

Analysis of brand positioning and branding for the development of new brand positioning model

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ABSTRACT

Nowadays, when the saturation of competition and offers is significant barrier to brands entering the market and maintaining their position, accurate and smart brand positioning is essential. Brand positioning as a complex greatly affects the successful operation of the company and that is important stage in the asset management strategy of the trademark.

Within the framework of the work, research is carried out into the existing models of brand positioning and branding in order to determine the components of positioning and branding, which provide a comprehensive overview of the approaches used.

The studied models contain unique attributes that allow to determine the origin, method, and purpose of brand positioning. New brand positioning model is created within the research and developed new model includes components of the existing different brand positioning models offering a holistic approach to brand positioning. The developed model includes four dimensions of brand positioning, defining the following dimensions: parts involved, areas involved, brand positioning objectives and the result of brand positioning. In the next research stage, the author will develop measurement criteria for the brand positioning model, so that the model can be used as a brand positioning method for brand positioning audit and as a tool to determine the direction of brand development.

Keywords: Brand positioning, Marketing, Brand positioning model, Branding.

1. INTRODUCTION

Amount of information nowadays is overwhelming, because of available information tools and competition. Strong brands use to have targeted marketing strategy to be visible, unique, and recognized in the market, with efforts to attract the target audience. Brand positioning can be done intuitively or purposefully and consciously, but in any case, the position in market and the stakeholder's perception of the brand depends on brand positioning process.

Different models of branding and brand positioning are available using different approaches. Each model offers its own unique attributes. Brand positioning models and branding models help to guide the positioning process in a purposeful way, and the author explores as comprehensive a positioning approach as possible within the article. The authors explore different methods for modelling, systematic approaches: Component-based approach, Analytical approach, Process approach, Systems approach, and Holistic approach. The authors concludes that three of them are used mainly in branding and brand positioning models: Holistic approach, Process approach and Components based approach. Brand positioning should be seen as a complex not only to create an attractive brand for the target audience, but also to reach positive benefits because of brand positioning accordingly to developed new brand positioning model within

the article: target audience belonging to brand, loyalty, values correlation with the stakeholders, appropriate status and price for successful business.

Subject of the study: models of branding and brand positioning. The unique attributes of the models are analysed, and a new brand positioning model is created.

Scientific aims of the research: 1. to determine approaches of systematization; 2. identify 9 brand positioning and branding models; 3. determine the unique attributes of each model; 4. create new model of brand positioning; 5. new model adequacy check of the holistic approach by comparing the elements of the existing models with new model.

Conclusions: The studied models contain unique attributes that allow to determine the origin, method, and purpose of brand positioning.

Findings: By analysing the unique attributes and elements of existing models, a new brand positioning model is created. Developed new brand positioning model includes components of the existing brand positioning models offering a holistic approach to brand positioning. The developed model includes four dimensions of brand positioning, defining the following dimensions: parts involved, areas involved, brand positioning objectives and the result of brand positioning.

Period of research: year 2022.

2. METHODOLOGY OF THE RESEARCH

To achieve the aim of the paper theoretical research and empiric research was done. Several research methods were used:

1. theoretical literature review and overview;
2. qualitative content analysis;
3. expert focus group;
4. a new model has been created as a result of analytical synthesis method.

Theoretical literature analysis was conducted with aim to study brand positioning and values term, the role of values in positioning and their effect on business development. After literature analysis qualitative content analysis was done for literature study and systematic review about models of branding and brand positioning. Unique attributes of each model are determined. The involvement of experts in the evaluation of the model was performed as a focus group, for the analysis of the elements to determine whether the approach used is holistic, and does the new model include all the elements found above. New brand positioning model accordingly to holistic approach is created by authors of article.

3. THEORETICAL BACKGROUND

Brand positioning is a process that takes place in creating and developing a brand. Brand positioning directly determines what brand image is formed in customers and other stakeholders' mind and heart. Studying positioning concept theories, one of the most important questions in marketing strategy is particularly brand

positioning in market (Keller, 2001; Kotler, 1999; Lury, 2005; Trout, 1969; 2000 et.cet.). Positioning includes several elements, and brand positioning covers the following important factors:

1. brand position in the market (differentiation, competitiveness, knowledge of trends);
2. product / service concept;
3. brand identity and image;
4. utility of brand;
5. brand communication and brand relationship with stakeholders;
6. stakeholders' involvement and loyalty (belonging to the brand).

Correlation of values of the brand with the stakeholders creates relationship between brand and customers or stakeholders. There is unifying element – values as the main influencing factor of decision making and action [1].

The importance of **correlation of the values** of the brand with the parties involved is determined by Hume as early as the 18th century, he claims that moral distinctions are derived from feelings of pleasure and pain of a special sort, and not from reason (Humes, 1739). Hume studied the dynamics of human choice, he considered that decisions are directly related to our “passions,” however, we preferred to say otherwise. While understanding undeniably matters, any choice becomes applicable with emotional force [2]. Similar findings apply to brand positioning – Trout states that positioning result forms in human's perception (Trout, 1969) [3], and marketers need to target not only the minds of the customers but also their hearts and wellbeing (Kotler, 2016) [4]. Therefore, it is essential to delve deeper into customer understanding in order to understand the values and motivation associated with them. Positioning's purpose is not to create something new but to interact with what is already in people's minds using existing responses. To change existing fundamentals in people's minds is challenging. Brand positioning is system organized by companies which allows to find the way to person's consciousness (Trout, 2000) [5].

Describing brand positioning guidelines, Kevin Lane Keller mentions, that developing a good positioning, first, a good positioning has a “foot in the present” and a “foot in the future” besides other factors (Keller, 2013) [6]. It is important not only to know the market and competitors, but also it is necessary to know future trends for successful business development and accurate, purposeful brand positioning. The introduced new products in market as well as the reflection of the concept reach the consumers with a time lag, therefore new products development and brand positioning must take place with a view to the future.

Brand positioning approaches

The author explores different methods for modelling, approaches: Component-based approach, Analytical approach, Process approach, Systems approach, and Holistic approach, and concludes that three of them are used in branding and brand positioning models, Figure 1 reflects the consistency of the models used in the study with the methods as an approach.

Holistic approach, Process approach and Components based approach are the predominant approaches used in the research.

Figure 1 reflects the consistency of the models used in the study with the methods as an approach.

Models of branding and brand positioning

Different models of brand positioning and branding models are available using different approaches. Each offers its own unique attributes. Brand positioning models and branding models help to guide the positioning process in a purposeful way, and the authors explore as comprehensive a positioning approach as possible within the article. Brand positioning should be seen as a complex for reaching benefits for company.

Authors propose 9 brand positioning models for further analysis, see Table 1.

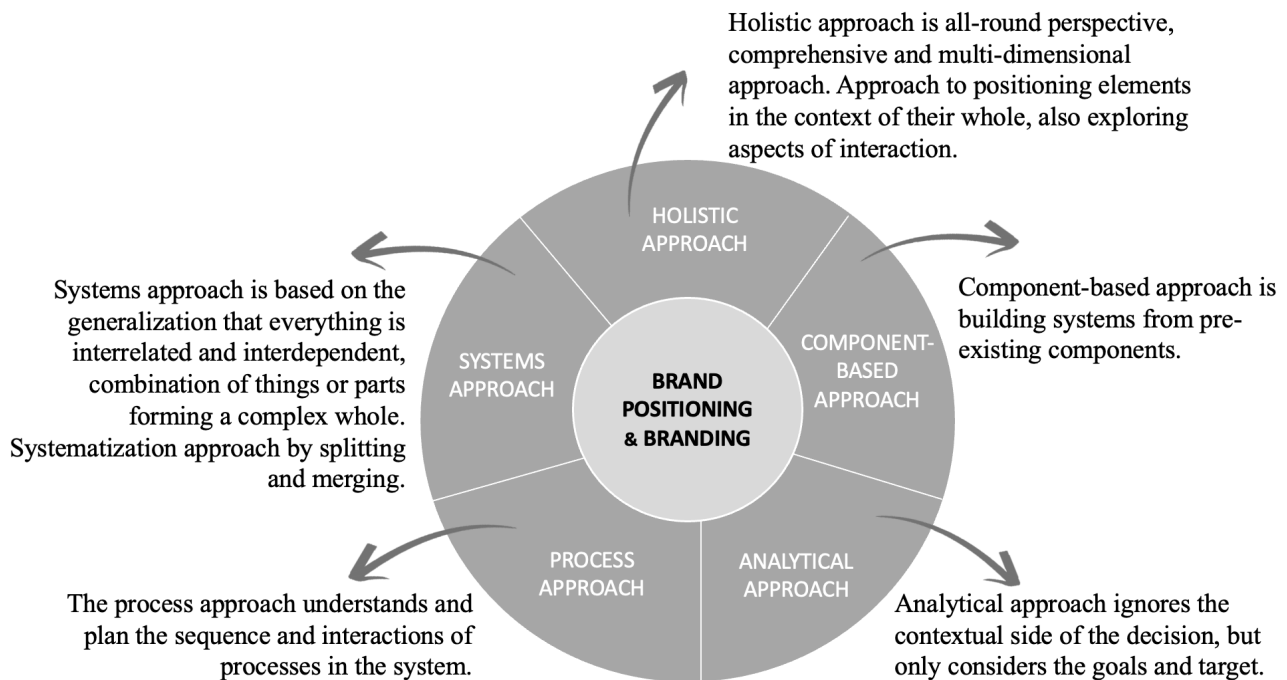


Figure 1: The method frequency for models of branding and brand positioning (authors' developed framework)

Table 1
Brand positioning and branding models
(authors' adapted framework)

No.	Year	Author	Name of Model
1	1986	Park W. et al	Brand concept management (BCM)
2	1996	Aaker D.	Brand Identity Planning Model
3	1999	Urde M.	Brand Hexagon
4	2001	Keller K.L.	Customer based brand equity model
5	2002	Davis S.	Brand asset management process
6	2003	Urde M.	Internal and external core value-based brand building process
7	2010	Kotler Ph. et al.	The 3i Model
8	2011	Urde M.	The market and brand-oriented framework
9	2016	Kotler Ph.	6-step branding conceptual model

The proposed models, viewed and analysed together, provide a comprehensive view of brand positioning:

1. Park et al. present a normative framework, termed **Brand concept management**, for selecting, implementing, and controlling a brand image over time (Model No.1, Park et al., 1986) [7].
2. Aaker with **Brand identity planning model** proposes the use of a strategic brand analysis as a starting point in planning brand identity. This analysis consists of the analysis of customers, competitors, and the firm itself. Customer analysis includes factors such as motivation, trends, needs, and segmentation. The firm must determine the functional, emotional, and self-expressive benefits that customers seek. It is also necessary to conduct an analysis of current and future competition. Brand positions as well as the strengths and weaknesses of competitors are important inputs. The key to differentiating the brand lies in knowing how competitors are perceived among customers. Another important issue is how competitors want to be perceived which for instance is seen in their advertising (Model No.2, Aaker, 1996) [8].
3. Urde have developed **Brand Hexagon** – the model integrates brand equity and brand identity with a company's direction, strategy and identity. Both: emotions and rational thought are involved, and consumer's perception and company's intentions are included in brand positioning. At the centre of the model lies the core process of brand meaning creation, which includes the positioning and core values (Model No.3, Urde, 1999) [9].
4. According to the Keller's created **Customer based brand equity model**, building a strong brand involves four steps: 1) establishing the proper brand identity, that is, establishing breadth and depth of brand awareness, 2) creating the appropriate brand meaning through strong, favorable, and unique brand associations, 3) eliciting positive, accessible brand responses, and 4) forging brand relationships with customers that are characterized by intense, active loyalty. Achieving these four steps, in turn, involves establishing six brand-building blocks – brand salience, brand performance, brand imagery, brand judgments, brand feelings, and brand resonance. The most valuable brand-building block, brand resonance, occurs when all the other brand-building blocks are established. With true brand resonance, customers express a high degree of loyalty to the brand such that they actively seek means to interact with the brand and

5. share their experiences with others (Model No.4, Keller, 2001) [10].
5. Davis suggests follow to **Brand asset management process**, which involves 11 steps in 4 phases: 1) developing a brand vision, 2) determining the company's "brand picture" by understanding consumer perceptions about the brand and of competitor brands, 3) developing a brand asset management strategy, in order to determine the correct strategies for achieving goals according to the brand vision, 3) supporting a brand asset management culture (Model No.5, Davis, 2002) [11].
6. **Internal and external core value-based brand building process** by Urde offers the framework, based on the idea that a brand's identity is developed as a continual and ongoing interaction between the identity of the organisation and the customer. In this way, the organisation's values, overall mission, and vision of what is to be achieved – beyond generating profits – obtain their true meaning. Brands can therefore be seen as symbols of an organisation's efforts and ambitions (Model No.6, Urde, 2003) [12].
7. Emotional marketing was introduced as a new emerging trend in Marketing 3.0 developing the **3i Model**, among other things. (Kotler et al., 2010) [13]. Kotler et al. purpose of the brand triangle is, that, according to model even though a brand may already have an identity in consumers' heads, it does not necessarily have to be a good one, and that firms need to be aware of that. It works as a reminder for businesses to be authentic, since consumers tend to quickly make up their mind whether a brand is authentic or not. According to Kotler et al. the brand positioning should be done effectively, reaching the target market and responding to the customer needs and wants. This gives the company a brand identity, but differentiation is needed for making sure it is a positive one, as the brand differentiation leads to the brand image. The positioning and differentiation on the other hand lead to the brand integrity which represents the fulfilment of one's promises. A brand with a good brand integrity makes promises of delivering value and lives up to that. For a successful company, all of these three components should be functional (Model No.7, Kotler et al., 2010) [13].
8. Urde et al. developed framework **The market and brand-oriented framework** shows schematically that outside-in and inside-out perspectives, respectively, reflect the market and brand oriented paradigms: they are different, but synergistic. This conceptual framework, generally used in the review and categorisation of existing brand models. Model offers the explicit and logical structure, clearly distinguishing the internal, core and external components of a corporate brand's identity (Model No.8, Urde et al., 2011) [14].
9. Starting from 2016 Kotler expanded **Branding conceptual model**, including two new elements in model: brand trust and brand beneficence. He points out that "marketers need to target not only the minds of the customers but also their hearts and well-being" (Kotler, 2016) [15]. According to Kotler the company should start by setting the brand's purpose, use positioning and differentiation to communicate the

Table 2

Unique attributes of the models (authors' developed framework)

No. of model	Name of the model	Basic, Delivered from	The method/ Approach	Purpose, direction
1	Brand concept management	Consumer needs	Process approach	Brand
2	Brand Identity Planning Model	Brand identity	Process approach	Brand
3	Brand Hexagon	Brand orientation	Holistic approach	Company & brand
4	Customer based brand equity model	Brand orientation	Holistic approach	Brand
5	Brand asset management process	Brand orientation	Process approach	Brand
6	Internal and external core value-based brand building process	Emotional marketing, values	Process approach	Brand & company
7	The 3i Model	Emotional marketing, values	Holistic approach	Brand
8	The market and brand-oriented framework	Brand orientation	Holistic approach	Brand & company
9	6-step branding conceptual model	Emotional marketing, values	Component-based approach	Brand

brand's purpose and ultimately enrich the brand's identity. Brand trust is essential, and the final

- consideration is whether the brand delivers brand beneficence. Does the brand serve well the person and the society (Model No.9, Kotler, 2016) [15]?

A brand must have a clear and consonant brand-positioning-differentiation-integrity standing. Inauthentic brands won't survive when word-of-mouth becomes the new advertising medium and consumers rely more on acquaintances in their network community more than on what companies say and advertise (Kotler, 2016) [15]. Furthermore, social networks also play a significant role as an extension of word-of-mouth, and precise and timely focus on brand positioning becomes particularly important.

Perspective of a "Theory of marketing"

In performing analysis of brand positioning and branding models, the authors developed theoretical aspects of brand positioning by adapting M.K. Ludicke's approach to the explanation of marketing by analysing the values from the *of*, *in* and *with* perspective (see Figure 2) [16].

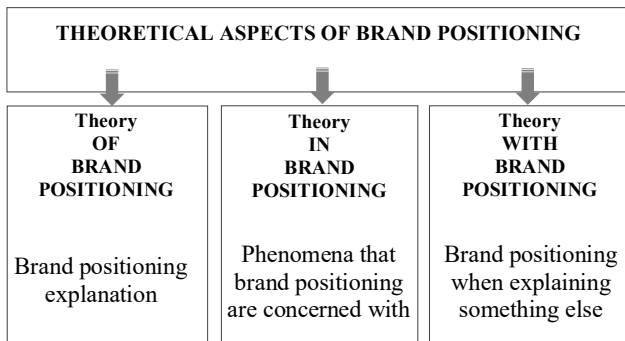


Figure 2: Theoretical aspects of brand positioning (authors' adapted framework)

The purpose of this section is to subsume the state of the brand positioning surrounding these three perspectives. *Of* values explain the nature of brand positioning, *in* brand positioning show a more detailed distribution of brand positioning to the related sub-categories, while *with* values explain other areas where a similar manifestation is observed.

4. ANALYSIS OF BRAND POSITIONING AND BRANDING MODELS AND DEVELOPMENT OF NEW BRAND POSITIONING MODEL

The authors perform a model analysis to identify the unique attributes and elements used. There are 9 models analysed within the article, see Table 1. The authors study existing models, their unique attributes and elements used in order to apply a holistic approach to the development of a new brand positioning model.

Unique attributes of models

Each model is characterized by unique attributes, and the authors summarize them in Table 2.

Within the research authors concludes that three of approaches are mainly used in branding and brand positioning models: Holistic approach, Process approach and Components based approach (see Figure 3).

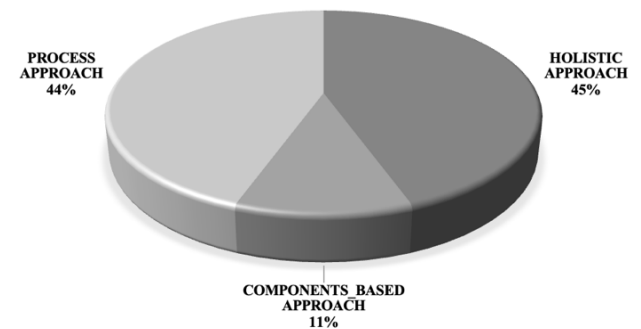


Figure 3: The method frequency for models of branding and brand positioning (authors' developed framework)

In order to clarify the systematic layout of brand positioning in the marketing section, the authors analysed brand positioning according to perspective of a “Theory of marketing” by adapting M.K. Ludicke’s approach (see Figure 2). The authors concludes that all the proposed models accord to a theory “in marketing” explaining phenomena that marketing is concerned with. Brand positioning do not explain marketing but is a subsystem of marketing.

Elements of the brand positioning and branding models

Within the research elements of brand positioning models are defined and collected using qualitative content analysis, see Table 3.

*Table 3
Elements overview of brand positioning and branding models
(authors’ developed framework)*

No. of Models	Elements of models
1	Brand concept stages (Introduction, Elaboration, Fortification); Brand concepts (Functional, Symbolic, Experimental); Positioning Strategies; Developing marketing mix; Consumer perceptions of image/position.
2	Developing a brand vision: Elements of a brand vision. Determining brand picture: Determining brand image; Creating brand contract; Brand-base customer model; Developing a brand asset management strategy: Positioning the brand; Extending the brand; Communicating brand's positioning; Leveraging the brand; Pricing the brand. Supporting a brand management culture: Measuring return on brand investment; Establishing a brand-based culture.
3	Positioning, core values, Product category; Product; Vision and mission; Brand name; Company name; Target

	audience. Awareness; Associations; Loyalty. Quality, Personality, Communication.
4	Brand identity model: Strategic brand analysis (Customer analysis, Competitor analysis, Self-analysis); Strategic identity system (Brand identity (Brand as product; Brand as organization; Brand as person; Brand as symbol)); Value proposition (Functional benefits; Emotional benefits; Self-expressive benefits); Credibility (support other brands); Relationship; Brand identity implementation system (Brand identity elaboration; Brand position; Brand-building programs; tracking).
5	Stages of brand development (Identity, Meaning, Response, Relationships); Branding objective at each stage (Deep broad brand awareness, Points-of-parity & difference, Positive, accessible reactions; Intense, active loyalty); Building blocks (Salience, Performance, Imagery, Judgments, Feelings, Resonance).
6	Internal brand building process (Mission, Vision, Organizational values, Core values, Brand architecture, Product attributes, Personality, Brand positioning, Communication strategy, Internal brand identity); Brand equity; External brand building process (Identity of the brand consumer; Interest & brand sensitivity; Brand awareness; Brand associations; Added values; Self-image; Relationship; Brand loyalty).
7	Brand identity; Brand image; Brand integrity; Brand; positioning; Differentiation
8	The brand promise and core values; Stakeholders (external); The organisation (internal). Market oriented approach; Brand oriented approach.
9	Brand purpose; Brand positioning; Brand differentiation; Brand identity; Brand trust; Brand beneficence.

When creating a new brand positioning model, the authors took into account that all elements would be included as much as possible in the positioning dimensions by grouping them. Analysing elements according to Table 3, authors concludes that

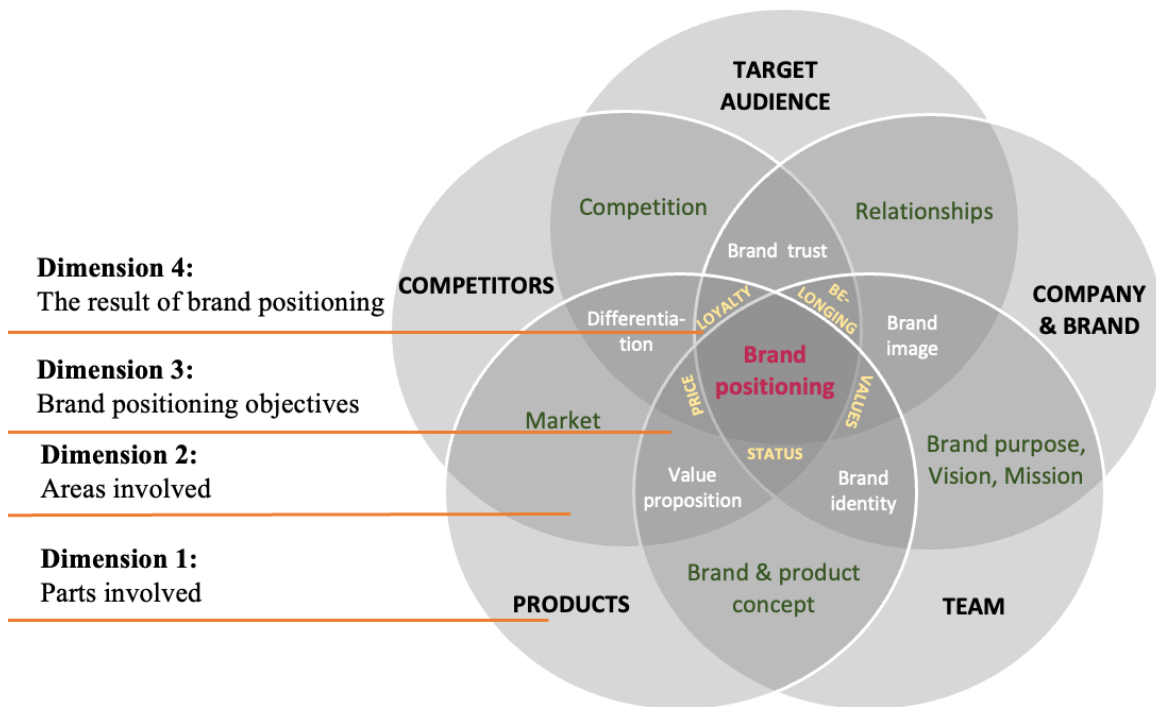


Figure 4: *New model of brand positioning (authors’ developed framework)*

elements of models can be grouped in four dimensions of brand positioning.

New model of brand positioning

Within the framework of the study authors develop new brand positioning model (Figure 4). New model is created accordingly to holistic approach as mentioned approach is all-round perspective, comprehensive and multi-dimensional method, see Figure 1. Developed new brand positioning model includes components of the existing brand positioning models what also confirms focus group results of experts involved (Figure 4). The developed model includes four dimensions of brand positioning, defining the following dimensions: parts involved, areas involved, brand positioning objectives and the result of brand positioning, see Figure 4.

In the next research stage, the authors will develop measurement criteria for the brand positioning model, so that the model can be used as a brand positioning method for brand positioning audit and as a comprehensive tool to determine the direction of brand development.

5. CONCLUSIONS

There are several conclusions within the research:

- Authors confirms that brand positioning do not explain marketing but is a subsystem of marketing.
- The studied models contain unique attributes that allow to determine the origin, method, and purpose of brand positioning towards new model development.
- The elements of proposed models can be grouped in four dimensions of brand positioning.
- Developed new brand positioning model includes components of the existing brand positioning models offering a holistic approach to brand positioning.
- The developed model includes four dimensions of brand positioning, defining the following dimensions: parts involved, areas involved, brand positioning objectives and the result of brand positioning.

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