

# Positioning of bmw in the mauritian car market marketing essay

[Business](#), [Marketing](#)



The main objective of this study is to summarise the evaluation of BMW as one of the different car brands available in Mauritius. The points that are to be analysed are as follows:-To evaluate the extent to which Mauritians know about the BMW car brand. To study where the BMW car brand is currently located on the list of choice of customers as compared to direct competitors. To examine the degree to which the current positioning of BMW based on the perceptions of Mauritians is consistent with the position Leal & Co Ltd wants to achieve. To study how different characteristics (attributes) can be categorised relative to their importance in the buying decision process.

## **CHAPTER 3: LITERATURE REVIEW**

This chapter reviews the literature pertaining to the different topics relevant for this study. First of all, this research is about the study of the car industry thus making the definition of a car necessary. A car is a vehicle with the primary purpose of transporting persons and goods from one destination to another. A car can be in the form of sedans and hatch-backs.

### **3. 1 BRANDING**

The BMW car brand should be studied well together with its different definitions in order to get a better picture on its positioning.

#### **3. 1. 1Brand Definition**

The American Marketing Association (AMA) cites the following in Keller (2003, p. 3) pertaining to a brand:" A brand is a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller and to differentiate them from those of competitors". However,

achieving distinctiveness among the goods and services is not an easy task because it involves many procedures. Furthermore, Seetharam (2001) states that a brand is an "asset that does not have physical existence and the value which cannot be determined exactly unless it becomes the subject of a specific business transaction of sales and acquisition". For the a business to survive and to be successful in this fierce competition market, brands are important and in addition to that, they should be understood well for better management. (Leiser, 2004)Moreover, a brand can be understood as being an identity attached to a product fir it to be recognised amongst the different existing products. Furthermore in branding, there are also many other factors related and they are explained as follows:-

### **3. 1. 2Brand Identity**

In this study, a broad definition of brand identity is necessary since the BMW car brand should be identified first on the Mauritian car market. Only then will different proper conclusions be drawn. Often, a firm identifies itself by its brand identity. The firm may bring products on the market with different characteristics as compared to other brands in order for identification. As Nandan (2005) implies, a firm often communicates its identity to different persons concerned with the business by using its branding strategy. For example, the Toyota car company can use the " hybrid" attribute of its latest car namely the " Toyota Prius" to inform its customers the features of the brand; being eco-friendly.

### 3. 1. 3 Brand Knowledge

It is fundamental for a good understanding of the content and structure of brand knowledge since it has an influence on the opinion that a consumer will have about a brand (Keller 1993). In this case, brand knowledge is important since it will help to understand what really affects the perception of Mauritians on the BMW car brand and the automobile industry in general. Furthermore, brand knowledge can be sub-divided into brand awareness and brand image (Grace & O’Cass, 2002) as shown in Figure 3. 1. Brand KnowledgeBrand AwarenessBrand ImageBrand RecallBrand RecognitionStrength of Brand AssociationUniqueness of Brand AssociationFavourability of Brand AssociationTypes of Brand Associations

### Figure 3. 1 Dimensions of Brand Knowledge

Source: Keller (1993, pp 7)

### 3. 1. 4Brand Awareness

" Brand awareness relates to the trace in memory, which is reflected by the consumer’s ability to identify the brand under different conditions" (Keller, 1993). In addition to that, it can be defined that brand awareness is the ability of a customer to recall or recognise that a brand forms part of a product category (Aaker, 1991), hence pulling the attributes of brand awareness namely brand recall and brand recognition. Moreover, brand recall is the ability of the customer to remember a particular brand when talking about a particular category of products (Keller, 2003). For example, when talking about high prestige and powerful classic cars in Mauritius, the BMW car brand automatically comes to many persons’ minds. In addition,

when talking about rally cars, consumers associate the 'Subaru' car brand to the rally events. On the other side of the coin, brand recognition is the 'consumer's ability to confirm prior exposure to the brand when given the brand as a cue'. Hence, brand recognition is when the buyers correctly discriminate the brand as they have seen or heard it before. (Keller, 2003). For example, brand recognition is when a person realises that he/she has ever seen or heard of the new emerging car brand namely Kia.

### **3. 1. 5Brand Image**

Brand image is how a consumer perceive a brand name holding in mind the brand association. Aaker (1992) defined brand image as 'a set of association usually organized in a meaningful way'. Brand image refers to the fact about how a consumer perceive a brand as compared to brand identity where is assumed as to how the firm strives for its identification. Brand image is important in this field of research since the brand image of a brand will help to understand the perception Mauritians have on the BMW car brand and as a result, it will be easier to determine the position of BMW vis-à-vis other competing brands and to decide on the corrective measures that should be taken it needed. However, Nandan (2005) illustrates as to how brand image and brand identity differs as it is shown in the table below. However, the difference between these two is known as the perfection gap as it will be explained later in this chapter itself.

## Brand Image

### Brand Identity

Focuses on receiver and target audience  
 Designed based on consumer's perception  
 Decoded by brand receiver  
 Image is received/perceived  
 Focuses on the firm  
 Designed by managerial activities  
 Encoded by brand originator  
 Identity is sent

### Table 3. 1: Differences between brand image and brand identity

#### 3. 1. 6 Brand associations

There are many factors associated to a brand, hence the name ' Brand Associations'. In this case, a BMW car has many characteristics different from other cars, thus extra-benefits will be derived and influencing brand attitude as a result. Brand association refers to ' informational nodes linked to the brand node in memory and contain the meaning of a brand for a consumer'. However, ' the favourability, strength, and uniqueness of brand association are the dimensions distinguishing brand knowledge that play a vital role in determining the differential response that makes up brand equity' (Keller 1993, pp 4). Moreover, brand association are meant for creating positive attitude and addresses to the differentiation reinforcement bearing in mind its attributes and benefits (Graham et al, 1994, pp 33). Furthermore, brand associations can be categorised based on the relative amount of information they hold, their product relatedness and whether it refers to attributes considered essential by consumers ( de Chernatony & McDonald, 2003).

Brand associations can therefore be categorised into three main groups namely attributes, benefits and attitudes.

### **3. 1. 6. 1 Attributes**

Attributes of a car are its characteristics and features and subsequently having a good knowledge on its attributes is really important when evaluating different car brands. Attributes can be further divided into product-related and non-product related attributes. Keller (1993) assumes that attributes are ‘ those descriptive features that characterize o product or service, what a consumer thinks a product or service is or has and what is involved with its purchase or consumption’. Product-related attributes are those which concern the physical layout, that is, its physical characteristics (Pitta & Katsanis, 1995). For example, the product-related attributes for a car are its comfort, design, power, etc. Non product-related attributes are those ‘ external aspects of the product or service that relate to its purchase or consumption’ (Keller, 1993). Non product-related attributes include the price of the product, its packaging (product appearance information), user/usage imagery and its brand personality.

### **Price information**

When buying a car or any other high valued product, its price plays a vital role. The price of a commodity is an important attribute since many consumers thinks that the price and the value of a particular product is closely related, they assume that high priced products and are of high value and in turn, of high quality which will increase their satisfaction. Car brand

name	Cheapest	Most expensive	Model	Price range	Model	Price
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MercedesBMW. VolkswagenNissanToyotaC- Class3

SeriesPoloMicraYarisRs 2, 000, 000 - Rs 3, 500, 000Rs 2, 205, 000 - Rs 2, 544, 000Rs 800, 000 - Rs 930, 000Rs 659, 680 - Rs 728, 840Rs 825, 000 - Rs 895, 230S - Class5 SeriesPassatZ-seriesCorollaRs 7, 500, 000 - Rs 18, 000, 000Rs 3, 108, 000 - Rs 8. 696, 000Rs 2. 253, 000 - Rs 2, 449, 000Rs 3, 690, 000 - Rs 3, 950, 000Rs 990, 000 - Rs 1, 190, 000Source: Le Défi (2011)

## **Packaging or product appearance information**

The packaging normally communicates the brand image to the customer. It does not affect directly the performance of the product though it forms part of the purchase and it is as well consumed. For example in a BMW car, such an attribute could be its " angel eyes" headlights. BMW cars are the first cars equipped with such headlights though it is only a décor, not essential for lighting up the road.

## **User/Usage Imagery**

This attributes addresses the questions to which the type of person who uses the persons the product or service will be known and also where and in what type of situations will the product or service be used. Moreover, people having a car like a BMW car can be recognised as being one with a considerable higher prestige/status as compared with a person having only a bike as a means of transport.

## **Brand Personality**

Having a good brand personality is really important whenever positioning a product. If not, re-positioning measures should be adopted. Keller (1993)



states that brands can also be based on personality traits. Brand personality is connected to the user and usage imagery. Moreover, the brand's emotional characteristics are represented by the metaphor of personality, which, amongst other sources, evolves from the brand's core values (Harris & de Chernatony, 2001). Such traits which are connected directly to the BMW brand can be the aggressive look (sporty) and technology advanced specially the M-series. Therefore the brand personality can also come from creative advertising or consumer inferences about the situation where the product or service will be used and who will use it (Pitta & Katsanis, 1995). In addition to that, consumers normally decide to use brands that already have a brand personality which is similar to their desired self-image (Keller, 1993).

### **3. 1. 6. 2 Benefits**

Benefits are the personal value consumers attach to the product or service attributes, that is what consumers think the product or service can do for them (Keller, 1993). Benefits like " hybrid" characteristics in a car can be of high importance to buyers since they will be saving on petrol. Moreover, benefits can be classified into three main sub groups namely: Functional, Experiential, and Symbolic.

#### **Functional Benefits**

Functional benefits are ' the more intrinsic advantages of product or service consumption and usually correspond to the product-related attributes' (Keller, 1993, pp 4). Therefore, such attributes are often linked to basic motivations such as physiological and safety needs as illustrated by Maslow (1970) at the very bottom of his pyramid indicating the hierarchy of needs.

For example in the case of a BMW car, such benefits are the safety issue and the overall performance of the car.

### **Experiential Benefits**

As the name suggests, these are the benefits related to experience. These benefits are the ones which will satisfy the experiential needs like deriving great sensory pleasure, variety and cognitive simulation while driving a BMW car.

### **Symbolic Benefits**

On the other hand, symbolic benefits refer to the extrinsic advantages of consuming the product or service as compared to the functional benefits. They are the non-related product attributes and relate to satisfying needs for social approval or personal expression and outer directed self-esteem (Keller, 1993). In this case, one fine example of symbolic benefit is the prestige and reputation a person gets when he/she travels by or drives a BMW car since a BMW car is considered to be a luxury one with a high attached to it.

### **3. 1. 6. 3 Brand Attitudes**

Brand attitude are defined as consumer's overall evaluation of a brand (Wilkie, 1986). Brand attitudes can be associated with product-related attributes, non-product related attributes, functional and experiential benefits, consistent with work on perceived quality (Zeithaml, 1988 and Keller, 1993). For example, since Kia is a new brand on the car market with a lower price as compared to other brands, a person may think that it will not

satisfy the needs of driver as existing brands would. This is a typical example of some person's attitudes towards new brands.

### **3. 1. 7 Favourability, Strength, and Uniqueness of Brand Association**

Brand associations are normally used for brand differentiation. Therefore, creating favourable brand associations will obviously result in a successful marketing program (Keller, 1993). In simpler terms, it means that a good attitude is developed concerning a particular brand since the consumer holds in mind that this brand has the positive attributes and benefits. However, these brand associations are strong only when the consumers maintain related information in a positive way as part of the brand image. Moreover, a brand association may be unique in its own way. For example, only brand association which is unique for Toyota and Honda cars for the time being is the 'Hybrid' structure. This feature is very strong since the world is going green and the 'Hybrid' technology favours that.

### **3. 1. 8 Brand Differentiation**

Nowadays in this era of global competition, it is important for a car manufacturer to differentiate its cars from others, hence arising the importance and use of brand associations. Car brands normally engage in differentiation in two ways: by providing a different proportion of product excellence to cost of ownership and by providing more or less performance across both attributes (Hirsh, Hedlund & Schweizer, 2003).

### **3. 1. 9 Brand Equity**

Keller (1993) defined brand equity as the ‘ differential effects of brand knowledge on consumer response to the marketing of the brand’. In addition to that, brand equity has further been defined as ‘ a set of associations and behaviours on the part of a brand’s consumers, channel members and parent corporation that enables a brand to earn greater volume or greater margin than it could without the brand name and, in addition, provides a strong, sustainable and differential advantage’ (Srivastava and Shocker cited in de Chernatony & McDonald, 2003). Since Aaker (1991) defines brand equity as a ‘ set of assets and liabilities linked to a brand’s name and symbol that adds to or subtract from the value provided by a product or service to a firm and/or that firm’s customers’, these mentioned assets can be further categorised into five sub-groups namely: brand loyalty, brand awareness, perceived quality, brand association, and other proprietary brand assets such as patents, trademarks and channel relationships.

### **3. 1. 10 Brand Trust**

Brand trust is achieved when the consumer is willing and able to count on a particular brand in order to derive the promised benefits and attributes (Chaudhuri and Holbrook, 2001). Moreover, Berry (1995) states that brand trust is essential for a customer to be loyal to the concerned brand. In simpler terms, brand trust is the driver to achieve brand loyalty. Many consumers do not search for full information about a particular brand before buying the product because they know that the product will satisfy their need, thus arising the importance of the concept of brand trust. For example,

a person may not need to enquire about the type of shock absorbers used by BMW before buying the car because he/she knows that BMW cars are recognised for its comfort without on-board shocks. It means that he/she has engaged himself in brand trust.

### **3. 1. 11 Brand Loyalty**

Upon trusting a brand and as a result, the brand succeeds in satisfying the consumer, now comes the concept of brand loyalty since the consumers will always be loyal to that particular brand. ' Brand loyalty is a measure of a consumer's attachment to a specific brand and is a function of several factors such as the perceived quality of the brand, its perceived value, its image, the trust placed in the brand and the commitment the consumer feels towards it' (de Chernatony & McDonald, 2003). Moreover, it is said that retaining customers is easier than attracting new ones, hence arising the importance of the brand loyalty issue. A positive post-purchase outcome as a result of customer satisfaction is gaining customer loyalty (Oh and Fiorito, 2002).

### **3. 1. 12 Brand Uncertainty**

Brand uncertainty arises when there is lack of information in the buyer' mind about a particular brand and as a result it affects brand evaluations ( Ghosh and Chakraborty, 2004; low and Lamb, 2000). Taking as example the BMW brand, lack of perfect information about the car attributes will have a negative impact on the brand attitude; buyers may consider switching to other brands where full information is available, thus leading to a decrease in

sales, market share and profitability levels. Thus it is important for a firm to provide as much information as possible.

### **3. 2 CONSUMER CHARACTERISTICS**

A clear study of consumer characteristics should be done so as to better know which of the characteristics should be influenced positively. The automobile industry is a dominant one where its end products, that is cars, they have different characteristics and features which buyers may use to evaluate a particular brand with respect to other competing brands, hence developing brand preference for a particular brand. A car is a good which a person will not buy every day, thus needing a good evaluation of the attributes. In simpler terms, consumer choice decisions for a car are more complex than decisions concerning other products that are cheaper and basic (Chao & Gupta, 1995). Furthermore, consumer characteristics can be further sub-divided into Attitudes, Motivation and finally Brands and Symbolism.

#### **3. 2. 1 Attitudes**

An attitude ' is a learned predisposition to behave in a considered favourable or unfavourable way with respect to a given object' (Schiffman et al, 1994). Attitudes are normally developed from past experience in many cases, for example if a person had a Toyota car previously and did not enjoy the comfort available, his/her attitude towards all Toyota cars in general will change and hence will influence his/her buying choice decisions the next time he/she will buy a car. However, attitudes are also developed based on prior information without self-experience, for example a person may learn

about the non-comfort experienced by his/her friend and as a result, the latter may develop a negative attitude without even sitting in a Toyota car. Furthermore, a buyer may have a positive attitude towards a particular brand but due to lack of funds, his/her buying choice decision may be influenced. Since marketers are more dedicated towards changing consumer attitudes, Schiffman & Kanuk (2002) put forward that among the attitude change strategies available to marketers are: 1. Changing the consumer's basic motivational function. 2. Associating the product with an admired group or event. 3. Resolving two conflicting attitudes. 4. Altering components of the multi-attribute model. 5. Changing consumer beliefs about competitor's brands.

### **3. 2. 2 Motivation and Values**

Motivation is really important when it comes to the purchase of a car. A car manufacturer should know what motivates a person to buy his car and as a result, he can lay more emphasis on developing and improving that particular attribute. Motivation is a driver in order to get things done. Man has unfulfilled needs that motivate them to act in order to fulfil them (Schiffman & Kanuk, 2002). One of the main factors influencing a buyer's choice decision is whether the chosen good or service will satisfy the desired need or want. Needs can be either functional or symbolic in most product categories, therefore brands can be positioned to satisfy either the functional needs or the symbolic needs (Bhat & Reddy, 1998).

### **3. 2. 3 Brands and Symbolism**

In the automobile industry, brands and symbolism is really important since each car model confers a particular message about the owner's prestige and status. Many persons choose a particular car brand in order to communicate something about the, whether their brand preferences or status. Brands are symbols helping to convey messages about the buyer or his prestige/status (de Chernatony and McDonald, 2003). For example, a labourer will not put in mind that he will buy a brand new BMW car with his small salary since a BMW car is viewed as an expensive car.

### **3. 2. 4 Perception**

Once again in this field of research, a broad knowledge on perception and its related topics are really important so as to know how Mauritians perceive BMW as a car brand in Mauritius. Perception is defined as the ' process by which an individual selects, organises and interpret stimuli into a meaningful and coherent picture of the world (Schiffman et al, 1994, pp 162). Here, the BMW car brand is a stimulus and when talking about a BMW car, a person may develop a want to have a BMW car whilst, it may have no effect on another person. Consumers are perceived in many ways, like using a large number of objective sources of information like product reviews, car reviews, word of mouth, pamphlets, car magazines and most important advertisements to supplement their direct product experience (Hirsh, Hedlund & Schweizer, 2003).



### **3. 2. 4. 1 Perception about BMW cars**

A BMW car is in most cases perceived as being an expensive and luxury car. Consumers view BMW cars as being up to the standard with no important attributes missing. Moreover, BMW cars are always equipped with the latest technology advances.

### **3. 2. 4. 2 Perception about the country of origin**

The country of origin that is where a car is manufactured or assembled plays a vital role in the buying decision process of a consumer. In Mauritius, many people have already developed the notion that cars going from Japan have better re-sale value than others and cars from Germany are more comfortable and durable. Furthermore, Germany has a standardized image with its reputation for manufacturing well designed and good performing cars (Al-Sulaiti & Baker, 1998).

### **3. 2. 4. 3 Perception about the brand origin**

Brand origin refers to the place where the headquarters of a particular brand is located or where the firm has started its operations. For example, since Mauritians perceives Toyota as a Japanese car brand which has a good re-sale value and is a good car, they do not bother about where the car has been assembled. Some Toyota cars are assembled in South Africa or Thailand but the spare parts come from Japan. All they care about is that they are buying a Japanese car irrespective of the country where the car has been assembled.

### **3. 3 POSITIONING**

This study is all about the positioning of BMW in the Mauritian car market, hence arises the need to evaluate the different positioning strategies and concepts, its importance and last but not least, the re-positioning concept.

#### **3. 3. 1 Definition**

Fifield (1998) points out that positioning is the designing an image and stressing on value on a particular brand so that the consumers pertaining to a particular targeted segment(s) knows what the firm and its brand(s) is worth as compared to its competitors. Ries & Trout cited in Boyd, Walker, Larréché (1998) that the positioning is usually seen as a creative process where a particular brand existing in a market where there are substitutes to that brand and how it can be given a distinctive position in the minds of targeted prospects. Positioning is what is done in the minds of prospective consumers through the various components of the market offering, so that a ladder is created in the mind of each consumer relating to each product category. (Darling, 2001). However, brand positioning is a ladder existing in the minds of buyers such that it is related to each product category, thus making customer's attitudes occupies an important role.

#### **3. 3. 2 Importance of positioning**

Positioning is important since it identifies the proper ' location' in the minds of consumers so that they think the product is the right one as compared to that of the competitors. (Keller, 2003). In addition to that, positioning helps to clarify what a brand is all about, how it is unique and why consumers should prefer that particular brand compared to the competitors. Moreover,

the positioning of a brand in a particular product category defines how similar or different the brand is perceived to be in relation to the other existing brands in that same product category. (Sujan and Bettman, 1989). Therefore, the important facet of brand positioning is to build a competitive advantage for that particular brand as compared to that of the competitors which will in turn be an attractive attribute for choosing that particular brand. (Keller, 1993).

### **3. 3. 3 Positioning and Marketing Strategy**

Fifield (1998) stresses out that positioning and marketing strategy goes hand in hand because of the fact that the whole marketing mix can be affected either positively or negatively by any positioning decisions. For example if BMW wants to attain a sporty and luxury position in the Mauritian car market, it should be noticed in every single aspect of the marketing mixes namely the price of the car, the way the car is being sold followed by the different advertisement styles and the after-sales services offered like car maintenance and servicing. As a result, the BMW cars can be priced using a different pricing strategy as compared to other car competing brands, its sales methods can be adapted to the Mauritian context, that is as per the demand of the cars prevailing and its promotion activities can be located in tuning or motor shows.

### **3. 3. 4 The Perfection Gap**

The perfection gap can be defined as the difference between the brand image and the brand identity, it occurs when consumers perceive a product/service in another way rather than the way the marketers want

them to perceive that particular product/service. However, perception gaps should be avoided in order to remain competitive. For example, brand image is all about the perception a consumer has on a car or any other products and brand identity is all about a firm wanting consumers to identify its cars or products. The Toyota car company strives to make its ' Toyota Prius' car identified as being eco-friendly but consumers view this car as being economical, meaning that they will not spend much on petrol. They just do not care about environmental factors; all they care about is their pockets.

### **3. 3. 5 Positioning Strategies**

There are six major positioning strategies and they are: Positioning by attribute or benefit; Positioning by price or quality; Positioning by use or application; Positioning by user; Positioning by product or service class; Positioning against competition; Attributes are normally the characteristics/features of a product. Normally in the automotive industry, the first three positioning strategies are often used. For example, BMW focuses on stability and handling which means that it has adopted a positioning by attribute strategy. Another example of such a strategy is the case where it focuses on its headlights. BMW has invented the ' angel eyes' headlights where it consists of a led ring bulb located inside the headlights itself for exterior beauty designs. Nowadays on Mauritius, Kia is adopting a positioning by price/quality strategy where Kia cars are being sold far away more cheaply than other car brands and it also focuses on its quality.

### 3. 3. 6 Positioning Concepts

There are three main positioning concepts: 3. 3. 6. 1 Functional

Positioning Functional positioning refers to the fact that a car can be positioned in such a way that it serves a particular function or it serves certain benefits to consumers. Functional brands stresses on technical attributes and mainly solve externally generated consumption needs (de Chernatony & McDonald, 2003). However, many brands position their cars based on functional dimensions like need for transportation, safety and reliability. For example, ABC motors has positioned its Nissan lorries, also known as ' UD trucks' as being the best in Mauritius because of its high loading capacities and unloading features. In other words, ABC motors has used functional positioning to influence the image of ' UD trucks' in the minds of lorry drivers. 3. 3. 6. 2 Symbolic Positioning A symbolic positioning concept is best used in the automobile industry (for some cases) where it fulfils the top most need in the hierarchy of needs proposed by Abraham Maslow, that is the self-actualisation needs. Moreover, symbolic positions can be attached to particular brands. For instance, a BMW or Mercedes car can enhance the self-image of its driver/owner. Thus, consumers may value the prestige, exclusivity, or fashionability of a brand because of how it relates to their self-concept (Keller, 2003). Therefore, a brand using the symbolic positioning concept is designed in order to associate the consumer with a particular peer group or status (Keller, 2003). For example, a person owning a latest BMW car can be associated to the high class living people. 3. 3. 6. 3 Experiential Positioning Experiential positioning is meant to satisfy experiential needs like sight, taste, smell, sound or feel and cognitive

simulation (Keller, 2003). For instance, characteristics like 'comfortable' and 'safe' pertains to the feelings of what it feels to drive the car. For example, Mercedes has introduced the E-class Mercedes cars which is far more comfortable and has greater handling security as compared to the Nissan cars. ABC motors markets both Mercedes and Nissan cars but in other words, the Mercedes department has stressed on its unique attributes to position its cars via experiential positioning as compared to the Nissan department. Furthermore, a marketer may make use of all the three positioning concepts altogether in order to devise a reliable positioning strategy. Nowadays, mostly all car brands stresses on handling, eco-friendly and safety features, thus it won't be a good base for attaining brand loyalty since they can be easily copied. Among the three positioning concepts listed above, de Chernatony et al. (2003) points out that using symbolic positioning is far better to differentiate products/services as compared to functional positioning. However, to avoid the three main positioning errors, a firm must be on its guard whenever crafting its positioning strategy.

### **3. 3. 7 Positioning errors**

3. 3. 7. 1 Under Positioning This occurs when the positioning of a product is too simple, that is the consumers do not really have correct reliable information about that particular brand. In many cases, they do not see the differences when compared with other brands since the products are not shown to be unique in some way or the other. 3. 3. 7. 2 Over Positioning This happens when the organisation has put excessive focus and efforts on its positioning strategy in order to differentiate its products from others. In

many instances, the consumers may perceive the firm's products as being too different from other brands and may think that these products will not satisfy their needs as others will. 3. 3. 7. 3 Confused PositioningIt often happens when consumers do not see what the brand is really aiming at and do not see its differences from other brands. For example, BMW may aim to position its cars as being really comfortable. But nowadays, consumers view all car models as being comfortable.

### **3. 3. 8 Repositioning**

Repositioning pertains to the process of making changes to the controllable aspects of the marketing offering, thus changing the basis of customer evaluation of the brand (Adcock, Bradfield, Halborg & Ross, 1998). As Temporal (2002) states, there are eight main reasons why companies attempt to reposition their brands. These are where there is a: Poor or tarnished image; Fuzzy, blurred image; Change in target audience, or in their needs and wants; Change in strategic direction; New or revitalized corporate personality/identity; Change in competitor positioning or new competitors; Momentous event; Rediscovery of lost values. For instance, the Hyundai car brand has re-positioned itself as a luxury car brand by introducing the new ' Hyundai Sonata'. Previously, Hyundai was considered to be an average performing and not-so comfortable car but nowadays due to its latest models equipped with latest technology, it has attained a new position in consumer's minds.

### **3. 3. 9 Positioning Statement**

A positioning statement is more or less similar to a mission statement of a company but it stresses on the market targeted and the perceptions that consumers will have on their products. According to Myron & Truax (1996), a positioning strategy consists of four main parts namely: A target marketYour product or serviceA frame of reference or categoryYour point of difference or uniqueness. Moreover, a positioning statement is essential if the company is to keep messages clear and develop a consistent image and position (Temporal, 2002). The positioning statement of BMW is ' the ultimate driving machine'.

### **3. 3. 10 Communication of the Brand Positioning**

After positioning or repositioning, the new position of a brand should made public to its target market. In addition to that, positioning a brand is successful when all the marketing mixes have been referred to and used. Moreover, brand-based communication means determining the right mix of communication vehicles to maximise the brand's potential (Davis, 2000). For example, Honda has re-positioned its company as being eco-friendly by bringing on the market the ' Honda Hybrid'. This car uses saved energy on a battery rather than using petrol for short kilometres. Therefore, the Honda car company should advertise its cars in such a way that consumers know the company has engaged itself in Corporate Social Responsibility (CSR), meaning that it cares for the environment and planet. It may take advantage of public events like ' Environmental or Green day' to promote the ' Honda Hybrid'.