UNIT 6 MARKET TARGETING AND POSITIONING

Structure

6.1 OBJECTIVES

After studying this unit, you should be able to:

- explain the concept of targeting;
- examine the methods for evaluating potential target markets;
- discuss the strategies for market targeting;
- describe the positioning process;
- explain the meaning and requirements for positioning;
- discuss the process of positioning;
- describe the process of selection of an overall positioning strategy; and
- explain the communicating and delivering strategy for the chosen positioning.

6.2 INTRODUCTION

You have already learnt the buyer behaviour and bases of segmenting the market. It is time now to understand how as a marketer you can target these markets and how the product offer can be positioned in the market. While segmentation explains whom to target for, targeting explains haw to target these markets. In this unit, you will learn the meaning and importance of market targeting, the evaluation of potential targets and strategies for market targeting. You will also learn the meaning and requirements for positioning and the process of positioning. You will be further exposed to the concept of repositioning.

6.3 MARKET TARGETING

By applying the learning from the market segmentation chapter, you as a business manager will be able to identify your firm's markets segment opportunities. These opportunities have to be evaluated to select either one or a number of strategically significant segments for launching your marketing program. It is a stage where tlie firm has to evaluate different segments and decide how many and which ones to target for . This method is called market targeting. **A target market is defined as a set of buyers sharing common needs or characteristics that the company decides *to* serve.** It is very important to select the target market to which the company decides to serve because knowledge about how the consumers decide, what are the criteria of buying products, the characteristics and life style of the targeted customers can help the marketers to develop a suitable marketing strategy. Every marketing strategy involves marketing expenditure and the return on a market program can only be identified if we are able to know the target market for which the marketing program is targeted. It is observed from research that a majority of the marketing expenditure is actually wastage of company resources as they are spent on non buyers. So an understanding of the nature and characteristics of the target market will help the marketer to derive higher returns on a marketing program. Knowledge on the target market and its growth and changes in attitude will help the marketer to modify and design new marketing programs for the success of the enterprise as a whole. Hence, an understanding of the target market and measurement of their altractiveness is a key decision in marketing.

6.3.1 Evaluation of Potential Targets

After the firm has identified the target markets, the next task is to evaluate the target segments. The marketing manager should look at five factors for evaluating each segment. They are: segment size and worthwhileness, segment measurability, segment attractiveness, accessibility of the segment, company objectives and resources. The company should first collect and analyze data on size of the current segment, growth rates in the past and the likely rate of growth from the market indicators for the future on short term and long term basis, and expected profitability from each segment. One of the best ways to calculate the profitability is to find out through tlie calculation of response elasticity. Response elasticity can be calculated by taking past marketing expenditures as independent variable and the returns from the past marketing expenditures in different periods of time. A graph of response elasticity where responses (sales) on the Y-axis and the corresponding marketing expenditures on the X-axis is a sufficient indicator about the profit growth potential in each of the segments. The myth of marketing says that the fastest growing and largest size markets may not be so for a long period of time. Hence future profitability may slow down as more competitors will enter in to the business looking at the profit potential. So a marketer should be careful about this behaviour of the market. The segments identified should be also measurable from its size and market share from the potential market. The segments should also be evaluated from the point of view of accessibility as there may be a very attractive segment available but the cost to reach at that segment and serve the segment will be higher compared to segments where potential may seem moderate. The Indian rural 'market suffers from this problem of accessibility. The company should also evaluate the resources available for market coverage. If the company lacks the skill and resources then it should concentrate on markets geographically closer or with a higher density if potential customers in limited markets called a niche segment.

6.3.2 Market Targeting Strategies

You have learnt the meaning of targeting, let us now look at what are the various strategic options available to the marketers for targeting their products and services in the market. The targeting strategy will largely depend upon the kind of product market coverage that the firm takes for the future. The resources, capabilities and intent of the respective firms influence this product market coverage decisions. The product market coverage strategies are broadly classified as concentrated marketing, differentiated marketing and undifferentiated marketing. Let us learn them in detail.

Concentrated Marketing : When company resources are limited and the competition is intense enough that the marketing manager has to stretch the market budget for market coverage, the companies follow a concentrated marketing strategy. The company decides to cover a large niche than fighting for a small share in a large market. It is an excellent strategy for small manufacturers those can stay closer to the segment and cater to the emerging needs of a close loop customers. This helps them to gather market share in small markets against strong and large competitors. Through concentrated marketing firms can achieve strong market positions in the segments or niches they serve because of the greater knowledge of the target customers and the special reputation they acquire. Medimix was a regional brand with a very strong South Indian presence that helped them to go for a national launch in a latter period. The firms can enjoy operating economies because of the specialization in production, distribution and promotion, which can give a higher return on the investments also. Concentrated marketing strategy has its own share of risk also. Looking at the profit potential large competitors may decide to enter in to this market, which may ultimately lead to a take over bid by the large player in business.

Differentiated Marketing: In differentiated marketing strategy, marketers target several market segments and design separate offers for each segment. They target several segments or niches with a varied marketing offer to suit to each segment needs. For example, Maruti as an automobile company has the distinction of having products for different segments. Where as its Maruti800 is targeted for the upcoming middleclass, the Baleno is targeted for the upper rich class people and Maruti Omni is targeted for large families. The main objective of offering varied marketing offer is to cater to different segments and get higher sales with a dominant position on each segment. Developing a stronger position within each segment creates more total sales than a mass marketing strategy across all segments. The risk involved in this kind of a marketing strategy is in the form of extra cost in marketing research, product development, different forecasting models, varied sales analysis, promotion planning and channel management. Trying to reach different market segments with different promotion plan involves higher promotion budget. Thus, the marketing manager has to decide the pay off between the higher cost and the higher sales due to such a strategy

Undifferentiated Marketing: Marketers may go against the idea of a segmented market and decide to sale the product in the whole market. Here the marketing manager ignores the idea of segment characteristics differences and develop a marketing program for the whole market. This approach keeps the over all marketing costs low and makes it easier to manage and track the market forces uniformly. Here the marketer tries to find out the commonality across the segments rather than focusing on the differences. The company designs a marketing offer and a marketing program that will appeal to the largest number of buyers with a mass distribution and mass advertising program. The problem of this strategy lies in finding a common product and marketing program catering to large number of custoiners with different characteristics and interests. Here the marketer finds it difficult to fight with focused players in business.

Choosing a Product - Market Strategy

As mentioned earlier, the market coverage strategy largely depends on company's resources and ability to cater to the market. The best strategy also depends on the product variability. Undifferentiated marketing suits best to uniform products and commodities like petrol, steel and sugar. The product's life cycle is also another important factor considered while selecting a market coverage strategy. At the introductory stage of a product, the company will prefer a single product in an undifferentiated market or concentrated market. In the maturity stage of the product life cycle, many players follow differentiated marketing strategy. If all the customers have uniform taste, buy the same amount and respond to a marketing program in the same way then market variability is minimum. So an undifferentiated marketing strategy is most suitable. Every marketing manager should also look at the competitor's marketing strategy. If the competitor is following a differentiated strategy with specific offer for distinct segments then an undifferentiated marketing strategy will be fatal to follow in the market but the vice versa is a suitable strategy for the marketer.

Check Your Progress-A

1. Distinguish between segmentation and market targeting.

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2. Distinguish between concentrated marketing and differentiated marketing.

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3. Explain the concept of segment evaluation.

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6.4 POSITIONING

After the company has decided its market targeting strategy, the next managerial challenge is to decide what position it wants to occupy in the selected segment(s). Kotler has defined product positioning as the way the product is defined by consumers on important attributes - the place - the product occupies in consumer's mind relative to competing products. Thus product's position reflects important attributes which a consumer gives to the product. It is the position in the perceptual space of the consumer's mind that the product takes in relation to competitor's products, which is often verbalized by customers on certain attributes. Product positioning depends on market structure, competitive position of the firm and the concepts of substitution and competition among products.

Product positioning reflects most of the features of the word position, For example, position of a place - what place does the product occupy in its market, a rank, how does the product fare against its competitors in various evaluative dimensions and a mental attitude - what are consumer attitudes i.e., the cognitive, effective and action tendencies towards the given product. Therefore product positioning should be assessed by measuring consumer's or organisational buyer's perceptions and preference for the product in relation to its competitors.

Brand positioning involves implanting the brand's unique benefits and differences in customer's mind. A Maggi noodle is positioned in Indian market as a convenience food, which can solve the frequent food demand of the growing kids. Dove soap is positioned as a premium brand in the market with high moisturizer content which can be used as a face wash also. Vicks Vapo-rub is positioned as a rub exclusively for the purpose of cold and cough relief.

6.4.1 Requirements for Positioning

There is a high decibel of marketing communication aimed at consumers of today. They are exposed to various level and type of communication through multiple media like newspaper, television, radio, internet and unconventional media like fairs, festivals, exhibitions, events and outdoor media. But the ability of the consumer to evaluate the information and remember all of them are limited by two factors. The consumer at a particular point of time pursues one consumption goal which makes other information redundant for him. Secondly, the ability of the consumer to process all the information is limited due to high level of distortion and poor retention rate in consumer's memory box. So consumers are overloaded with information in market place but consumer's intention and ability to process this information is limited. So to simplify the buying process and reduce the mental tension consumer's group information about competing products, and evaluate them on perceptual attributes depending on perceived quality to create distinct position in their mind.

A product's position is the complex set of perceptions, impressions and feelings that consumers have for the product in comparison with the competing alternatives available in the market. They position with or without the help of the marketers. **A** successful marketer provides requisite information to the consumer while the consumer is still in the process of developing a position through company's marketing communication program. Therefore, a marketer can plan positions to his product and can create a sustainable competitive advantage for the product in the selected segments. Rest other marketing strategy can support the position that is capable of providing sustainable competitive advantage to the firm. Each firm must create a set of differentiation or unique bundle of benefits that appeals to a substantial segment of the market place.

6.4.2 Positioning Process

A firm can decide a quality and price positioning in a single player situation as the customers do not have alternatives to compare with. However, it is observed that any successful positioning decision motivates the competitors to position their offerings in the same platform. Therefore, over a period product clusters are formed in the market with similar offerings. Instead of creating uniqueness in offer, this creates more confusion in the customer's mind and then a new position emerges in the market. Let us take Indian bathing soap category in to considerations, The market has more than fifty brands available in two distinct clusters viz. the Do Good category like Margo, Dettol and the Feel Good Category like Lux, Evita etc. Each one of these brands tries to create differentiation within the clusters by offering different brand values. But suddenly Fair and Lovely Launched a new category of shop which is a combination of Feel Good and Do Good variety and entered in to the market with its unique offering. The success of Fair and Lovely in the highly competitive market is attributed to identification of the competitive advantage and developing a marketing strategy based over that. A successful positioning strategy involves three steps: identifying a set of possible competitive advantages, upon which to build a position, choosing the right competitive advantage and selecting an over all positioning strategy. The company must then effectively communicate effectively and deliver the chosen position to the market.

Identifying Possible Competitive Advantages: The success of any marketing program largely depends on understanding the needs and characteristics of the target markets and delivering higher value to the customers in comparison to the competitor. When the company can position itself as providing superior value to customers, then we can say that the company has competitive advantage in the market place. If the company decides to position the product in the market as a superior product on quality dimension, then the brand should also deliver the same to the customers failing which there is likely to be consumer dissonance and subsequent rejection of the product by the customers. So positioning begins with differentiating the product on actual attributes so that the consumers will receive higher value than the competitor. A customer-oriented company can create a differentiation at all the stages of the value chain and not necessarily at the stage of product only.

A firm can create competitive advantage by deciding on the positioning in the industry, leveraging capabilities and neutralizing competition. The positioning in the industry is decided by identifying the entry'barriers and attractive segments and understanding the nature of the competitive game played by each player. The technological capabilities which the firm adopts, the reputation of the firm and the country of origin in the global marketing environment. The capabilities should be unique in nature so that they will be difficult to replicate by the competitors and these capabilities should be widely applicable across all the offerings in a multi product or service environment.

The uniqueness of the capability will provide sustainable competitive advantage to the firm. The third aspect of creating competitive advantage is by neutralizing competition. Competition inherently has a tendency to grow on its own as the profitability will attract new and major players to enter in to the business and competition for existing players is susceptible to imitation. Neutralizing competition demands a strategic perspective, which starts identifying who are your rivals in business. There may be large number of players but the firm has to decide with whom he has to fight in the market for that segment (identify the strategic group). The manager should understand the capabilities of the competitors which can be neutralized through tactics (a sales promotion program for instance) or a sustained effort is necessary to develop a strategy to neutralize the competition .The manager should try to create barriers to the imitation of his strategy.

Let us analyze the decision of Reliance Industries to enter in to the telecom business. To create competitive advantage and offer benefit the company invested heavily on the spread of optical fiber network in almost large part of the country. When everybody was using GSM technology, the firm decided to launch CDMA technology to have a technology advantage. As they decided to have an access through WLL, they targeted a larger market with a low cost pricing strategy e.g. making a call as low as forty paisa per minute to the customers. This created a sustainable competitive advantage for the firm as they do not have to take the lease from the carriers like BSNL and could bargain with competing carriers due to their own network facilitation benefit and due to technology advantage could stay at the top end of the market with a low price structure. Reliance has used all the three methods that we have discussed for creating competitive advantage in business of telecom in India, which needs huge investments for other firms to copy and save the firm from the imitation of the strategy.

A marketing offer can be differentiated based on the product, services, channels, people or image. Product differentiation is on a continuum. There are commodities that allow little variation, yet marketers can create differentiation. Chiquita as a company markets bananas all across the globe with a differentiation that its products are ripen on the tree and no artificial means are used for this and enjoys a premium in the market. On the extreme, we have highly differentiated products like automobiles, furniture and consumer durables that are differentiated for every product line and across all the manufacturers through the process of brand communication. The firms can differentiate products based on consistency, durability, reliance and precision.

Beyond differentiating at the physical level, firms can differentiate the accompanying services with the product. Companies like DHL talk about speedy delivery with accuracy and lesser damage and with convenience through home pick up for creating a differentiation in the courier service industry. Banks are differentiating their services based on twenty-four hour banking, ATMs, distributed customer interaction points and internet banking facility. Firms can create competitive advantage through channel differentiation by designing alternate channels through channel coverage, expertise and performance. Dell computer world wide created a competitive advantage through web based direct marketing and distribution model, which was difficult for many strong competitors to imitate in business. Real Value, Eureka Forbes and Amway are examples of business success with channel differentiation. People differentiation is another method for building differentiation in marketing offerings, Many companies handle their internal customers and groom them so that they can deliver the same service with a differentiation. Customers rate Singapore Airlines in flight services better. It needs a careful selection of the customer contact staff that can impress upon the customers through a professional approach. Image differentiation is also possible for firms operating at different stages of the choice spectrum where a company or brand image should convey the product's distinctive benefits and positioning. Development of a strong and distinctive differentiation largely depends on creative strategy by the brand communication expert. An enduring and distinctive image positioning is possible through consistent communication and matching product performance. The Kodak (red and yellow), The Sargam Tea (Distinct Green), Wipro (with Rainbow and catch line 'Applying Thought') are some of the stories of successful image differentiation in business.

Choosing the **Right** Competitive Advantage: After the identification of possible competitive advantages, the firm has to decide the best suitable one over which the positioning strategy will be based upon. Therefore, it should decide about the number of possible differences and which one in particular to promote.

Rosser Reeves has propounded about promoting a single difference on which the company has a distant advantage than its competitors. This strategy has come to be known as Unique Selling Proposition (USP). In the eighties Godrej refrigerator was promoted on the basis of one selling proposition called PUF which was unique to the brand at that point of time. While other refrigerators were selling with glass wool insulation Godrej introduced poly urethane foam (PUF) and had a distinctive advantage than its competitors. As we have said, the advantage should be such that it should be difficult for the competitor to copy, but a unique advantage always runs the risk of imitation and hence the firm will lose its competitive advantage very soon. In the case of Godrej, the competitors Voltas from the house of Tata and Allwyn entered in to the market with PUF and then the advantage was lost. Nevertheless, buyers tend to remember the number one always and hence the TOMA (Top of the Mind Awareness) test reveals about Godrej being identified with PUF slogan.

Other theory in marketing proposes that more than one difference should be promoted so that the flanker differences can take over as and when the major advantage is lost due to imitation. This strategy has come to be known as Extra Value proposition (EVP). When the mass market is fragmented with many players and each holding a substantial amount of market share to influence the marketing decisions of other players, companies are trying to broaden their positioning strategies to appeal to more segments. BPL washing machines positioning strategy is based on the fundamentals of extra value proposition. While they talk about the fuzzy logic technology as the main advantage, still they promote the other value proposition supporting the product superiority like rotary compressor, digital power switching etc. The second proposition is mostly seen in white goods industry. But as companies develop large number of positioning differences they tend to lose unique positioning and suffer from the dilution of this distinctiveness in the consumer's perception and risk an element of disbelief.

A manager should always avoid three kind of positioning errors. They are under positioning, over positioning and confused positioning. Many times, it is observed that buyers carry very vague idea or no idea about the company and its brands where as the company may be promoting the brand. This is due to under positioning of the brand on the uniqueness platform. The company is not known for any distinctive product or service attribute. Contrary to this, managers tend to give too narrow a picture about the company to the customers making the consumer think that the company only makes that variety of the product. Suffola as a brand suffered in Indian market because of too a narrow positioning strategy where as its competitor Sundrop broadened the scope of the positioning which helped the later brand to capture a larger market share. Finally, managers should avoid the situation of confused positioning where the buyer is left with a high level of confusion about the brand. In multi-product situations, managers tend to make such mistakes and the positioning of the flanker brands does not stand in coherence with the master brand. It is apprehended that the current range of Ayush toiletries will create consumer confusion for Hindustan Lever, as they are not known for herbal formulations. They have to promote "Ayush" as a separate line of business.

All brand differences are not worthwhile for positioning and they do not necessarily carry same meaning to the consumers. Each difference has the potential of an additional cost of communication and an additional benefit of revenue due to distinct differentiation. A difference should satisfy the following criteria:

Distinctive: Competitors cannot offer or the company can offer better than the competitor can.

Superior: The difference is superior to other ways that the customers might obtain the same benefit.

Profitable: The manager can introduce the difference with a profit,

Preemptive: Competitors cannot imitate the difference easily.

Affordable: Buyers can afford to pay for the difference.

Communicable: The difference should be communicable and visible to the buyer.

Important: The difference delivers a highly values benefit to target buyers.

6.4.3 Selecting an Overall Positioning Strategy

The product position strategy is decided by analyzing the features of the product, price, usage, etc. Let us first learn the bases for the product positioning which are discussed below:

Alternative Bases for Positioning

Marketers use a number of alternative bases for positioning their products. While positioning a product, specific features may be highlighted. Price and specific performance features are used usually as a basis for positioning. Let us learn them in detail.

Positioning on Benefits, Problem Solution or Needs: In this positioning strategy, the marketer highlights the benefits of the product to the consumer. For example, herbal cosmetics focus on natural products, no side effects, skin friendly, etc.

Positioning for Specific Usage Occasions: Here positioning is based on specific usage occasions. For example, Maggi 2 minutes noodles suggests preparation of snack as fast as possible.

Positioning for User Category: Product is positioned based on the category of the user. For example, Raymond's 'The Complete Man'. Another example is Electrolux's fully automatic washing machine whose users are those whose hands are cleaned, lotioned and nail polished, and they are sophisticated and intelligent. They would consider it insulting and way below their manicured dignity to turn more than one knob.

Positioning against another Product: Both implicit and explicit positioning strategies are used against rival products. For example, Thomson presents "what is missing in other televisions". It focuses the features of Thomson without naming its competitor. This is an example of implicit positioning. Another examples are: attribute charts shown by cars and televisions which highlight their own features without naming their competitor's name.

In the explicit positioning, the product is positioned by comparing its superior features with other products. For example, before launch, Telco positioned Tata Indica by claiming the features as - Maruti Zen's size, Ambassador's internal dimensions, the price of a Maruti 800 and with running cost of diesel.

Production Class Dissociation: It is a less common positioning strategy. It is effective when a new product is introduced and it differs from the typical products in an established category. For example, at the brand level most successful anti-product class positioning is that of 7-up with un-colapositioning.

Hybrid bases: In this strategy, marketers use a hybrid approach incorporating features from more than one bases for positioning.

Consumers will buy products and services which gives them the highest possible value among all the available alternatives. Therefore, managers should position the brands in such a way that they offer the highest value to the consumers. The over all effect of the brand and its full positioning is termed as value proposition i.e. the net combination of all the brand benefits over which the brand is positioned. Probably the value proposition is well answered by the consumer when he answers the reason of ownership of a particular brand. The consumer's possible answer may include: the value proposition alternatives like *buying more for more money* (premium positioning strategy), *more for the same* (comparable quality at a lower pricing point), The *same for less* (price performance positioning strategy), *Less for much less*(lower performance at a lower price point proposition), *More for less* (high value proposition).

6.4.4 Communicating and Delivering the Chosen Positioning Strategy

The managers should take the next step in communicating the selected position to the target audience. The marketing mix should support the desired positioning communication through integrated marketing communication. If the brand communication talks about a specific positioning proposition then the brand should deliver the same at trial as well as the adoption stage of the product. The marketing mix design involves the ractical execution of the strategic brand position decision. It is easier to find a good positioning platform but difficult to deliver the desired brand proposition as it involves coordination of the over all marketing function. A minor tactical failure may lead to loss of position built for the brand over a period. Rasna suffered in Indian market due to high level of brominized vegetable oil (BVO) content and lost its position as the largest soft drink concentrate brand of India. Therefore, after a company has built up the desired position, it should continue to monitor its position through continuous brand tracking and monitoring study. It is also necessary for the brand to evolve over aperiod with changing attitude and behaviour of the target consumer and changes in competitor's strategy. Any abrupt changes may also confuse the consumer. Therefore, a brand's position should evolve by adopting itself to the changing market dynamics.

6.5 REPOSITIONING

Repositioning is a critical decision in marketing. The manager can go for repositioning due to two reasons viz. the failure of the current positioning strategy due to the three positioning mistakes like under positioning, over positioning and confused positioning, the opening up of another positioning opportunity due to evolution of the customers on value life cycle or emergence of new technology to redefine the structure of competition. Brand managers normally undertake brand tracking and monitoring studies to identify the gap between the desired positioning or stated position through brand communication and the perceived position by the customers. Any substantial gap in these two measures will warn the brand managers to go for a reposition decision. Similarly, the customers and their value expectation from a brand undergo change over a period. Brands, symbols and ideas prevalent in one period may not stand significant at a different time due to this value migration of customers.

Therefore, a customer centric company will prefer to reposition the brand in this changing context. As we have already discussed the technology life cycle of a product also changes with every phase of innovation in product and its delivery to consumers. These kinds of changes demand repositioning of the product offer in the changing situation. S o repositioning is necessary. Repositioning will follow the same process like that of positioning as discussed with suitable modifications on the selection of competitive advantage in the new context.

Check Your Progress-B

1. What do you mean by repositioning?

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3. Explain the concept of competitive advantage.

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3. Enumerate the process of positioning of a product.

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4. State whether the following statements are true or false:
   i) Positioning is a product driven strategy.
   ii) Competitive advantage should be always sustainable,
   iii) Brand tracking and monitoring helps in repositioning decisions.
   iv) Leveraging capabilities decreases the competitive advantage.
   v) The decision of positioning is a strategic decision.

6.6 LET US SUM UP

Managers tend to define their market in specific terms through the method of target marketing. Target marketing involves three issues. These are market segmentation, market targeting and market positioning. The market targeting is done to find out the exact customers and learn their characteristics and response pattern to marketing program. By market targeting, a company can realize a higher return on investment as the effectiveness of the marketing program will increase. **A** market can be targeted through three methods. They are full market coverage, concentrated marketing and differentiated marketing. While full market coverage talks about delivering one product for the whole market without recognizing any significant difference in customer characteristics, differentiated marketing program regroups customers in to distinct groups and offers specific program for each market. Once the target markets are identified then the marketer should look in to the evaluation and selection of each segment for marketing profitability. Then the manager should decide about the positioiiing strategy of the firm.

The positioning strategy is an attempt by the marketer to create a situation by which the consumers will perceive the product differentiation and brand value delivery as superior to the competitors. A positioning decision is normally taken for creating a sustainable competitive advantage by the firm in the market place so that the competitors can not easily imitate the strategy and hence the firm will be able to generate higher profits. While positioning the brand in customer's mind the manager should be careful about the common mistakes of under positioning, over positioning and confused positioning. Failing in a positioning strategy leads a tnanager to reposition the brand again in the market through repositioning strategy. Brands and products need a constant monitoring in the market place so that the customer always receives an additional value compared to competitors due to brand ownership of the manager's brand.

6.7 KEY WORDS

Brand Positioning: It involves implanting the brand's unique benefits and differences in customer's mind.

Competitive Advantage: An advantage over competitors gained by offering consumer's greater value, either through lower prices or by providing more benefits that justify higher price.

Concentrated Marketing: When company resources are limited and the competition is intense enough that the marketing manager has to stretch the market budget for market coverage, the companies follow a concentrated marketing strategy.

Differentiated Marketing: When the marketers chose to target several segments or niches with a varied marketing offer to suit to each segment needs, it is called a Differentiated Marketing.

Positioning Strategy: It involves three steps: identifying a set of possible competitive advantages, upon which to build aposition, choosing the right competitive advantage and selecting an over all positioning strategy. The company must then effectively communicate and deliver the chosen position to the market.

Product position- The way the product is defined by consumers on important attributes. It is the position in the perceptual space of the consumer's mind that the product takes in relation to competitor's products, which is often verbalized by customers on certain attributes.

Segmentation Evaluation Criteria: They are segment size and worthwhileness, segment measurability, segment attractiveness, accessibility of the segment, company objectives and resources.

Target Market: A target market is defined as a set of buyers sharing common needs or characteristics that the company decides to serve.

Undifferentiated Marketing: Marketers may go against the idea of a segmented market and decide to sale the product in the whole market. Here the marketing manager ignores the idea of segment characteristics differences and develop a marketing program for the whole market

Value Proposition: The full positioning of a brand which includes the combination of all the benefits on which the brand is positioned.

6.8 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress B

B) 4. i) False ii) True iii) True iv) False v)True

6.9 TERMINAL QUESTIONS

1. Define market targeting and explain the procedure on how to target different markets.
2. What is competitive advantage? How can a competitive advantage be created for positioning the product?
3. How will you evaluate the potential of a target market?
4. What is value proposition? How managers can increase value proposition in a changing customer market?
5. Repositioning needs a continuous monitoring of the brand's performance in the market. Explain with suitable examples.

These questions will help you to understand the unit better. Try to write answers for them. But do not submit your answers to the University for Assessment. These are for your practice only.