge about the company’s product. They responded with a scored mean value of 4.01 this shows that the respondents were “agreed” about their fulfilled need and wants. The grand mean of communication is 4.12 which signify that the consumers have positive attitude towards the companies positioning communication.

Items	N	Mean	St deviation
The products of the company by itself communicate what makes it unique and different to customers	363	4.16	0.914
Habesha beer share Co. products are clearly & definitively Communicated to the customer	363	3.82	1.156
I believe the value of the company’s product features are articulated & appreciated well.	363	4.09	0.897
I know the merits of owning the company’s products.	363	4.35	0.831
The company communication makes me to know the levels, types, taste & quality of its products	363	4.23	0.891
The company’s delivered promises are related to the reality of the customer experiences.	363	4.07	0.973
Grand mean	4.12		

Source: SPSS data (2018)

4.2.5. Customers Attitude towards Positioning Durability

To measure the durability variable the respondents were asked 6 (six) questions. These questionnaires were designed to collect the respondents’ feeling, attitude, & opinion about the company products positioning durability.

From the below table, it is possible to draw the following facts. As it is clearly illustrated in the table, the grand mean of is 3.87 and the scored mean value of the sub-constructs i.e. The Company has consistent distribution performance, I think my Beer branding is consistent, The design, feature, taste quality of the product has consistence fall between ranges of 3.75-4.18.

This shows that the majority of the respondents agreed with the statements given to them. However, the two sub-constructs i.e. I still see what makes Habesha beer unique & different with a mean score of 3.03 and I intend to continue to buy Habesha beer as it's consistently unique and different holds a mean of 4.24. The results of the first sub constructs are in the neutral range but results of the second sub constructs are in the strongly agree. The implication is that the Habesha Brewery Share Company should at least keep durable differentiation order to build strong loyal customer.

Table 6: Responses of Consumer on Positioning Durability

Items	N	Mean	St deviation
I still see what makes Habesha beer unique & different	363	3.03	1.398
I intend to continue to buy Habesha beer as it's consistently unique and different	363	4.24	0.815
The company has consistent distribution performance	363	3.75	1.124
The design, feature, taste & quality of the product has consistence	363	4.18	0.844
I think my Beer branding is consistent	363	4.15	0.853
Grand mean	3.87		

Source: SPSS data (2018)

4.3. Correlation Analysis

The correlation between dependent and independent variables along with the causal effect was analyzed using Statistical Package for Social Science (SPSS). The below correlation matrix shows correlation between variables in the questionnaire with a Pearson Correlation coefficient to show the strength of relationship among the variables considered in the questionnaire. As per table Below, the coefficient show that all independent variables were positively related with dependent variable (customer loyalty) within the range of 0.446-0.870, were all are significant at $p < 0.01$ level.

Table 7: Correlation Analysis

		R	D	DL	C	DU	CL
R	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	363					
D	Pearson Correlation	.176**	1				
	Sig. (2-tailed)	.001					
	N	363	363				
DL	Pearson Correlation	.661**	.333**	1			
	Sig. (2-tailed)	.000	.000				
	N	363	363	363			
C	Pearson Correlation	.668**	.189**	.750**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	363	363	363	363		
DU	Pearson Correlation	.525**	.262**	.512**	.701**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	363	363	363	363	363	
CL	Pearson Correlation	.792**	.446**	.870**	.799**	.647**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	363	363	363	363	363	363

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

Source: SPSS data (2018)

The independent variables delivery, communication and relevance show highest and strong positive relation (0.870, 0.799 and .792 respectively). While one independent variables called durability show a moderate level of positive relation (i.e. 0.647) with brand loyalty. Among all variables only delivery indicates low but positive relation with customer loyalty (i.e. 0.446). And the Table also shows that the correlation of the independent variables within themselves. It can be noted that all variables are positively correlated with each other where the strongest correlation goes between delivery and communication at .0750 and communication and durability 0.701 while the moderate correlation goes between relevance and delivery with the value of 0.661 and relevance and communication with the value of .668.

But the correlation is very weak between relevance and differentiation with the value of .176 and differentiation and communication with the value of .189

4.4. Regression Analysis

Preliminary analyses were conducted to indicate if there were any violations of the assumptions of multicollinearity, normality, and reliability before applying linear multiple regression. To indicate if multicollinearity was violated, the tolerance, VIF and condition indexes were evaluated from a Colinearity Diagnostics table in SPSS. The tolerance values for each of the variables scales ranged from .276 to .842 which are not less than .20; thus, further verifying that the assumption is not violated. This was verified by the VIF values which ranged from 1.188 to 3.628 which are under 10 suggesting that the assumption of no multicollinearity is tenable (Tabachnick & Fidell, 2007). The condition index indicated values ranging from 1.000 to 36.934. All variables values are below 40 so none of which suggest serious multicollinearity problems. Based on the results of the tests, the assumption of no multicollinearity is tenable. To test the assumption of normality, a Normal P-Plot of Regression Standardized Residuals was conducted for each of the five variables. For all variables, Normal P-Plots of Regression Standardized Residuals were examined. The points lied in reasonably straight lines, therefore, the assumption of normality was found tenable.

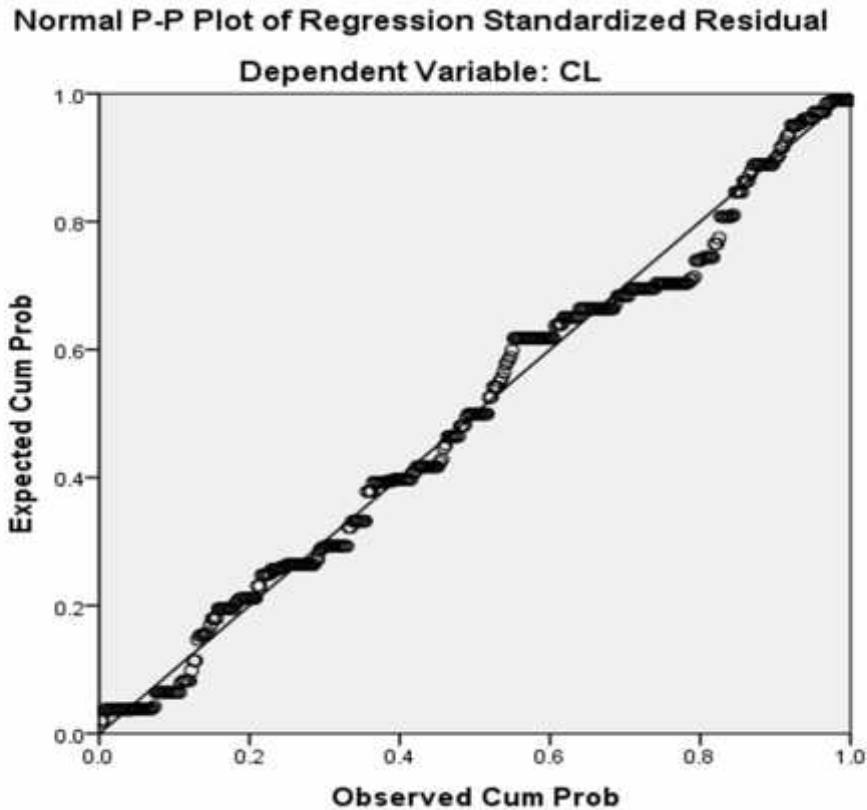


Figure 3: Normal p- plot of the regression standardized residuals

Regressions fit a predictive model to data and use that model to predict the values of dependent variable from one or more independent variables. Linear multiple regression estimates the coefficients of the linear equation, involving one or more independent variables that best predict the value of the dependent variable.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.949 ^a	.900	.898	.187	1.780

a. Predictors: (Constant), Relevance, Differentiation, Delivery, Communication, Durability

b. Dependent Variable: Customer Loyalty

As it can be seen in the above model summary $R = 0.949$ which indicates the positive relationship between customer loyalty and explanatory variables (relevance, differentiation,

delivery and communication and durability).R-square also measures the goodness of the fit of those explanatory variables in explaining the variation in dependent variable. The adjusted R² is called the coefficient of determination. This value tells us how customer loyalty is varied with effects of relevance, differentiation, delivery, communication and durability. Again adjusted R² is 0.898. This implies that, there was a variation of 89.8 % of effects on customer loyalty at Habesha beer due to relevance, differentiating, delivery, communication and durability. For this study, liner multiple regression analysis was employed. Customer loyalty was used as the dependent variable while the underlying Determinants of strong positioning were used as the independent variables. According to below table the standardized coefficients for the five independent variables relevance, differentiation, deliver, communication and durability are (0.318,0.193,0.421,0.165,0.99) and their significance levels are .000, .000, .000, .000, .000 respectively which are all less than 0.05. This indicates a significant relationship between the independent variables and the dependent one. Relevance; hence the first hypothesis which states that there is a positive relationship between positioning relevance and customer loyalty is accepted because the P-value of relevance is 0.000 which is less than 0.05, hence the independent variable; relevance has significant relationship with customer loyalty. Table provides the results of the linear multiple regression analysis as follows.

Table 9: Coefficient of Determination

Model	Un standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.087	.076		-1.149	.251
1 Relevance	.247	.019	.318	13.233	.000
Differentiation	.147	.014	.193	10.577	.000
Delivery	.418	.028	.421	14.913	.000
Communication	.147	.028	.165	5.167	.000
Durability	.080	.020	.099	4.102	.000

a. Dependent Variable: Customer Loyalty

Source: SPSS data (2018)

The second hypothesis which states, there is a positive relationship between differentiation and customer loyalty is also accepted because the P-value of differentiation is 0.000 which is less than 0.05, hence differentiation has significant relationship with customer loyalty; hence, the null hypothesis is rejected.

The third hypothesis which states, there is a positive relationship between delivery and customer loyalty is also accepted due to the P-value of delivery is 0.000 which is less than 0.05; hence delivery has significant relationship with customer loyalty. the fourth hypothesis which states that there is a positive relationship between positioning communication and customer loyalty is accepted because the P-value of relevance is 0.000 which is less than 0.05, hence the independent variable; relevance has significant relationship with customer loyalty. The fifth hypothesis which states, there is a positive relationship between durability and customer loyalty is also accepted because the P-value of durability is 0.000 which is less than 0.05, hence durability has significant relationship with customer loyalty; hence, the null hypothesis is rejected.

As per the SPSS generated, the results established the below regression equation which was utilized: the regression equation. $Y = a + 1(X_1) + 2(X_2) + 3(X_3) + 4(X_4) + 5(X_5) + .$

When $\beta=0$

Equation 1: Regression Equation Model

Where:-

Y = Customer loyalty at Habesha Brewery Share Company

A = Constant

X1 = Relevance

X2 = Differentiation

X3= Delivery

X4= Communication

X5= Durability Incorporating the values of the Beta values into equation 1 we have:

$$Y = -0.87+0.247R+0.147D+0.418DL+0.147C+0.80DU+e$$

Equation 2: Regression Equation with Beta Values

The researcher conducted a linear multiple regression analysis and from the above regression model, the factors relevance, differentiation, delivery, communication, durability, have effects

on customer loyalty at Habesha Brewery to a level of -0.87. It was established that a unit increase in relevance would cause an impact on the level of customer loyalty at Habesha Brewery Share Company by a factor of 0.247, a unit increase in differentiation at Habesha Brewery Share Company would cause an impact on customer loyalty by a factor of 0.147, also a unit increase the positioning delivery would cause an impact on customer loyalty at Habesha Brewery Share Company products by a factor of 0.418. Not only a unit increase in communication would an impact on customer loyalty by a factor of 0.147 but also a unit increase in durability would have an impact on customer loyalty of Habesha beer by a factor of 0.80. This shows that there is a positive relationship between customer loyalty and determinant of positioning (relevance, differentiation, delivery, communication and durability) at Habesha Brewery Share Company.

4.5. Discussion of the Result

This study was aimed to examine the effect of positioning on customer loyalty on Habesha Brewery Share Company through Relevance, Differentiation, delivery, communication and durability were selected as determinant of strong positioning since they had been used by various researchers as it has been clearly indicated in literature review part. For the purpose of this study five hypotheses were developed, brief discussion on each hypothesis is given below.

H1: There is a positive and significant relationship between relevance and customer loyalty.

According to the test result of this study, the data collected support the hypothesis developed and showed relevance has a significant relationship with customer loyalty. The grand mean value of the independent variable result shows the value of 3.85 which is between the range of score (3.41-4.20) that shows important level. The correlation analysis reveals relevance show the third highest and positive relation (i.e. 0.792) with the dependent variable Customer loyalty. According to regression analysis the coefficient table shows that the value of Beta coefficient of relevance shows 0.318 with a significance level of .000 highest values which proves the strength of the independent predictor influencing the criterion (dependent variable). As per the regression result a unit increase in relevance would cause an impact on the level of customer loyalty at Habesha Brewery Share Company by a factor of 0.247

The degree of positioning relevance or involvement, with the goal to have Habesha beer, is critical to how extent customer is loyal for Habesha brewery product. A recent study conducted on The Effect of positioning on customer loyalty on Anbessa shoe share company by Tirsit Y, (2015) states that Personally believing that a product is relevance for may self will increase the loyalty level of customer for that product.

H2: There is a positive and significant relationship between differentiation and customer loyalty.

The finding articulates that the data collected support the hypothesis developed and showed differentiation has a significant relationship with customer loyalty in Habesha brewery Share Company. The fifth but positive and significant variable of strong positioning is differentiation. Correlation analysis also supports that differentiation is correlated with customer loyalty by 0.446 correlation value and the regression analysis of Beta coefficient level shows 0.193 values with a significance level of .000. The grand mean value of the independent variable result shows the value of 3.72 which is between the range of score (3.41-4.20) that shows important level. Unstandardized beta indicate that a unit increase in differentiation at Habesha Brewery Share Company would cause an impact on customer loyalty by a factor of 0.147

The degree of substitutability of the product of various suppliers and the amount of product differentiation: a buyer could be tied to a particular supplier if his or her requirement cannot be met by other supplier. The result was also supported by a case study which was conducted on the effect of positioning on customer loyalty on Anbessa shoe by (Tirsit 2015) and the result showed that Differentiation is the last to affect the overall customer loyalty among the variables used for investigation.

H3: There is a positive and significant relationship between delivery and customer loyalty.

The study result has proven that delivery has a positive and significant positive relation with customer loyalty in Habesha brewery Share Company so the researcher rejected null hypothesis. The mean value of the independent variable delivery is 4.03. The independent variable delivery holds the first position in determining customer loyalty of Habesha beer among determinants of strong positioning. Correlation analysis proves that the independent variable is correlated with dependent variable by 0.870 correlation value and the beta

coefficient shows 0.421 level with significance level of .000. Regression analysis also prove that a unit increase the positioning delivery would cause an impact on customer loyalty at Habesha Brewery Share Company products by a factor of 0.418

H4: There is a positive and significant relationship between communication and customer loyalty.

The correlation value proves that the variable (communication) is the second highest correlated value with customer loyalty (dependent variable) by 0.799 correlation value and the regression coefficient table reveals that the variable shows Beta value of .165 values with a significance level of .000 and the mean value of the independent variable delivery is 4.03. As per regression analysis a unit increase in communication would an impact on customer loyalty by a factor of 0.147. As a result there is a positive and significant relationship between communication and customer loyalty and the null hypothesis is rejected.

H5: There is a positive and significant relationship between durability and customer loyalty.

The mean value of the independent variable result shows the value of 3.87 which is between the range of score (3.41-4.20). The correlation value of the independent variable (durability) shows the second lowest compared to other listed variables. However, it still shows significant level of importance. The correlation value proves that the variable is correlated with the dependent variable by .647 values and the Coefficient table from the regression analysis proves that the variable has .099 Beta value with significance of .000. The regression value also prove that a unit increase in durability would have an impact on customer loyalty of Habesha beer by a factor of 0.80. As a result the above hypothesis is accepted while the null one is rejected.

Table 10: Summary of Hypothesis

Hypothesis	Independent Variables	Correlation and regression value	Dependent Variables	Results
H1	Relevance	.792** 0.247	Customer loyalty	Supports
H2	Differentiation	.446** 0.147	Customer loyalty	Supports
H3	delivery	.870** 0.418	Customer loyalty	Supports
H4	Communication	.799** 0.147	Customer loyalty	Supports
H5	Durability	.647** 0.80	Customer loyalty	Supports

Source: own survey (2018)

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

In this chapter of the study, summary of findings, conclusion drawn, recommendations and limitation of the study are stated. The purpose of the study was to investigate the effect of positioning on customer loyalty, assess the dimension of effective positioning that affect the customer loyalty directly through positioning relevance, differentiation, delivery, communication and durability.

5.1. Summary of the Major Finding

Among the selected five dimensions of positioning, all of them i.e. positioning relevance, positioning differentiation, positioning Delivery, positioning Communication, and positioning durability have a significant effect on customer loyalty. Let us summarize the findings in detail.

- ❖ Based on assessment of the respondents delivery has a positive and significant positive relation with customer loyalty in Habesha brewery Share Company. The independent variable delivery holds the first position in determining customer loyalty of Habesha beer among determinants of strong positioning. The mean value of the independent variable (delivery) is 4.03 which show significant level of importance. Correlation analysis proves that the independent variable is correlated with dependent variable by 0.870 correlation value and the beta coefficient shows 0.421 level with significance level of .000.
- ❖ The study has shown that the correlation value proves that the variable (communication) is the second highest correlated value with customer loyalty (dependent variable) by 0.799 correlation value and the regression coefficient table reveals that the variable shows Beta value of .165 values with a significance level of .000. Again the mean score of positioning communication is 4.12. As a result there is a positive and significant relationship between communication and customer loyalty.
- ❖ According to the test result of this study, relevance has a significant relationship with customer loyalty. The correlation analysis reveals relevance show the third highest and positive relation (i.e. 0.792) with the dependent variable Customer loyalty. According to

the descriptive analysis the mean score of positioning relevance is 3.85. Regression analyses also reveal that the coefficient value relevance shows 0.318 with significance level of .000. This is the highest values which prove the strength of the independent predictor influencing the criterion (dependent variable).

- ❖ According to the correlation analysis the value of the independent variable (durability) shows the second lowest compared to other listed variables. However, it still shows significant level of importance. The mean value of the independent variable (durability) result shows the value of 3.87 which is between the range of score (3.41-4.20) that shows important level. The correlation value proves that the variable is correlated with the dependent variable by .647 values and the Coefficient table from the regression analysis proves that the variable has .099 Beta value with significance of .000.
- ❖ The study has shown that the correlation value proves that the variable (differentiation) is the last correlated value with customer loyalty (dependent variable) by 0.446 correlation values and the regression coefficient table reveals that the variable shows Beta value of .193 values with a significance level of .000. Again the mean score of positioning communication is 3.72. As a result there is a positive and significant relationship between communication and customer loyalty.
- ❖ Finally, as per the regression analysis result, when the overall customer loyalty was regressed on the five independent variables (Relevance, Differentiation, Delivery, Communication and Durability) contributes to statistically significant level at p-value 0.000. The beta of unstandardized coefficient indicates, the factors relevance, differentiation, delivery, communication, durability, have effects on customer loyalty at Habesha Brewery to a level of -0.87. It was established that a unit increase in relevance would cause an impact on the level of customer loyalty at Habesha Brewery Share Company by a factor of 0.247, a unit increase in differentiation at Habesha Brewery Share Company would cause an impact on customer loyalty by a factor of 0.147, also a unit increase the positioning delivery would cause an impact on customer loyalty at Habesha Brewery Share Company products by a factor of 0.418. Not only a unit increase in communication would an impact on customer loyalty by a factor of 0.147 but also a unit increase in durability would have an impact on customer loyalty of Habesha beer by a factor of 0.80. The score of the coefficient correlation determination (R²) is .900 which

indicates, 90% of the variability of overall customer loyalty was explained by the five independent variables. Beta weight score indicated that the effect of positioning delivery is greater than that of positioning relevance; the effect of positioning relevance is greater than that of positioning differentiation and communication and the effect of positioning differentiation and communication is again greater than positioning durability in explaining the variability of overall customer loyalty. The other variables that were not considered in this study contribute about 10% of the variability of customer loyalty. So, the study model fit regression equation become $Y = -0.87 + 0.247R + 0.147D + 0.418DL + 0.147C + 0.80DU + e$. And also since, p- value of relevance, differentiation, delivery, communication & durability is less than 0.05 we can reject the null hypothesis and accept relevance, differentiation, delivery, communication & durability has positive effect on customer loyalty.

5.2. Conclusion

The main purpose of the study was to investigate the effect of positioning on customer loyalty. The study was conducted on Habesha brewery Share Company in Addis Ababa. In order to meet this general objective, Non-probability (deliberate or purposive or judgment) sampling approach was used. Questionnaire containing questions on dimension of positioning I:e relevance, differentiation, delivery, communication and durability were developed and distributed to six main sales area as per the information collected from the company those are Piassa, Arat Kilo, Gerji, Saris, Staudium and 22 area.

The entire research objective for this study was attained; the general objective of this study was to investigate the effect of positioning on customer loyalty.

The findings from the descriptive statistics shows that communication has the highest mean value which is 4.12 and delivery, durability, relevance and differentiation shows (4.03,3.87,3.85,3.72) mean value respectively. Correlation analysis was conducted to analyze if there is relation between variables used, the correlation matrix revealed that all coefficient of correlation were positive and significant. Further regression analysis was also conducted to verify if the independent variables have impact on customer loyalty and that it is not limited

to having correlation. For this reason, the impact of independent variables; relevance, differentiation, delivery, communication and durability on customer loyalty was conducted.

According to the findings, independent variables; relevance, differentiation, delivery, communication and durability has a significant positive relation with customer loyalty. Therefore, all selected determinant of positioning have effect on customer loyalty.

5.3. Recommendations

The focus of this research was on Habesha beer consumers that could provide useful insight to both practitioners and researchers. The main goal of this paper was to investigate the effect of positioning on customers loyalty.

- From the findings and conclusions of this study, Habesha brewery Share Company should take into consideration that the important determinant of positioning for their consumers is delivery, communication and relevance. As a result the company should have to at least keep it up.
- In order to avoid easy switch of consumers between beer brands and build a strong customer loyalty Habesha Brewery should attempt to distinguish its product from competitive product by creating highly differentiated product (i.e. differentiating their beer taste, pleasant experience and quality).
- As per the finding and conclusion of this study, Habesha brewery Share Company should also work for the consistency of the created uniqueness (i.e. what makes Habesha beer unique from other competitor should be durable over time).

5.4. Further Implications

- The research can be further expanded to other countries and cultures. It would help to understand in detail different factors influencing customer loyalty of Habesha beer consumers. 'Moreover by using a larger and diverse sample size and even distribution among different age group helps to better understanding of brand loyalties of a diverse group of customers.
- Further studies can be carried out on the effects of positioning on customer loyalty to enhancing customer satisfaction on the performance of the organization. These studies

can be carried out in many firms to assess the effects of positioning on customer loyalty. Since the study only cased studied Habesha brewery Share Company. A survey on all Breweries would be an effective research.

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APPENDICES

Appendix 1: Questionnaire (English)

Addis Ababa University
College of Business and Economics
School of Commerce
Marketing Management Program Unit

Objective of the Questionnaire

Dear Respondents,

My name is George Umer. I am a prospective graduate of the year 2018 in the field of Marketing Management at Addis Ababa University College of Business and Economics [School of Commerce]. This questionnaire is designed to collect data on the effect of positioning on customer loyalty: A case of Brewery beer Share Company. The information gathered will be accessible by the researcher only and remains strictly confidential.

General instruction

- 1) These questions are to be answered by Customers of Habesha Brewery Share Company
- 2) No need to write your name on the questions paper.
- 3) Please put “number “inside the box to your response
- 4) If there is any question please contact the researcher through the following address
George Umer Busa Tel. +251930651851/+251929095488 E-mail: georgumer302@gmail.com

Part 1. Demographics

1. Please select your gender?
A. Male B. Female
2. Select your age bracket
A. 18– 25 years B. 26 – 35 years C. 36 – 45 years D. 46-55
E. 56-over
3. What is the highest level of education you have completed?
A. Elementary education B. High School
C. Diploma D. Degree E. MA/MSc F. PHD
4. Select your income level
A. Below 500 B. 501-1500 C. 1501-2500 D. 2501-above
5. How frequently do you drink Habesha beer?
A. once per week B. 2-5 days per week D. everyday

Part II: -Impact of Positioning on Customer Loyalty

Please rate the following statement by writing the appropriate number of your choice.

1=strongly disagree 2=disagree 3=neutral 4=agree 5= strongly agree

S. NO	Dependant and independent variables	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Relevance						
1	Habesha beer 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 benefit offered by the company match my desire.					
4	The feature, design & taste of the company's products are favorable.					
5	The products address my important buying criteria.					
6	The products values or benefits proposed by the company are Important in my purchase decision making.					
7	The company meets my bundle of current& expected benefits.					
Differentiation						
8	Habeshabeer share Co. products are different & unique from existing Competitors in the beer industry.					
9	I believe the company known for a certain "something" leading Figure in our country beer industry.					
10	I think competitors are not-able to make the product feature claims as Habesha beer share co.					
11	I Know special thing about the company's product.					
12	The company differentiation is pre-emptive than competitors.					
13	The company's product differentiation is affordable.					

S. NO	Dependant and independent variables	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Delivery						
14	Habesha beer share Co. deliver what makes its product different & unique from Competitors exist in the beer industry					
15	The company actually delivers the proven quality and taste it Claims.					
16	The company delivers its products as promised with consistence & customer service.					
17	The company delivers the articulated value of having competitive price.					
18	The company's product features claims are supported by the products it offers, the price affixed to it, the distribution it chooses & the promotion media it uses					
19	The company's delivered promises are related to the reality of the customer experiences.					
Communication						
20	The products of the company by itself communicate what makes it unique and different to customers					
21	Habesha beer share Co. products are clearly & definitively Communicated to the customer.					
22	I believe the value of the company's product features are articulated & appreciated well.					
23	I know the merits of owning the company's products.					
24	The company communication makes me to know the levels, types, taste & quality of its products.					
25	Communications channel of company helps me to have updated information & knowledge about the company's product.					

S. NO	Dependant and independent variables	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
		1	2	3	4	5
Durability						
26	I still see what makes Habesha beer unique & different					
27	I intend to continue to buy Habesha beer as it's consistently unique and different					
28	The company has consistent distribution performance					
29	The design, feature, taste & quality of the product has consistence					
30	I think my Beer branding is consistent					
Customer loyalty						
31	I have positive attitude & aspiration toward Habesha beer					
32	I am committed to re-buy Habesha beer based on product relevance.					
33	I love the company's product because of its design; feature, taste & qualities are favorable to me.					
34	The reason why I prefer to buy and recommend the company's products is because of the uniqueness & leading figure it has in beer industry.					
35	Because of the company keeps its promise to deliver quality and Different or unique product I recommend the company's product for others.					
36	I buy & recommend the company's products because I know & experience the company's communication.					
37	I still buy and recommend the company's product because of its uniqueness durability					
38	I am loyal to the company's product					

Thank you!

Appendix 2: Questionnaire (Amharic)

አዲስ አበባ ዩኒቨርሲቲ ንግድ ስራ ኮሌጅ

ሀበሻ ቢራ ላይ የቀረቡ መጠይቆች

ውድ መላሾች እኔ የአዲስ አበባ ዩኒቨርሲቲ በማረኬቲንግ ማኔጅመንት የማስተርስ ተመራቂ ስሆን ከዚህ በታች ያሉት መጠይቆች በሀበሻ ቢራ ላይ የቀረቡ ናቸው። ይህ መረጃ ጥቅም ላይ የሚውለው ለትምህርታዊ አላማ ብቻ ሲሆን ሁሉም መልሶች በሚስጥር የሚያዙ ናቸው። በዚህ መጠይቅ ተሳታፊ በመሆንዎ በቅድሚያ እናመሰግናለን።

አጠቃላይ መረጃ

1. ፆታ ሀ. ወንድ ለ. ሴት
2. እድሜ
ሀ. ከ 18-25 ለ. ከ 26-35 . ከ 36-45 መ. ከ 46-55 ሠ. ከ 56 በላይ
3. የትምህርት ደረጃ
ሀ. አንደኛ ደረጃ ሀ. ሁለተኛ ደረጃ ሐ. ዲፕሎማ ሠ. ዲግሪ
4. የገቢ መጠን
ሀ. ከ500 ብር በታች ለ. ከ500-1500 ሐ. ከ1501- 2500 መ. ከ2500 በላይ
5. በሳምንት ምን ያክል ጊዜ የሀበሻ ቢራ ይጠቀማሉ ?
ሀ. በሳምንት አንዴ
ለ. ከ ሁለት - ሶስት ቀን
ሐ. ከ ሶስት - አምስት ቀን
መ. ሁሌ

ተ/ቁ	ጥያቄ	በጣም አልሰማምም	አልሰማምም	እርግጠኛ አይደለም	እሰማለሁ	በጣም እሰማለሁ
		1	2	3	4	5
1	የሀበሻቢራ ፋብሪካ ምርት አሰራርና ቅርፅ የሚቀርቡት የእኔን ፍላጎት ባማከለ ሁኔታ ነው።					
2	የፋብሪካው ምርቶች የተሰሩት በእኔ ዋና የምርጫ መንገዶች መሰረት ነው።					
3	በፋብሪካው የሚቀርቡት የምርት ጥቅሞች እና የምርት ምቹትና ፍላጎት ጋር ትስስር አለው					
4	የፋብሪካው ምርት ዋና መለያ ገጽታዎች አሰራርና ቅርጽ እንዲሁም ጣእም ለእኔ ምቹና ተስማሚ ነው።					
5	ምርቱ የእኔን ከፍተኛ ወይም ዋና የመግዥያ መመዘኛዎችን ያሟላል።					
6	ፋብሪካው የሚያቀርበው የቢራ ምርት ዋጋና ጥቅሞች ለመግዛት እንድወስን ምክንያት ሆነውኛል።					
7	ፋብሪካው የወቅታዊና የወደፊት የቢራ ምርት ፍላጎቴን በጥቅሉ ያሟላል።					
ልዩ መሆን						
8	የሀበሻ ቢራ ፋብሪካ ምርት ከሌሎች የቢራ አምራች ጋር ሲነጻጸር ልዩና ተወዳዳሪ የሌለው መለያ ገጽታች አሉት።					
9	ፋብሪካው በአገራችን የቢራ ኢንዱስትሪ ውስጥ መሪ ስምና እይታ እንዳለው አምናለሁ።					
10	የሀበሻ ቢራ ፋብሪካ አለኝ የሚላቸው ዋና የምርት መለያ ገጽታች በሌሎች ተፎካካሪ የቢራ አምራሆች ለመሰራት ያዳግታሉ					
11	ስለ ፋብሪካው የቢራ ምርት ለየት ያለ ነገር አውቃለሁ					
12	የፋብሪካው ለየት ያለ የቢራ ምርት ከሌሎቹ ተፎካካሪ የቢራ አምራቾች ቀደምት ናቸው።					
13	የፋብሪካውን ምርት ልዩ የሚያደርገውን ነገር የመግዛት አቅም አለኝ።					
አቅርቦት						
14	የሀበሻ ቢራ ፋብሪካ የቢራ ፋብሪካዎች ምርት ልዩ የሚያደርገውን ነገር ያቀርባል					

ተ/ቁ	ጥያቄ	በጣም አልስማማም	አልስማማም	እርግጠኛ አይደለሁም	እስማማለሁ	በጣም እስማማለሁ
		1	2	3	4	5
15	ፋብሪካው አለኝ የሚለው የቢራ ጥራትና ጣእም ቃል በገባው የጥራት መጠን መሰረት ለተጠቃሚው ያቀርባል					
16	ፋብሪካው ቃል በገባው መሰረት እና ቀጣይነት ባለው መንገድ ምርቱን ለተጠቃሚዎቹ ያቀርባል					
17	ፋብሪካው ግልጽ እና ተወዳዳሪ በሆነ ዋጋ ምርቱን ለተጠቃሚ ያቀርባል					
18	ፋብሪካው አለኝ የሚለውን የምርት ዋና ገጽታች በሚያቀርበው የቢራ ምርት ባለው ዋጋ ምርቱን በሚያስራጭበት ምርጫና በሚጠቀመው የማስተዋወቂያ አማራጮች የተደገፈ ነው።					
19	ፋብሪካው ለተጠቃሚው ሊያቀርብ ቃል የገባው የቢራው ምርት ውጤት ከምርቱ ተጠቃሚዎች ወቅታዊ ልምድ ጋር የተዛመዱ ናቸው።					
ምርት ያማስተዋወቂያ መንገድ						
20	የሀበሻ ቢራ ምርት ከሌሎች የቢራ ፋብሪካ ምርት ልዩ የሚያደርገውን ነገር ምርቱ በራሱ ይናገራል።					
21	የሀበሻ ቢራ ፋብሪካ ምርት ዓይነትና ገጽታ ግልጽ በሆነ መልኩ ለተጠቃሚዎች ያስተላልፋል					
22	የፋብሪካው ዋና ዋና ምርት መለያ ገጽታዎች ወይም መልኮች በአግባቡ ለደንበኞች ተዋውቀዋል					
23	የፋብሪካውን የቢራ ምርት የግል ማድረጌ ያለውን ጠቀሜታ አውቃለሁ					
24	ፋብሪካው ለገበያው በሚያስተላልፈው መልእክት ላይ የምርቱን የተለያዩን ደረጃዎች ክፍሎችና አይነቶችና ጣእምን በሚገባ ማስተዋወቅ ችለዋል					
25	ፋብሪካው የሚጠቀመው የማስተዋወቂያ አማራጮች ስለምርቱ ወቅታዊ መረጃዎችን እዳገኝ ረድቶኛል					
ዘላቂነት						
26	የሀበሻ ቢራ ፋብሪካ ምርት ከሌሎች የቢራ ፋብሪካዎች ምርት ልዩ የሚያደርገውን ነገር እያየሁ ነው					

ተ/ቁ	ጥያቄ	በጣም አልሰማም	አልሰማም	እርግጠኛ አይደለም	እሰማለሁ	በጣም እሰማለሁ
		1	2	3	4	5
27	የሀበሻ ቢራ ፋብሪካ ምርት ከሌሎች የቢራ ፋብሪካዎች ምርት ልዩ የሚያደርገውን ነገር ዘላቂነት ስላለው የምርቱ ተጠቃሚ ነኝ					
28	የፋብሪካው ምርት የማሰራጨ መንገድ ቀጣይነት ያለው ነው					
29	የፋብሪካው ምርት ዋና መለያ ገጽታዎች አሰራር ቅርጽና ጣእም ዘላቂነት አለው					
30	የሀበሻ ቢራ መለያ ቀጣይነት አለው					
የደንበኞች ታማኝነት						
31	ለሀበሻ ቢራ ፋብሪካ ምርት መልካም የሆነ አመለካከትና ተነሻሽነት አለኝ					
32	የሀበሻ ቢራ ፋብሪካ ምርት ደጋግሜ እንድንዛ ቁርጠኛ ያደረገኝ ቢራ አስፈላጊና አግባብነት ያለው በመሆኑ ነው					
33	ፋብሪካውን የቢራ ምርት እንድወደው ያደረገኝ የምርቱ ቅርጽ ዋና መለያ ገፅታችንና ጣእም ለመጠቀም ምቹ በመሆናቸው ነው					
34	የፋብሪካው ምርት የምመርጥበት ምክንያት በአገር ውስጥ ካሉ የቢራ ኢንዱስትሪ መሪ የሆነ እይታና የተሻለ ልምድ ስላለው ነው					
35	የፋብሪካው ምርት ሌሎች እንዲገዙት አስተያየት የምሰጠው ወይም የምመሰክረው ፋብሪካው ለማቅረብ ቃል የገባውን ጥራት ና ምቹ የሆነ ቢራ በማቅረብ ምክንያት ነው					
36	የፋብሪካው ምርት እንድንዛና እንዲሁም ለሌሎች እንዲገዙት የምመክረው ፋብሪካው አለኝ ብሎ ያስተዋወቀውን የቢራውን ዋና የመለያ ገፅታችን በተግባርና በተጨማሪ እውነት ሆኖ ስላገኘሁት ነው					
37	ለፋብሪካው ምርት ታማኝ ደንበኛ የሆንኩት ለሌሎች የምጠቁመው ምርቱን ልዩ የሚያደርገውን ነገር በዛላቂነት ስለሚያቀርብ ነው					
38	ለፋብሪካው ምርት ታማኝ ነኝ					

አመሰግናለሁ

Appendix 3: SPSS Result

GENDER

	Frequency	Percent	Valid Percent	Cumulative Percent
1	229	63.1	63.1	63.1
Valid 2	134	36.9	36.9	100.0
Total	363	100.0	100.0	

AGE

	Frequency	Percent	Valid Percent	Cumulative Percent
1	72	19.8	19.8	19.8
2	230	63.4	63.4	83.2
Valid 3	55	15.2	15.2	98.3
4	6	1.7	1.7	100.0
Total	363	100.0	100.0	

EDUCAT

	Frequency	Percent	Valid Percent	Cumulative Percent
1	8	2.2	2.2	2.2
2	32	8.8	8.8	11.0
Valid 3	154	42.4	42.4	53.4
4	110	30.3	30.3	83.7
5	59	16.3	16.3	100.0
Total	363	100.0	100.0	

INCOME

	Frequency	Percent	Valid Percent	Cumulative Percent
1	9	2.5	2.5	2.5
2	26	7.2	7.2	9.6
Valid 3	76	20.9	20.9	30.6
4	252	69.4	69.4	100.0
Total	363	100.0	100.0	

FREQUEN

	Frequency	Percent	Valid Percent	Cumulative Percent
1	164	45.2	45.2	45.2
Valid 2	135	37.2	37.2	82.4
3	64	17.6	17.6	100.0
Total	363	100.0	100.0	

Reliability Statistics

Cronbach's Alpha	N of Items
.880	7

Reliability Statistics

Cronbach's Alpha	N of Items
.797	6

Reliability Statistics

Cronbach's Alpha	N of Items
.710	6

Reliability Statistics

Cronbach's Alpha	N of Items
.762	6

Reliability Statistics

Cronbach's Alpha	N of Items
.746	5

Reliability Statistics

Cronbach's Alpha	N of Items
.814	8

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
R1	363	1	5	4.04	.964
R2	363	2	5	4.19	.843
R3	363	1	5	3.73	1.154
R4	363	1	5	4.18	.835
R5	363	1	5	3.59	1.173
R6	363	1	5	3.61	.953
R7	363	1	5	3.60	.948
Valid N (listwise)	363				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
D1	363	2	5	3.53	1.173
D2	363	1	5	3.87	1.105
D3	363	2	5	4.05	.783
D4	363	1	5	3.66	1.216
D5	363	2	5	3.69	1.133
D6	363	1	5	3.56	1.079
Valid N (listwise)	363				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DL1	363	1	5	4.06	.979
DL2	363	1	5	3.86	.971
DL3	363	2	5	4.15	.855
DL4	363	1	5	3.87	.950
DL5	363	2	5	4.18	.810
DL6	363	2	5	4.07	.973
Valid N (listwise)	363				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
C1	363	1	5	4.18	.914
C2	363	1	5	3.82	1.156
C3	363	1	5	4.09	.897
C4	363	1	5	4.35	.831
C5	363	1	5	4.23	.891
C6	363	1	5	4.01	1.112
Valid N (listwise)	363				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DU1	363	1	5	3.03	1.398
DU2	363	2	5	4.24	.815
DU3	363	2	5	3.75	1.124
DU4	363	2	5	4.18	.844
DU5	363	2	5	4.15	.853
Valid N (listwise)	363				

Correlations

		R	D	DL	C	DU	CL
R	Pearson Correlation	1	.176**	.661**	.668**	.525**	.792**
	Sig. (2-tailed)		.001	.000	.000	.000	.000
	N	363	363	363	363	363	363
D	Pearson Correlation	.176**	1	.333**	.189**	.262**	.446**
	Sig. (2-tailed)	.001		.000	.000	.000	.000
	N	363	363	363	363	363	363
DL	Pearson Correlation	.661**	.333**	1	.750**	.512**	.870**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	363	363	363	363	363	363
C	Pearson Correlation	.668**	.189**	.750**	1	.701**	.799**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	363	363	363	363	363	363
DU	Pearson Correlation	.525**	.262**	.512**	.701**	1	.647**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	363	363	363	363	363	363
CL	Pearson Correlation	.792**	.446**	.870**	.799**	.647**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	363	363	363	363	363	363

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.949 ^a	.900	.898	.187	1.780

a. Predictors: (Constant), DU, D, R, DL, C

b. Dependent Variable: CL

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	112.032	5	22.406	641.304	.000 ^b
	Residual	12.473	357	.035		
	Total	124.506	362			

a. Dependent Variable: CL

b. Predictors: (Constant), DU, D, R, DL, C

Model		Un standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.087	.076		-1.149	.251
	Relevance	.247	.019	.318	13.233	.000
	Differentiation	.147	.014	.193	10.577	.000
	Delivery	.418	.028	.421	14.913	.000
	Communication	.147	.028	.165	5.167	.000
	Durability	.080	.020	.099	4.102	.000

a. Dependent Variable: Customer Loyalty

