

## **An Empirical Study to Explore the Brand Positioning Strategies in Personal Care Products**

**\* Prabhneet Saluja**

**\*\* Padma Singhal**

### **ABSTRACT**

*Brand positioning refers to how a brand is setting itself unique and distinct as compared to its competitors. Brand positioning components are logos, packaging, brand perception, celebrity endorsement, brand association and brand essence. In order to position itself successfully brands should be focused, different and relevant. The objective of the current study is to examine the brand positioning strategies of personal care product category with special reference to Lux.*

*The study also aims to develop and standardize a scale to evaluate brand positioning strategies. It explores the factors and preferences that induces consumer to buy the products, considering the brand positioning in today's digitized world. The study was exploratory in nature and the sample size includes 150 respondents. Validity, reliability, item to total correlation and factor analysis resulted in to four factors viz Current Positioning, Media Planning, Value proposition and Quality proposition.*

**Keywords:** Brand positioning, personal care products, customer preference, value proposition, quality.

### **INTRODUCTION**

With the growth in digitization, globalization and India's remarkable achievements in international beauty pageants, personal care industry is flourishing in India. New product introduction is now a trend and all credit goes to the rising number of players from both domestic as well as international markets. With high potential backed by high growth rate, India has always been the most preferred destination of MNCs for doing business. Few major other factors contributing the growth of personal care industry in India includes growth in organized retail sector, increase working women percentage, changing spending and lifestyle patterns,

\* MMS 2<sup>nd</sup> year Student, Durgadevi Saraf Institute of Management Studies, Mumbai

\*\* Assistant Professor, DurgaDevi Saraf Institute of Management Studies, Mumbai

higher disposable income and preferences for branded luxurious and lifestyle oriented products.

The products under personal care industry include cosmetics and personal hygiene products. Some of the products that are included in personal care are wet wipes, toothpaste, toilet paper, talcum powder, moisturizer, shaving cream, razors, perfumes, pomade, nail files, makeup, lotion, lipstick, lip gloss, hair clippers, facial tissue, eye liner, deodorant, cotton pads, cotton swabs, colognes, and cleansing pods. Organic and herbal personal care products are the new and emerging category in personal care products. Trend is now moving from functional products to more specialized and advanced products. The domestic market for personal care products is projected to grow at a CAGR of around 22% during the period 2017-2020 (ASSOCHAM, 2017). Currently, India accounts for a share of just over 1% of total global personal care, cosmetics and cosmeceutical market. This share is projected to grow extensively over the next 5 years.

Brand positioning is a major decision in marketing that seeks to build an image of a product in consumer's mind. It is a function of the brand's promise and comparison with other choices with regard to quality, innovation, perceived leadership, value, prestige, trust, safety, reliability, performance, convenience, concern for customers, social responsibility, and technological superiority and so on. According to Ries and Trout (1969), positioning is a concept that creates the perception of a product, brand or identity. Positioning refers to a product's image in consumers mind as compared to its competitors. Brand positioning is the collation of all activities that position the brand in the mind of the customer vis-à-vis its competition. Marketing efforts coupled with product attributes will make the product a leader in the market. According to Ambler (1992) brand from a consumer-oriented approach is the promise of the bundles of attributes that a consumer buys and provides satisfaction. The attributes that make up a brand may be real or illusory, rational or emotional, tangible or invisible. Sengupta (1998) pointed out that positioning strategies require that the brands to define brand's identity, lineage, or family; functional capabilities of the brand; the consumer

segment that the brand serves best and powerful reasons to choose this brand rather than an alternative brand.

Kotler, Adam, Brown and Armstrong (2001) defined brand as a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. The legal term for brand is trademark (AMA 2009). Kotler (2002) aptly defined “positioning is the act of designing the company’s offering and image to occupy a meaningful and distinct position in the mind of the target customers”. Ries and Trout (1997) suggested that, to succeed in the competitive market, a brand should position the brand in the target consumer’s mind in a way that their perception of the brand is distinctive and offers more customer value than its competitors do. Sridhar (2006) suggested that a strong brand position refers to a unique, credible, sustainable and valued place with the customers. A brand name creates remembrance and a sense of recall for the mass public and such kind of brands are able to compete in the market. Few authors indicated that the quality of a product, prices charged, methods of distribution, image, communication tactics, and other factors create positioning and are, in turn affected by the brand’s position. Ries and Trout (1969) define positioning as “an organized system for finding a window in the mind. It is based on the concept that communication can only take place at the right time and under the right circumstances.”

## **RATIONALE AND OBJECTIVES**

Brand positioning of personal care products is still an unexplored area specifically in Indian context. Existing literature on brand positioning lacks understanding about the specific characteristics and strategies of building brands in FMCG, specifically in personal care sector. The present study attempts to fill this gap.

The objective of the study is to develop and standardize a scale to evaluate brand positioning strategies of a brand. It also aims to understand the factors and preferences that induce consumers to buy the products, considering the brand positioning in the minds of the consumers.

## **METHODOLOGY AND DESIGN**

***The Study:*** The study is exploratory in nature. Online survey method has been used as a tool for data Collection. It aims to examine the brand positioning strategies of personal care product category with special reference to Lux, as perceived by the customers. It also aims to develop and standardize a scale to measure Brand Positioning.

***The Sample:*** The non-probability purposive technique of sampling was used to collect the data. Demographics of the respondents were also recorded. The sampling element for the study was individual customer of soaps category. The sample included 150 respondents who have seen tv commercial, print ads, Instagram and Facebook ads, story ads and also who use Lux Products. Both male and female respondents from Mumbai city were included.

***Data Collection:*** Data was collected through self-designed questionnaire, comprised of total 14 items. All these 14 items were presented on a 5 point Likert type of scale wherein 5 indicated strongly agree and 1 indicated strongly disagree. It was presented to a sample of 150 respondents. The collected data was also screened for the response error.

***Data Analysis:*** To ensure the internal consistency of all the items of Brand Positioning, item to total correlation was carried out. Pearson correlation was applied between the item scores and the total scores, for all the items of brand positioning . The questionnaire was then checked for the Validity and Reliability. Cronbach's Alpha reliability coefficient measure was calculated. After this Factor Analysis using principal component extraction method with varimax rotation was carried out so as to identify the factors of Brand Positioning. Bartlett's test for sphericity and the

Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was also applied along with factor analysis.

## Results and Discussion

**Item to Total Correlation:** The consistency of all the statements in the questionnaire of Brand positioning was checked through item to total correlation. For this Pearson Correlation was applied. In this, co-relation of every item with total was measured and the computed value was compared with the standard value of  $r_{150} = .1590$ . Since all the measures were having item to total correlation higher than the standard value so none of the item was declared as inconsistent or dropped from the questionnaire. This means that all the items in the scale contribute significantly to the Brand Positioning variable.

**Table: Showing Pearson Correlation values**

No.	Statements	Value	Consistency	Accepted / Dropped
1	Quality influences my purchase.	0.5148	Consistent	Accepted
2	I consider Fragrances while purchasing	0.588	Consistent	Accepted
3	Varied number of product assortments.	0.5785	Consistent	Accepted
4	Value for money.	0.6133	Consistent	Accepted
5	Product packaging influences my purchase.	0.4654	Consistent	Accepted
6	I do consider promotional offers	0.391	Consistent	Accepted
7	The product deliverables and offerings are at par	0.6021	Consistent	Accepted
8	This product actually enhances my beauty	0.3933	Consistent	Accepted
9	Soft and healthy skin.	0.5153	Consistent	Accepted
10	The advertisements seizes my attention	0.6884	Consistent	Accepted
11	Advertisement creative and unique.	0.588	Consistent	Accepted
12	Well established social media presence	0.4746	Consistent	Accepted
13	Celebrity endorsements are impactful	0.5394	Consistent	Accepted
14	Distinct image as compared to its competitors.	0.5553	Consistent	Accepted

**Validity Test:** After the thorough review of literature and experts guidance, the face validity of the paper was found good as the instrument contains a representative sample of the universe of the subject matter. It adequately covers all the topics of the relevant dimensions. A high validity was ensured by a careful definition of the topic and right selection of items to be scaled.

**Reliability Test:** The reliability of Brand Positioning was computed using SPSS20 software. Cronbach's Alpha reliability Coefficient was computed to calculate the reliability of all items in the questionnaire. It can be seen from the above statistics that the reliability measure for Brand Positioning variables is higher than the standard value of 0.7, so it can be said that all the items in the questionnaire are highly reliable.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.798	.802	14

**Factor analysis:**

The Principal Component Factor Analysis was applied with Varimax Rotation so as to identify the underlying factors of Brand Positioning variable. Before proceeding for factor analysis, the raw data was checked for sampling adequacy and sphericity. The positive result shows application of factor analysis is appropriate. For Brand Positioning the KMO measure was 0.790 which is more than 0.5 indicating that the sample is adequate for the application of factor analysis. The Bartlett's Test of Sphericity was tested through Chi-Square test, significant at 0% level of significance. Its associated probability is .000 and is less than 0.05 indicating that the data has low or no sphericity. Bartlett's Test of Sphericity is significant this means that the correlation matrix is not an identity matrix. Thus the data collected for the Brand Positioning is suitable for undertaking factor analysis.

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.790
Bartlett's Test of Sphericity	Approx. Chi-Square	576.053
	df	91
	Sig.	.000

The Factor Analysis with Principal Component Method and Varimax Rotation was applied. The raw scores of the 14 items of the Brand Positioning comprised of four factors namely Current Positioning, Media Planning, Value proposition and Quality proposition.

**Rotated Component Matrix<sup>a</sup>**

	Component			
	1	2	3	4
Fragrances	.787			
Assortments	.716			
Packaging	.582			
Advertisement_Attention	.564	.360		
Value_for_Money	.545		.345	
Social_media_presence		.788		
TV_Advertisement		.762		
Distinct_Image		.641		
Celebrity_Endorsements	.401	.549		
Product_deliverables_offerings		.448		.335
Beauty			.850	
Healthy_soft_skin			.809	
Promotional_Offers				.878
Quality	.455			.520

Extraction Method: Principal Component Analysis.  
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Factor 1: Current Positioning: The factor comprises of five variables. The variables being Fragrances (.787), Assortments(.716), Product Packaging(.582), Advertisement Attention (.564), Value for Money(.545)

Factor 2: Media Planning: The factor comprises of Five variables. The variables being Social Media Presence(.788), TV Advertisement(.762), Distinct Image(.641), Celebrity Endorsements(.549), Product Deliverables at par with Product Offerings(.448).

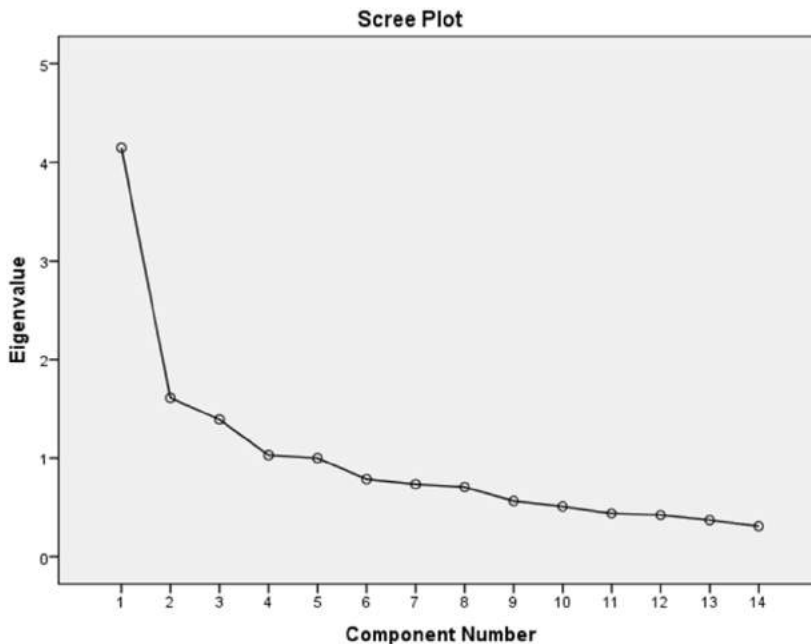
Factor 3: Value proposition: The Factor comprises of two variables. The variables being Beauty(.850) and Healthy soft skin(.809)

Factor 4: Quality proposition: The factor comprises of two variables. The variables being Promotional offers(.878) and Quality(.520)

Factor Name	Eigen Values			Variable Covered	Factor Loading (Rotated Component Matrix)
	Total	%Variance	%Cumulative		
Current positioning	4.149	29.632	29.632	-Fragrances -Assortments -Product -Packaging -Advertisement -Attention -Value for Money	.787 .716 .582 .564 .545
Media Planning	1.609	11.493	41.125	-Social Media Presence -TV Advertisement -Distinct Image -Celebrity Endorsements -Product Deliverables at par with Product Offerings	.788 .762 .641 .549 .448
Value proposition	1.390	9.928	51.053	-Beauty -Healthy Soft skin	.850 .809
Quality Proposition	1.029	7.348	58.401	-Promotional Offers -Quality	.878 .520

**Scree plot:** The scree plot graphs the Eigen value against the factor number or component number. It tells the number of factors that can be retained for analysis. One rule is to consider only those with Eigen values over 1.





Another rule is to plot all the Eigen values in their decreasing order. The plot looks like the side of a mountain. Scree graph plots all the Eigen values in the decreasing order of their magnitude. It helps to visualize the relative importance of the factors. A sharp drop in the plot signals that subsequent factors are ignorable. It can be seen from the following graph that the slope is falling till the Fourth factor. From the Fourth factor on, the line is almost flat, meaning the each successive factor is accounting for smaller and smaller amount of the total variance.

Fuchs and Diamantopoulos (2010) studied the effectiveness of brand-positioning strategies from a consumer perspective and the criterion was analyzing brand favorability, differentiation, and credibility considering specific brand, product category and socio-demographic influences. Result reflects that there is no specific strategy that outperforms all the others on all dimensions. That means all strategies vary under all situations. Also, benefit-based positioning and user positioning generally outperform feature-based positioning strategies. Mann and Mandeep (2013) conducted content analysis of the branding

strategies of FMCG, services and durables and found that strategies differ across all the three sectors. Yet corporate branding was found to be common across all sectors. For durable products and services, single corporate brand strategy was more common. For FMCG product organizations and services organizations, individual branding endorsed by the corporate branding was more popular. It was also concluded that organizations are now focusing more on leveraging brand equity.

Jalkala and Keränen (2014) explored Brand positioning strategies of industrial firms which were into providing customer solutions and stated that while competitor and customer analysis are an integral part of every brand positioning process they are not enough though. Companies must understand customers buying process, usage and their feedback on product's offerings and attributes, in order to develop effective brand positioning strategies. Emphasis should be on integrating product and service offerings to position a brand effectively specially in B2B context. Also him the firms should be total solutions provider rather than just a solution provider. The study concluded that customer value diagnostic, global solution integrator, high quality sub-systems provider and long-term service partner are the majorly used positioning strategies in this sector. They also concluded that delivering customer value should be the prime objective followed by acquiring or developing capability configurations should be focused which differentiate the brand positioning of the firm from that of competitors. Singh et al (2014) explored the customer's perception towards brand positioning strategies with special reference to cobranding. They conducted a study to analyze the impact of perceptions of parent brands' positioning on consumers' perceptions of cobrand. The results indicated brand positioning as a strong reflection of consumer evaluation of cobrands. Also positioning perceptions of partner brands are positively related to cobrand positioning perceptions. In addition, pre-alliance positioning significantly relate to post-alliance positioning, confirming cobranding as a viable strategy for partner brands.

Web searches reveal a lot about customer's preferences for a product or a brand. Many researches have been done by google trend analysis to

establish relationships among product brands as well as those between product brands and product attributes. Jun and Park (2017) conducted a study to explore customer's perception regarding product brand by analyzing search traffic by the customers. According to them the search behavior traffic can reveal a lot about the brand positioning and brand-attribute associations of consumers. Shams (2015) explored the understanding of stakeholder relationships, interactions, their subsequent relational dimensions and its impact on stakeholders' perceptions towards brand positioning. The finding reveals eleven relationship marketing dimensions.

Doyle(1975) stated that multi-dimensional scaling offers a useful approach to the brand-positioning problem. In his study he found that most brands compete in well-established markets. The study also emphasizes on the importance of understanding existing markets and consumers preferences in advance as the customer perception is heterogeneous. Sagar et al (2011) stated that ethics can be used as a product differentiator and can create a strategic advantage. They introduced the ethical positioning index an innovative ranking scale based on the ethical issues in brand positioning. Five basic elements of brand positioning, brand identity, brand image, brand personality, brand awareness and brand communication are blended with the three basic elements of ethics viz beliefs, values, symbols and customs to create better brand positioning.

In the context of global brand positioning, Gammoh et al (2011) examined the impact of global consumer culture positioning to that of local consumer culture positioning strategies on consumer evaluations of a fictitious brand. The focus was to be identified in global marketplace. It was found that such strategies were effective in improving respondent's attitudinal behavior towards the fictitious brand. Lee and Liao (2009) conducted a study to understand consumer preferences and perceptions of brand positioning strategies of Chinese tea beverages. They stated that organizations use strategies such as quenching thirst, attractive advertising, or reliable quality to develop their positions. Also brand positioning aimed at consumers remembering particular information

conveyed by the brand. This was the core of developing brand positioning strategies.

## **CONCLUSION AND RECOMMENDATIONS**

The study has resulted into the development of a administrable scale for the measurement of effectiveness of brand positioning strategies. The scale was standardized and then used for the study. The standardization procedure resulted into 14 items for brand positioning. The study has resulted in the constituting factors for brand positioning. The raw scores of the 14 items of brand positioning revealed four factors viz. Current Positioning, Media Planning, Value proposition and Quality proposition.

To gain a competitive advantage, individual company wise study application should be done. Also one product category i.e. personal care products been considered. The same study can be conducted for a many other product categories as well. The study was confined to Mumbai city only. A bigger sample across various cities would generate better results. Time was another constraint for the research. Further financial, legal, and social impacts can also be explored. There are various demographic variables and psychographic variables which may affect the perception towards brand positioning. This can be explored further to have precise results. Various combinations of these variables may generate newer results. The study can be extended by linking brand positioning with market segmentation. This will generate effective guidelines for the design and coordination of a brand positioning strategy.

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