BRAND POSITIONING AND MARKETING WELLNESS OF FOOD AND BEVERAGE FIRMS IN RIVERS STATE

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ABSTRACT

This study examined the relationship between brand positioning and marketing wellness of food and beverage firms in Rivers State. The study adopted a correlational design. The population of study comprised 24 food and beverage firms in Rivers State. The study took a census. 192 copies of structured questionnaire were distributed; while 175 copies were retrieved. However, 168 copies were found useful for analysis. Spearman's Rank Order Correlation served as test statistic. The analysis revealed that a positive and statistically significant relationship exists between brand positioning and marketing wellness in terms of new product success and customer retention. The study concluded that brand positioning informs marketing wellness of food and beverage firms in Rivers State; and recommends that food and beverage firms that seek improved marketing wellness should ensure that their brands are well-positioned to attract customers.
Keywords: Brand positioning, customer retention, marketing wellness, new product success

INTRODUCTION

A pervasive practice in today's competitive business world is that of creating desired imagery for a firm and its products; and making efforts to occupy a preferred place in the minds of consumers, through deliberately conceived and crafted marketing messages. In marketing discourse, this is termed "positioning." In recognition of the value and strength of positioning, managers develop products, brand them and then, position not only product, but also corporate enterprise, in order to remain relevant and competitive; and occupy domineering market postures, achieve visibility, enhance their reputation and control their industry (Edema & Ezute, 2014).

Fayvishenko (2018) argue that a carefully considered positioning strategy provide direction for new products, market expansion, communication, product pricing and distribution channel selection. In positioning, the firm attempts to create an image, distinctive properties, positive associations and values in consumers' minds so as to induce brand attachment and earn sustainable competitive advantage (Trust, 2003; 2003). Positioning begins with designing a trademark position (Davis, 2001). Though it is difficult to specify the essence of positioning when its ultimate goal is not clearly understood, it is important to form a complete idea of the positioning, and to determine the ideal position a brand aspires to occupy.

Brand positioning can enhance marketing wellness of a firm. Marketing wellness is regarded as the health of a firm in terms of the outcome of its marketing programme and activities measured against stated marketing objectives or compared to the health of competing firms (Ateke & Kalu, 2016). Buzzel et al. (2005) opined that marketing wellness assesses the contributions of the firm's marketing efforts to its corporate objectives, and may be measured through market share, sales growth, customer retention, new product success etc.

Various studies have been conducted on brand positioning to determine its contribution to different aspects of marketing performance. However, most of the studies are either conceptual in nature, conducted in foreign business contexts, or focused on aspects of marketing outcome, different than customer retention and new product success. Edema and Ezute (2014) explored branding and brand positioning as corporate strategies. Fayvishenko (2018) examined how brands are formed and what constitute brand positioning. Sujoin et al. (1989) examined the effect of brand positioning on consumers' perceptions.

In Ateke and Akani (2018), the nexus between brand positioning and marketing wellness of deposit money banks was examined; while Ateke and Nwulu (2018) examined corporate branding and marketing success of quick service restaurants. However, none of these studies examined brand positioning and marketing wellness of food and beverages firms in Rivers State. Thus, this paper seeks to join the discourse on brand positioning by examining the link between the variables among food and beverages firms in Rivers State.

LITERATURE REVIEW

Theoretical Foundation

This study is rooted in the resource-based theory (Barney, 1991; Wernerfelt, 1984) which suggests that a firm's competitive advantage derives from its assets or resources. In this study, we argue that brands constitute intangible market-based assets that firms can exploit for improved performance. Resource-based theory deals with identification of firms' unique resources, and deciding the markets in which those resources can earn the highest rents. These decisions according to resource-based theory include deciding whether the rents from those assets are being utilized or need to be sold out.

Resource-based theory assumes that a firm's performance is determined primarily, by the resources it possessed, and that these resources contribute to sustainable competitive advantage. This theory is relevant and fits the present study as it relates to the treatment variable of the study (brand positioning). A brand is a valuable organisational resource (Florin, 2007; Davis, 2000). It therefore means that if food and beverages firms position their brands in ways that signal meaning to and value to customers in terms of functionality, relevance, and differentiation; then customers will patronize and remain loyal to the brand, and have the brand in their minds; thus enable the firm to achieve improved marketing wellness.

Concept of Brand Positioning

Ateke and Akani (2018) states that firms operating in volatile markets have a need to increase demand for their products; and that it is necessary for firms and their products to be perceived as unique and contrastable from competitors and their products. As the challenge to win a "top of mind" or "top of choice" position in consumers' minds remain intense, brand positioning will remain a go-to-market strategy for firms (Ateke & Nwulu, 2018).

Brand positioning is the process by which marketers seek to create a distinguishing image for themselves and their products in the minds of their target market (). It involves carving a niche in the minds of the target audience in a way that the firm or its product is perceived to assist consumers in solving their problems better than those of competing brands (Nwulu & Ateke, 2013). Brand positioning also represent marketing effort aimed at placing the brand in a distinct position in the minds of the customers, relative to competing brands. Firms evoke brand positioning by emphasizing the uniqueness of their products and by creating a desired image through marketing communication (Ateke & Akani, 2018).

Brand play essential roles in the current era of intense global competition (Kotler & Armstrong, 2004; Einwiller, 2001). The proliferation of products is on the increase, and markets have become overly saturated. Hence, firms find it compelling to create "symbolic" meaning represent their products. Firms use the instrumentality brands to demonstrate their uniqueness and that of their products; and to stand out from competitors. To consumers, brands facilitate recognition and recall of marketing messages (Aaker & Keller, 1990).

In the view of Alfred and Ezute (2014) brand positioning is philosophically noted in product design as a process of thinking about how to give birth to something people would require, desire, accept and connected to a product. Designing a product is both cognitive and specific. Cognitive in the sense of the level of deep mental imaginations, conception, vague, visual thinking and hypothetical planning (McEwen, 2004); and specific in the sense that all the mental troubles transform and manifest via psychomotor effects into tangible products (Temporal, 2002; Aaker, 1996).

These products are given common name, selected, treated, differentiated and presented to attract a user group, who pay for all the efforts to derive their own pleasure and satisfaction. This process of turning general products into specific ones birthed the idea brand and branding (McEweren, 2004). Edema and Ezute (2014) and McEweren (2004) states that a product is branded when it has been extracted from generic a group and processed into a specific form. This branding process is made up of selecting a name, either in one word or combination of words, such as Pepsi, Panadol extra, Guinness Extra Smooth etc. to describe its specificity in the market it serves (Cannon, 1980).

Belch and Belch (2001) said brand positioning play important roles in keeping a brand on track towards its destination. A brand becomes positioned when it is recognized by buyers and users in the marketplace (Guidry, 2011; Ellwood, 2009). The major goal is to achieve brand image. Ekwuruju (2012) regards positioning as a systematic process or set of strategic steps adopted by marketers to conspicuously attract attention, catch and seize the eyes of buyers and users.

Janiszewska and Insch (2012) reiterated that positioning is regarded as the combat for consumer's mind and assuming a unique position in the audience's mind related to a very specific and differentiating set of associations (Tybout & Stanthal, 2005). Positioning is the way a firm wants customers to perceive, think and feel about its brand than that of competitors (Florek & Janiszewska, 2007).

Concept of Marketing Wellness

Marketing wellness describes the health of a firm as an outcome of management processes and activities measured against nominated corporate goals or compared to the health of competing firms (Ateke & Kalu, 2016). It is a measure of a company's capacity to achieve set goals by optimizing scarce resources (Daft, 1991). Marketing wellness captures the outcome of management processes and organizational dexterity in terms of performance outcomes in relation to set goals of the firm and other considerations that are broader than what is usually captured in the firm's assessment and economic valuation by stakeholders (Fauzi, et al., 2010; Richard et al., 2009). A business organization is healthy if it is able to cope, survive and make progress (Amah et al., 2013) amidst the competitive pressures and demands of the business-scape.

Marketing wellness is an abstract concept that is not easy to measure directly. Firms therefore select indirect indices to represent it. The most frequently cited measures of marketing wellness include market share, sales turn-over, customer satisfaction, profitability, productivity, cost minimization and marketing development (Richard, 2009). In this study however, the measures of marketing wellness adopted are new product success and customer retention.

New Product Success

A new product is any innovative offering from a firm that seeks to satisfy consumers identified or latent needs (Ateke & Iruka, 2015). Ateke and Nwulu (2018) states that new product success is a measure of the degree to which a new product satisfies a need, meets consumers' expectation, is accepted by the target market and can be sold profitably. The emphasis in new product development literature has been on importance of designing and developing new products and introducing them to the market for continuing business success (Bhuiyan, 2011).

New product development is pivotal to profitability, continuity and growth of firms; and to improved standard of living and employment generation (Bhuiyan, 2011; Ulrich & Eppinger, 2011; Cooper & Edgett, 2008; Cooper, 2001). Being the earliest to bring innovation to market is often closely linked to business wellness in the fast-paced technology- intensive business environment (Ateke & Iruka, 2015). Also, new product development is a route taken by firms to enter new markets by tweaking products for new customers, using variations in core products to stay ahead of competitors and create interim solutions for industry-wide problems (Kotler & Keller, 2009).

In view of the contribution of successful new products to competitive superiority, company's ability to introduce new products has been accorded increased importance (Agarwal et al., 2007). New product introduction has become an attractive pathway to competitiveness, and a winning strategy; especially in businesses where product life cycles are relatively short (Jayaram et al., 1999).

Conversely, delayed introduction of new product lead to negative outcomes, including lower market share, lower margins and loss of customers' goodwill. Achieving new product success in a complex and evolving market is a capability that firms seek; since new product success is essential to continued wellness of firms; while new product failure results to wasted investment (Ulrich & Eppinger, 2011).

Customer Retention

Customer retention is a strategic tool used by firms to maintain long-term relationships with their customers. A high customer retention rate means low defection rate or low rate of switching. Here, we define customer retention to mean the number customers doing business with food and beverage firms at the end of a financial year expressed as percentage of those that were active at the beginning of the year.

According to Ramakrishnan (2006) customer retention is a marketing goal of keeping customers from going to competitors. It could also be seen as keeping customers active with the firm and the judicious allocation of marketing resources (Kitchalthon, 2006). Customer retention deals with increasing sales by continuously satisfying and serving customers so they keep coming back (Onyeniyi & Abiodun, 2008). Therefore, taking care of the customer's need today is not sufficient but knowing and predicting them is paramount to survival and growth of a business. Customer retention in food and beverage firms can be carried out in numerous ways via co-creation and customer loyalty schemes.

The food and beverage firms' involve customers to co-create the services thereby increasing the level of patronage of such services. Retaining food and beverage firm's customers can be done by providing efficient service beyond customer expectation as to maintain trust, commitment and satisfaction. Also, customers could be retained when there is a means for an open feedback from customers. This will ensure that the food and beverage firms' delivers in accordance with the customer's need expectation.

Customer when looked at in the area of cost implication is very crucial and important for food and beverage firms. Keeping or retaining customers is very important when the cost of acquiring them is much greater than the cost of keeping or retaining them. Kotler and Armstrong (1996) have observed that the cost of acquiring a new customer has been estimated to be five to six times higher than that of retaining existing ones. Customer retention benefits firms. Retained customers buy more; they are less price sensitive, they refer the brand to others, and become partners and co-creators.

Brand Positioning Strategies and Marketing Wellness

Various studies have attempted to link brand positioning to marketing wellness. Janisbewska and Insch (2012) revealed that brand positioning determine effective implementation of visual and communication related execution; and that brand positioning determines future brand development as the basis for gaining competitive advantage. Vukasonic and Barkovic (2015) analyzed the effectiveness brand positioning with the importance of knowledge management in Slovenia. The study found that brand positioning provides knowledge about the brand and its importance in brand knowledge management process.

Ateke and Akani (2018) examined brand positioning and marketing wellness of deposit money banks; and found positive and statically significant correlation between brand positioning and marketing wellness. This finding is in line with previous studies which showed that brand positioning confer competitive advantage on firms (see Vos et al., 2003; Kervyn et al., 2002).

Gupta et al. (2020) examined the impact of brand positioning on brand competitiveness in the UK. The study found that brand functionality created for business customers indirectly enhance brand competitiveness through marketing orientation. Moreover, it was established that brand differentiation directly and positively influence brand competitive in addition to building a strong brand. This study corroborated the finding of Aaker (2004, 1996). Reltedly, Harmen et al. (2004) studied brand positioning and brand personality in China; and revealed that brand functionality produces attributes of the brand and create purchase intention.

Keller (2012) found that brand functionality as an aspect of brand positioning is derived from functional and non-functional brand associations in consumers' minds. Functional performance considerations are often at the heart of what a brand has to offer and serves as the foundation that allow brands to engage with consumers in additional meaningful ways (Jimenez & Voss, 2014; Aaker et al., 2010).

Aaker (1996) reiterated that entering a new market does not just happen, but if firms successfully position their products or brand, they can change their success story. Aaker et al. (2010) and Aaker (1996) have shown that well positioned brand retain high level of trust, esteem, perceived quality and even perceived innovativeness.

Brand positioning in the past centered on achieving preference on the basis of differentiation, and customer satisfaction within a set of brands under considerations for a given application (Sinclair & Keller, 2014). But in today's marketing environment, unless a brand maintains its relevance as categories emerge, change, and fade, narrow application reference may not be sufficient (Aaker (2004). This indicates that brand differentiation that results from brand positioning enhance marketing wellness and give firms a competitive advantages (Johnson & Scholes, 2012; Walters & Knee, 2011; Hammerschmidt & Donnevert, 2008; Lafferty, 2007). Based on the empirical and anecdotal evidences marshalled above, we hypothesize that:

Ho_1: Brand positioning has not significant relationship with new product success.

Ho_2: Brand positioning has not significant relationship with customer retention.

METHODOLOGY

This study adopted a correlational research design. The population of the study comprised 24 registered food and beverage firms. The study took a census. Bruman and Bell (2003) suggested that when the population of study is small, the entire population frame should constitute the sample size. The test of hypotheses was carried out using Spearman's Rank Order Correlation at 0.05 level of significance, using the Statistical Packages for Social Sciences (SPSS) Version 23.0. Out of 192 copies of questionnaire distributed 180 copies 93.75% were completed and returned. However, 168 copies (93.3%) were found fit for the analysis. A validity test which showed the level of the capability of a scale to determine the proposed idea and the extent to which a measurement relates to the variable that it was purported to measure was carried out and the methodology and findings of this study were justified through a reliability test. The reliability test as shown in Table 1 below has a cronbach alpha value of ≥ 0.7 which was accepted as a reliable measure (Bryman & Bell, 2003).

Table 1: Result of Reliability Test

Construct	Cronbach's Alpha
Brand Positioning Strategies	0.718
New Product Success	0.755
Customer Retention	0.794

Source: Research data output 2023, and SPSS Version 23.0.

TEST OF HYPOTHESES AND RESULTS

Table 2: Correlation between Brand Positioning and New Product Success.

			Brand Positioning	New Product Success
Spearman's rho	Brand Positioning	Correlation Coefficient	1.000	.641**
		Sig. (2-tailed)	.	.000
		N	168	168
	New Product Success	Correlation Coefficient	.641**	1.000
		Sig. (2-tailed)	.000	.
		N	168	168

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

Source: Research Data 2023 and SPSS output version 23.0

The correlation coefficient (r) = .641** shows that a significant positive relationship exists between brand positioning and new product success. The *rho* coefficient of 0.641 indicates this relationship and is significant (PV 0.000<0.05).The *rho* coefficient is high, and is suggestive of a strong relationship. Therefore, the null hypothesis was rejected. Thus, brand positioning significantly relates to new product success.

Table 3: Correlation between Brand Strategies and Customer Retention

			Brand Positioning	Customer Retention
Spearman's rho	Brand Positioning	Correlation Coefficient	1.000	.439**
		Sig. (2-tailed)	.	.000
		N	168	168
	Customer Retention	Correlation Coefficient	.439**	1.000
		Sig. (2-tailed)	.000	.
		N	168	168

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Research Data 2023 and SPSS output version 23.0

The correlation coefficient (r) = .439** shows that there is a significant positive relationship between brand positioning and customer retention. The *rho* value of 0.439 indicates this relationship and it is significant (PV 0.005 <0.05). The *rho* coefficient represents a moderate relationship between the variables. Therefore, the null hypothesis was rejected. Hence, brand positioning significantly relates to customer retention.

DISCUSSION OF FINDINGS

This study examined the relationship between brand positioning and marketing wellness of food and beverages firms. The results of the empirical analyses conducted, revealed a significant relationship between brand positioning and marketing wellness in terms new product success and customer retention. The findings reinforced the findings of previous studies that linked brand positioning to marketing wellness. For instance, Ateke and Akani (2018) showed that brand positioning strongly relates to marketing success of deposit money banks; while Ateke and Nwulu (2018) showed that corporate branding inform marketing success of quick service restaurants.

The current findings also align with the report that brand positioning determines effective implementation of visual and communication related execution and that brand positioning determines future brand development as the basis for gaining competitive advantage, especially in the context of global changes (Janisbewska & Insch, 2012). In addition, the findings support the view that brand positioning provides knowledge about the brand and its importance in brand knowledge management process (Vukasonic & Barkovic, 2015). Furthermore, the present findings are in line with previous reports that brand positioning enable firms gain competitive advantage and also confer good health on firms in the dynamic marketing place (Ateke & Akani, 2018).

CONCLUSION AND RECOMMENDATIONS

The important of positioning a brand has gained growing attention among scholars and managers as a key factor for marketing wellness in the food and beverage industry. Well positioned brand attracts customers through functional, relevance and unique features, hence, increasing brand success. The study therefore, concludes that brand positioning influence marketing wellness of food and beverage firms in Rivers State; and recommends that food and beverage firms that want to improve their marketing wellness should ensure that their brand are well-positioned to attract customers.

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